April 11, 2014

Meralco, one of 4 High-scoring Philippine Listed Companies in the 2013 ASEAN Corporate Governance Scorecard (ACGS)

In 2013, Meralco scored significantly high in the ACGS and was among the Top 4 publicly-listed companies (PLCs) in the country.

The ACGS assesses the corporate governance practices of publicly-listed companies (PLCs) of member countries, including the Philippines, using a common assessment instrument. The ACGS 2013 results for Meralco were disclosed by the Institute of Corporate Directors (ICD) during the ACGS Orientation attended by Meralco's directors and key officers on March 31. ICD also presented the Company's strengths and areas for improvement in time for the 2015 ranking of all publicly listed companies in the ASEAN region, as part of the integration initiatives of the ASEAN economic community.

Among Meralco's highlighted strengths were on the categories: Rights and Equitable Treatment of Shareholders and on the Role of its Stakeholders, for providing at least 28 days' notice for all resolutions, disclosing voting results and providing rationale and explanation for each agenda item, requiring directors to report their dealings in company shares within three business days, having a separate corporate social responsibility report, disclosing the details of training and development programs for employees, having procedures for complaints by employees concerning illegal and unethical behaviour, and disclosing that related-party transactions (RPTs) were conducted in a "fair and at arm's length" way.

Under the Disclosure and Transparency category, ICD highlighted the Company's strength in disclosing its policy covering the review and approval of significant RPTs, using analysts and media briefings as modes of communication, and having a policy covering the review and approval of significant RPTs.

In the category on Responsibilities of the Board, the Company's charters on Board and Committee responsibilities, Code of Ethics, policies and process followed in appointing new directors, and the performance assessment process and criteria for the Board, Committees, and CEO were given merit.