

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c)(iii) THEREUNDER

1. Date of Report (Date of earliest event reported): January 28, 2011
2. SEC Identification Number: 60566
3. BIR Tax Identification No. : 004-504-281-000
4. Exact name of issuer as specified in its charter:

EAST ASIA POWER RESOURCES CORPORATION

5. Province, country or other jurisdiction of incorporation: Metro Manila
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/Postal Code: Ground Floor, Philippine Fisheries Development Authority, PFDA Building, Navotas Fishport Complex, Navotas City
8. Issuer's telephone number, including area code: (632) 282-9811
9. Former name or former address, if changed since last report: 20th Floor, OMM-CITRA Condominium, San Miguel Avenue, 1605 Pasig City
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Shares</u>	<u>3,554,720,004 Common Shares</u>

11. Indicate the item numbers reported herein: Item 9

Item 9. Other Events / Material Information

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In pursuant to the rules and regulations for publicly listed corporations, East Asia Power Resources Corporation would like to submit to the Honorable Commission a copy of the Corporate Governance-Self Rating Form, which we have further disclosed to the Philippine Stock Exchange of even date.

This is being filed and submitted to the Securities and Exchange Commission in order to comply with the requirements of Section 17.2(c)(iii) of the Securities Regulation Code and its Implementing Rules and Regulations.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EAST ASIA POWER RESOURCES CORPORATION

By:


NEKO LYREE USON - CRUZ
Compliance Officer / CIO
January 28, 2011

SECURITIES AND EXCHANGE COMMISSION

CORPORATE GOVERNANCE
SELF-RATING FORM
(CG-SRF)

1. Date of Self-Assessment: January 28, 2011
2. SEC Identification Number: 60566
3. BIR Tax Identification No. 004-504-281-000
4. Exact name of issuer as specified in its charter:

EAST ASIA POWER RESOURCES CORPORATION
5. Secondary License/Date Granted: Not Applicable
6. Province, country or other jurisdiction of incorporation: Philippines
7. Industry Classification Code: (SEC Use Only)
8. Address of principal office/Postal Code: Ground Floor, Philippine Fisheries
Development Authority, PFDA Building, Navotas Fishport Complex, Navotas City
9. Company's telephone number, including area code: (632) 282-9811
10. Former name or former address, if changed since last report: 20th Floor, OMM-CITRA
Condominium, San Miguel Avenue, Ortigas Center, Pasig City 1605

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the ratings and explanations set forth in the attached CG-SRF are true, complete and correct.

This report is signed in the City of Navotas on January 21, 2011.

By:


NEKO LYREE U. CRUZ
Compliance Officer


HONORIO S. CRUZ
Treasurer / OIC


PETER J. LAWRENCE
President

CORPORATE GOVERNANCE SELF-RATING FORM (CG-SRF)

EAST ASIA POWER RESOURCES CORPORATION

NAME OF COMPANY

LEADING PRACTICES AND PRINCIPLES ON GOOD CORPORATE GOVERNANCE	COMPLIANCE AREA	
	RATING	EXPLANATION/REASON FOR THE DEVIATION/ INCOMPLETENESS/ DELAY IN COMPLIANCE

A. BOARD OF DIRECTORS

Board roles, responsibilities, and skills		
1. The Board has independent director/s. (In case of registered/listed company, at least two or 20% of the members of such Board, whichever is the lesser.)	5	
2. The Board has a balance of executive and non-executive directors, including independent non-executives such that no individual or small group of individuals can dominate the Board's decision-making.	4	Of the nine (9) persons presently sitting as members of the Board of Directors, (8) members, including two independent directors, are non-executive directors.
3. The Board has guidelines for its directors on the number of memberships in other corporate Boards, which are being followed.	0	The Board does not have written guidelines on the number of memberships its members may have in other corporations. The Company and the Board believes that, so long as the members are able to properly discharge their functions as members of the Board of the Company and there is no actual or apparent conflict of interest, the members may sit as members of the board of directors of other corporations. The Board also believes that the provisions of Sections 31 to 34 of the Corporation Code of the Philippines provide adequate protection to the Company. Incidentally, it has been the

		practice of the Company to appoint and/or allow members of the Board to sit as members of the board of directors of its subsidiaries and/or affiliates. The Board, however, seeks to establish, concurrently with the review of the Company's Manual on Corporate Governance, a set of guidelines for memberships in the board of other corporations, in the interest of good and effective corporate governance.
4. The Board has, collectively, a mix of appropriate skills, knowledge and experience.	5	The members of the Board have experience and proficiency in various fields, including finance, legal, and management and administration. Some of the members also have knowledge and experience in the electric energy business, where the Company's subsidiaries are engaged in.
5. The powers, roles, responsibilities and accountabilities between the Board, the Chief Executive Officer and management are clearly defined.	5	The Company's Manual on Corporate Governance enumerates the duties and responsibilities of the Board and its individual members to the Company, its shareholders and other stakeholders. The Amended By-Laws of the Company moreover provides for delineation of the powers, roles, responsibilities and functions between the Board, the President/Chief Executive Officer, and other officers of the Company. In addition, the Company maintains a set of authority limits provided for in the Company's Controllers Policies and Procedures Manual specifying the levels of authorities of the Board, the executive officers and other members of management. Thus, the Board, the President/CEO and other executive officers of the Company, and members of management can only act if and when permitted, in accordance with the Amended By-Laws, the Controllers Policies and

		Procedures Manual or when duly authorized to do so.
6. The roles and responsibilities between the Board, the Chief Executive Officer and management are clearly segregated.	5	See explanation for Item 5.
7. The Board establishes the corporation's vision and mission, strategic objectives, policies and procedures that guide and direct the activities of the company and the means to attain the same as well as the mechanism for monitoring management's performance.	4	Under the Company's Manual on Corporate Governance, the Board is tasked with the duty to determine and establish the Company's purpose, its mission and vision, and strategies to carry out its objectives. At present, the Company adopts the mission and vision statements set by the previous Board of the Company in 1997. The said mission and vision statements have not been modified or amended and is, at present, in full force and effect. The policies and procedures of the Company, such as the Controllers Policies and Procedures and the Personnel Policies, are, on the other hand, developed and improved so as to reflect and address the specific needs and conditions of the Company.
8. There is a good understanding of management's responsibilities in relation to internal control.	5	The Company has established authority limits in its Controller Policies and Procedures Manual which are distributed and disseminated to management for ready reference and compliance.
9. The decisions that are being made by the Board are clearly documented and understood.	5	Every meeting of the Board is clearly documented in the minutes of such meeting.
Independence		
10. The majority of the Board are independent of the Chief Executive Officer, management team and commercial dealings with the organization.	5	Eight (8) members of the Board, including two independent directors, are not executive officers and members of management of the Company. The Company is not aware of any commercial dealing between a member of the Board and the Company.
11. There are sufficient numbers on the Board to achieve independence, but not too many to become inefficient.	5	Majority of the Board members are not part of the executive and/or management team of the Company, sufficient enough to constitute an independent

		Board, which, at the same time, does not hamper the Board from carrying out its powers and functions efficiently and effectively for the best interests of the Company.
Board Resources		
12. The Board members have access to independent professional advice to enable them to discharge their duties.	5	The Company retains a number of professional legal and, occasionally, financial advisers tasked to assist the members of the Board, and the executive officers and management of the Company in the discharge of their duties.
13. The corporate secretary has the primary role of supporting the Board and chairperson.	5	The Company's corporate secretary and assistant corporate secretary are lawyers tasked to perform such duties and responsibilities as the Company's Manual on Corporate Governance, Amended By-Laws and the Board may from time to time require.
Board Performance		
14. There are mechanisms to monitor the performance of the Board and individual Board members.	2	The Company's Manual on Corporate Governance establishes the duties and responsibilities of a director of the Company. The mechanisms to monitor the performance by each director of these duties and responsibilities are, however, not yet in place although proposals have already been advanced for consideration, together with the review of the Company's Manual on Corporate Governance. Nonetheless, the Company believes that, notwithstanding the absence of these mechanisms, each director of the Company diligently and conscientiously exercises these duties and responsibilities.
Board Committees		
15. The company has an audit committee.	5	Pursuant to the Company's Manual on Corporate Governance, it has established an audit committee.
16. It has a nomination and election committee.	5	Pursuant to the Company's

		Manual on Corporate Governance, it has established a nomination and remuneration committee.
17. It has a compensation committee that monitors compensation, benefits, and succession planning.	5	See explanation for Item 16.

B. MANAGEMENT

Code of Conduct		
18. There is a written Code of Conduct to be followed by the Board, Chief Executive Officer and staff.	5	The Company has established an Employee Code of Good Behavior contained in its Personnel Policy Manual which is applicable to all officers and employees of the Company. As regards the members of the Board, their duties and responsibilities are governed by the Company's Amended By-Laws and Manual on Corporate Governance, and the applicable provisions of the Corporation Code of the Philippines, particularly Sections 31 to 34 thereof.
19. The Code of Conduct is communicated and understood by the Board, Chief Executive Officer and staff.	5	The Company's Personnel Policy Manual has been communicated and conveyed to the officers and employees of the Company, and the members of the Board have been apprised on their duties and responsibilities under the Company's Amended By-Laws and Manual on Corporate Governance, and the applicable provisions of the Corporation Code of the Philippines.
20. There are appropriate policies and procedures necessary to identify any potential conflicts of interest.	5	The Company has an established policy on conflict of interest in its Personnel Policy Manual which is applied to all officers and employees of the Company. The Personnel Policy Manual identifies the instances where a conflict of interest exists, provides disclosure requirements, and establishes the procedures and consequences for the violation of the conflict of interest policy of the Company.

21. There are adequate policies and procedures, which deal with potential conflicts of interest, once identified.	5	See explanation for Item 20.
Strategy Setting and Planning		
22. The company has an overall organizational plan, which is supported by a business plan, budgets and marketing plan (if necessary).	5	By the very nature of the Company's business, it does not see the need nor the necessity of preparing a formal marketing plan although the Company adopts an annual budget. The Company, however, has a direct participation in the formulation of business strategies, budgets and marketing plans of its operating subsidiaries.
23. It has clearly defined performance measures (operational and financial) that are incorporated into the plans.	5	See explanation for Item 22.
24. The Board approves the budget set by management and revisions thereto.	5	See explanation for Item 22.
Financial and Operational Reporting		
25. The reports contain performance measures, financial and non-financial, which enable the efficiency and effectiveness of the organization to be assessed.	5	The reports show comparison against working budget, prior month and year-to-date results.
26. The reports are tailored to particular levels of responsibilities.	5	The reports are standard to all levels of responsibilities and include financial position, results of operations and variance analyses.
27. The reports efficiently and effectively communicate key financial data.	5	The reports explain variances against budget and prior periods results.
28. The financial reports show a comparison between year-to-date, budget, last year-to-date and full-year data.	5	See explanation for Item 25.
29. The financial reports are supported by explanations of significant variations.	5	See explanation for Items 25 and 27.
30. The financial reports are provided to the Board prior to Board meetings.	5	The financial reports are attached to the agenda distributed prior to Board meetings.
31. The Chief Executive Officer receives periodic financial reports at least on a monthly basis.	5	The Company's Chief Executive Officer receives monthly financial reports and is, when necessary, briefed as to their contents.
32. The financial reports are derived directly from the underlying accounting systems and have a quality assurance process over the compilation of the reports.	5	The financial reports are derived following the International Accounting Standard (IAS) and Rules 68 and 68.1 of the Implementing Rules and Regulations of the Securities Regulation Code. The Company has also availed of the use of the

		Oracle system to ensure quality compilation of data.
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C. ORGANIZATIONAL AND PROCEDURAL CONTROLS

<p>33. The roles of the Chairman and CEO are not separate but there are adequate checks and balances to help ensure that independent, outside views, perspectives, and that judgment are given proper hearing in the Board.</p>	<p>5</p>	<p>The positions of Chairman and CEO is currently being held by one person who is an executive of the Company with the majority of the Board being of non-executive and independent from the management gives the assurance of a balanced view and perspective with regards to matters pertaining to board decisions.</p>
<p>34. There is a process of selection to ensure a mix of competent directors as well as qualified CEO and senior officers.</p>	<p>5</p>	<p>Pursuant to the Company's Manual on Corporate Governance, it has established a Nomination and Remuneration Committee. Pursuant to its mandate, the Company's Nomination and Remuneration Committee evaluates the qualifications of nominated directors and company officers to determine their fitness for the position. The Nomination and Remuneration Committee's findings are presented either to the directors or shareholders of the Company, whenever applicable, for approval and confirmation. Based on the recommendations of the Nomination and Remuneration Committee, the election of the Company's directors are left to the discretion of its shareholders, in accordance with the Company's Amended By-Laws and the relevant provisions of the Corporation Code of the Philippines. From the duly elected directors, the Board selects and elects the Chairman of the Board and the President and CEO of the Company likewise based on the recommendations of the Nomination and Remuneration Committee, in accordance with the Company's Amended By-</p>

		Laws. All other executive officers of the Company are also selected and elected by the Board based on the recommendations of the Nomination and Remuneration Committee which is tasked to evaluate the qualifications and experiences of such officers relevant to the positions such they will be occupying.
35. There is a professional development program for employees and officers and a succession plan for senior management.	0	Despite the lack of a written professional development program for employees and officers of the Company, the Company encourages and sends its employees and officers concerned to relevant seminars, conferences and trainings in order to further develop and enhance their skills and knowledge which they, consequently, could further contribute to the development of the Company. As regards the succession plan, the Company intends, together with the review of the Company's Manual on Corporate Governance, to develop and establish a succession plan for its senior management.
36. There is a sound system of procedural and financial delegations approved by the Board. It promotes efficiency as well as control.	5	The Authority Limits provisions of the Company's Controllers Policies and Procedures Manual set the procedural and financial delegations in the Company. The said Authority Limits aims to provide the management with flexibility in running the business effectively, efficiently and profitably and to maintain effective internal controls by defining the accountability of executives and managers.
37. There are appropriate decision-making processes adopted by the Board. There is a clear distinction between what decisions should be made by the Board and those decisions that should be made by the organization's management.	5	The Authority Limits provisions of the Company's Controllers Policies and Procedures Manual identify the matters which require the approval of the Board. In addition, the Amended By-Laws of the Company provide for

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		delineation of functions between the Board and the executive officers of the Company.
38. There is a process governing policy development, implementation and review, which ensures that Board approves new policy.	5	It is the Company's practice that any review of, amendment to, change in and addition to any of the Company's policies expressed in its Personnel Policy and Controllers Policies and Procedures Manuals are initiated by the officer in charge and thereafter presented to the executive officers concerned, the President and CEO, and/or the Board for positive endorsement and/or approval.
39. There are written policies and strategic guidelines on major capital expenditures.	5	The Authority Limits provisions of the Company's Controllers Policies and Procedures Manual provide for the guidelines on every minor and major capital expenditures of the Company, including unexpected unbudgeted expenditures. The said Authority Limits provisions further identify the matters that must be referred to the Board for approval.
40. There is a process to ensure that the corporation complies with all relevant laws, regulations, and codes of best business practices.	5	The office of the corporate secretary and the legal and auditing firms retained by the Company, see to it that the Company is compliant with all relevant laws, regulations and codes of best business practices. In addition, the Company's Manual on Corporate Governance sets the tenor for the Company's compliance with all relevant laws, regulations and codes of best business practices.
41. There is a clear policy on relating with the corporation's major and other stakeholders to keep them fully informed of corporate activities in a regular and timely manner.	5	The Company makes it a point to fully comply with the mandatory and continuing full disclosure rules of the SEC and the PSE. In addition, every stockholder of the Company is furnished with copies of the Company's Annual Report, minutes of the previous annual stockholders' meeting and a summary of the actions

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		taken by the Board for the previous corporate year. Moreover, the stockholders are apprised every Annual Stockholders' Meeting of the actions taken and intended to be taken by the Company during every stockholders' meeting through the President's Report.
42. The company has formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and of officers.	5	The Company maintains a section for compensation in its Personnel Policy Manual for the officers and employees of the Company. The members of the Board, however, do not receive remuneration for such capacities from the Company, except for the independent director who receives an honorarium at the end of the year.
43. There is a risk management process that ensures that company's risks are mitigated through risk management strategies.	5	The Company believes that the operational and financial updates, as well as the budget making and approval process, inherently incorporates a risk management process that the Board undertakes.
44. The company has a common language to communicate risks across in the organization.	5	The Company's management, as well as management of the Company's subsidiaries, are constantly updated, apprised and informed of the risks, as they happen or are reasonably expected to happen, so that the management can reasonably anticipate, control and curb the impact of the key risk factors on the Company's and its subsidiaries' businesses. The Company's management has in-depth knowledge and can readily respond to the risks attending the subsidiaries' businesses.
45. It has an effective oversight structure for risk management in the organization.	5	The Company performs oversight functions over the subsidiaries. Risk management policies of the subsidiaries are arrived at with the participation of the Company. As previously mentioned in Item 44, the Company's management is

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		likewise part of the Company's subsidiaries' management team, thus providing for a solid and secure oversight structure for risk management.
46. There are procedure/s for the Board to review the risk management strategies and assess whether they are working effectively.	5	It is the practice within the Company and its subsidiaries that the Board, upon presentation by the management of the Company or of the subsidiary concerned, discusses the risk management strategies proposals and, after thorough discussions, assesses whether they are working effectively and advises, accepts or approves proposals for changes or revisions thereto, if deemed necessary.
47. There is a process which determines whether a director conducts fair business transactions, devotes necessary time and attention to discharge his duties, act judiciously, exercises independent judgment, has working legal knowledge affecting the company, observes confidentiality and ensures soundness, effectiveness and adequacy of company's control environment.	5	Under the Company's Manual on Corporate Governance, the Compliance Officer is tasked to monitor compliance with the provisions and requirements of the Manual. For further explanations, please also refer to the explanations contained in Items 14, 18, 19 and 20 hereof.
Nomination and Election Committee		
48. The Nomination Committee has at least three (3) voting (one of whom must be independent) and one (1) non-voting Director.	5	The Company's Nomination and Remuneration Committee presently has four (4) incumbent members, namely: (1) Mr. Peter J. Lawrence, Chairman; (2) Mr. Romeo G. David, Member/Independent Director; (3) Ms. Isabelita Ciabal, Member; (4) Ms. Neko Lyree Cruz, Non-voting member
49. It pre-screens and shortlists all candidates nominated to become a member of the board of directors in accordance with the following qualifications and disqualifications: <u>Qualifications</u> <ul style="list-style-type: none"> o Holder of at least one (1) share of stock of the Corporation; o He is at least a college graduate or has sufficient experience in managing the business to substitute for such formal education; 	5	See explanation for Item 34.

- o He is at least twenty one (21) years old;
- o He has proven to possess integrity and probity; and
- o He is assiduous.

Disqualifications

- o Any person finally convicted judicially of an offense involving moral turpitude or fraudulent act or transgressions;
- o Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;
- o Any person judicially declared to be insolvent;
- o Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and
- o Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment.

Any of the following is a ground for the temporary disqualification of a director:

- o Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification is in effect as long as his refusal persists;
- o Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for

<p>purposes of the succeeding election;</p> <ul style="list-style-type: none"> o Dismissal/termination from directorship in another listed corporation for cause. This disqualification is in effect until he has cleared himself of any involvement in the alleged irregularity; o Being under preventive suspension by the Corporation; o If the independent director becomes an officer or employee of the same corporation he is automatically disqualified from being an independent director; o Conviction that has not yet become final which is referred to in the grounds for the disqualification of directors. 		
<p>50. The Nomination Committee considers the following guidelines in the determination of the number of directorships for the Board:</p> <ul style="list-style-type: none"> ▪ The nature of the business of the Corporations in which he is a director; ▪ Age of the director; ▪ Number of directorships/active memberships and officerships in other corporations or organizations; and • Possible conflict of interest. <p>The optimum number relates to the capacity of a director to perform his duties diligently in general.</p>	5	Please see explanation for Items 34.
Compensation and Remuneration Committee		
<p>51. The Compensation or Remuneration Committee is composed of at least three (3) members, one of whom is an independent director.</p>	5	The Company's Nomination and Remuneration Committee presently has four (4) incumbent members, namely: (1) Mr. Peter j. Lawrence, Chairman; (2) Mr. Roman Anthony Azanza, Jr., Member/Independent Director; (3) Ms. Isabelita Ciabal; (4) Ms. Neko Lyree Cruz, Non-voting member.
<p>52. It has established a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the corporation's culture, strategy and control environment.</p>	4	The Company adopts the existing compensation policy outlined in the Company's Personnel Policy Manual. As previously mentioned, the members of the Board of Directors of the Company do not receive any compensation in such capacity, except for the independent director who

		receives an honorarium.
53. It has developed a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.	3	The Conflict of Interest section of the Company's Personnel Policy Manual requires its officers and employees to fully disclose to the Company any business or activity which may involve the slightest possibility of conflict of interest, as defined in the Company's Personnel Policy Manual.
54. It disallows any director to decide his or her own remuneration.	5	The members of the Board of Directors of the Company do not receive any compensation in such capacity, except for the independent director who receives an honorarium comparable to standard industry practice.
55. It provides in the corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year.	5	As per SRC rules on SEC form 17-A Annual Report, the Company provides for the remuneration information disclosed in the Company's annual reports and information statements.
56. It reviews (if any) of the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.	5	The Nomination and Remuneration Committee periodically reviews the Company's policies upon recommendation of the Company's officer in charge.
57. In the absence of such Personnel Handbook, the Committee will develop such, covering the same parameters of governance stated above.	5	The Company has a Personnel Policy Manual.
Corporate Secretary		
58. The Corporate Secretary is a Filipino citizen. He possesses administrative skills and some legal skills. He also has some financial and accounting skills.	5	
59. The Corporate Secretary's various duties include: <ul style="list-style-type: none"> ▪ Gathering and analyzing of all documents, records and other information essential to the conduct of his duties and responsibilities to the corporation. ▪ As to agenda, getting a complete schedule thereof at least for the current year and put the Board on notice before every meeting. ▪ Assisting the Board in making business judgment in good faith and in the performance of their responsibilities and obligations. 	5	

<ul style="list-style-type: none"> Attendance in all Board meetings and maintenance of the records of the same. 		
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D. INDEPENDENT AUDIT MECHANISM

Audit Committee		
<p>60. There is a charter for the audit committee covering such responsibilities as:</p> <ul style="list-style-type: none"> management and financial reporting; compliance with laws and regulations; maintenance of an effective audit function; suitable risk management and internal control frameworks; membership; frequency of meetings; committee authority; and Board reporting obligations. 	5	The Company's Audit Committee presently has three (3) incumbent members, namely: (1) Mr. Roman Anthony Azanza, Jr., Chairman / Independent Director; (2) Mr. Peter J. Lawrence, Member; (3) Ms. Cecile Gonzales - Yumul, Member; The Company's audit committee has already formulated an audit charter stating the committee's responsibilities and which complements the Company's current system of checks and balances as established in the Company's Controllers Policies and Procedures Manual.
61. The audit committee includes an independent director.	5	See explanation for Item 60.
62. The members of the audit committee have adequate financial and accounting expertise.	5	See explanation for Item 60.
63. The audit committee has unlimited access to internal and external auditors and to senior management.	5	See explanation for Item 60.
64. The audit committee has direct access to the Chief Executive Officer, Chief Financial Officer and external auditor and internal audit.	5	See explanation for Item 60.
65. The audit committee meets at least quarterly.	5	See explanation for Item 60.
66. Audit committee reviews the status of all internal audit and external audit recommendations and their implementation.	5	See explanation for Item 60.
67. The audit committee reviews and approves the audit scope and frequency, and the annual internal audit plan.	5	See explanation for Item 60.
68. The audit committee monitors and evaluates the adequacy and effectiveness of the corporation's internal control system.	5	See explanation for Item 60.
69. It develops a transparent financial management system that ensures the integrity of internal control activities throughout the company through a step-by-step procedures and policies handbook that is used by the entire organization.	5	See explanation for Item 60.
<p>70. The Audit Committee elevates to international standards the accounting and auditing processes, practices and methodologies, and develops the following in relation to this reform:</p> <p>a. A definitive timetable within which the</p>	5	See explanation for Items 60 and 32.

<p>accounting system of the corporation will be 100% International Accounting Standard (IAS) compliant.</p> <p>b. An accountability statement that specifically identifies officers and/or personnel directly responsible for the accomplishment of such task.</p>		
71. It checks all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements.	5	See explanation for Items 60 and 32.
72. It performs oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the corporation, and crisis management.	5	See explanation for Item 60.
Internal Auditor		
73. The company has an independent internal audit function which is being performed by an Internal Auditor or Group of Internal Auditor, through which its Board, senior management, and stockholders are provided with reasonable assurance that its key organizational and procedural controls are effective, appropriate and complied with.	5	The Company has appointed Mr. Honorio Cruz as its Internal Auditor. The Internal Auditor is tasked to monitor the Company's compliance with its current system of checks and balances as established in its Controllers Policies and Procedures Manual, and if necessary, propose improvements thereon.
74. The internal auditor reports to the Audit Committee.	5	As part of the duties and responsibilities of the Internal Auditor as provided for in the Company's audit committee charter, he is tasked to report to the Company's audit committee.
75. The minimum internal control mechanisms for management's operational responsibility centers on the CEO, being ultimately accountable for the Corporation's organizational and procedural controls.	5	in addition to this requirement provided by the Company's Manual on Corporate Governance, the Amended By-Laws of the Company provides that the President, who is likewise the CEO of the Company, shall have the duty of ensuring that the administrative and operational policies of the Company are carried out under his supervision and control. The Company's Authority Limits provisions under its Controllers Policies and Procedures Manual further bolster this duty of the President/CEO of the Company.
76. The scope and particulars of the company's	5	In addition to the explanation

organizational and procedural controls are based on the following factors: the nature and complexity of business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance.		in Item 75 hereof, the Company believes that its organizational and procedural controls are based on the factors mentioned herein.
77. The internal audit examinations covers, at least: <ul style="list-style-type: none"> the evaluation of adequacy and effectiveness of controls encompassing the organization's governance, operations, information systems (including reliability and integrity of financial and operational information); effectiveness and efficiency of operations; safeguarding of assets; and compliance with laws, rules, regulations and contracts. 	5	See explanation for Item 73.
78. The internal audit activities are being conducted in accordance with the Standards for the Professional Practice of Internal Auditing.	5	See explanation for Item 73.
79. The status reports summarize recommendations, officers responsible and implementation dates.	5	See explanation for Item 73.
80. The Chief Audit Executive reports directly to the Audit Committee.	5	See explanation for Item 73.
81. The internal auditors have free and full access to all the company's records, properties, and personnel relevant to the internal audit activity.	5	See explanation for Item 73.
82. The Chief Audit Executive renders to the Audit Committee and senior management an annual report on the internal audit department's activities, purpose, authority, responsibility, and performance relative to audit plans and strategies approved by the Audit Committee.	5	See explanation for Item 73.
External Audit		
83. The handling audit partner or auditing firm is rotated every five years or earlier.	5	
84. There is a process that the reason/s for the resignation, dismissal or cessation from service and the date thereof of an external auditor are reported in the company's annual and current reports. Said report includes a discussion of any disagreement with said former external auditor on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.	5	
85. The external auditor of the company does not at the same time provide the services of an internal auditor to the same client. The corporation ensures that other non-audit work shall not be in conflict with the functions of the external auditor.	5	
86. The company allows that when its external auditor believes that the statements made in the company's annual report, information statement or proxy statement filed during his engagement are incorrect or incomplete, he shall present his	5	

E. DISCLOSURE AND TRANSPARENCY

<p>87. There is a policy that requires the corporation to publicly disclose all material information, i.e., anything that could potentially affect share price as well as other information.</p> <p>Information that affect share price includes:</p> <ul style="list-style-type: none"> • earning results; • acquisition or disposal of assets; • board changes; • related party transactions; • such material events or information as determined by the Commission. <p>Other information that should be disclosed includes:</p> <ul style="list-style-type: none"> • shareholdings of directors, • changes of ownership, • remuneration of all directors and senior management, • corporate strategy, off balance sheet transactions. 	5	<p>In addition to the pertinent provisions of the Company's Manual on Corporate Governance, the Company maintains an unwritten full disclosure policy, pursuant to and in accordance with the full disclosure requirements of the Securities Regulation Code and the Listing and Disclosure Rules of the Philippine Stock Exchange, Inc.</p>
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F. SHAREHOLDERS' BENEFITS

<p>88. The company has an existing mechanism, which ensures that all stockholders' rights i.e. voting, pre-emptive, inspection, information, dividends and appraisal rights, are being exercised.</p>	5	<p>The Company, through its Manual on Corporate Governance, recognizes the rights of its shareholders and provides for their protection. Other than the denial of pre-emptive rights as contained in the Company's Amended Articles of Incorporation, the Company's shareholders fully enjoy all the rights and privileges of a shareholder of a company provided for by relevant and applicable laws, rules and regulations.</p>
<p>89. It has an existing grievance procedure or system through which a stockholder may complain.</p>	5	<p>The Company follows the procedures set in the Corporation Code of the Philippines with regard to stockholder grievance procedures.</p>

G. COMPLIANCE SYSTEM AND OTHERS

Compliance Officer		
90. The company has designated a compliance officer.	5	
91. He holds the position of a Vice President or its equivalent. He has a direct reporting responsibility to the Chairman of the Board.	3	The designated Compliance Officer is also the current Corporate Information Officer and directly report matters pertaining to Corporate Governance to the Chairman of the Board.
92. He performs the following duties: <ul style="list-style-type: none"> o Monitors compliance with the provisions and requirements of this Manual; o Appears before the Securities and Exchange Commission upon summon on similar matters that need to be clarified by the same; o Determines violation/s of the Manual and recommend penalty for violation thereof for further review and approval of the Board; o Issues a certification every January 30th of the year on the extent of the Corporation's compliance with its Manual for the completed year, explaining the reason/s of the latter's deviation from the same; and o Identifies, monitors and controls compliance risks. 	5	
Evaluation Procedure		
93. There is an established evaluation procedure, which determines and measures compliance with the Manual.	5	The Company has an established evaluation procedure to determine and measure the Company's compliance with its Manual on Corporate Governance. Such evaluation procedure is handled by the Company's Compliance Officer.
94. Any violation of the Manual is subject to a penalty as approved by the Board of Directors.	5	
Training		
95. Funds are allocated for the purpose of conducting workshop or seminar to operationalize the company's Manual.	5	Funds for workshops or seminars on the Company's Manual on Corporate Governance are covered by the general training fund in the Company's budget.
96. There is a requirement that directors, before assuming as such, are trained on corporate governance leading practices and principles by an institutional training provider accredited by the Securities and Exchange Commission.	4	The present directors have had trainings on corporate governance provided by an accredited institutional training provider.

Communications		
97. The company's Manual is available for inspection by any of its stockholder at reasonable hours on business days.	5	
98. The contents of the Manual have been disseminated to all employees and related parties and such persons are enjoined to comply with the same.	5	
99. Adequate printed copies of the Manual are reproduced and distributed to each department of the company.	5	

