

2021

Annual Report

Thriving as a
Community

Designed by DG3 Manila:



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MESSAGE FROM THE CHAIRMAN



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Year 2021 was a challenging year for both the country and the Institute, what with the on-going lockdowns, devastating typhoons, and the economic repercussions that resulted thereby that brought much misery to many of our country, and yet provided opportunities to other sectors in our economy. By and large, your Board of Trustees have assessed the stamina and performance of ICD officers and staff for the year 2021 as nothing short of being spectacular.

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Atty. Cesar L. Villanueva, FICD

Year 2021 was a challenging year for both the country and the Institute, what with the on-going lockdowns, devastating typhoons, and the economic repercussions that resulted thereby that brought much misery to many of our country, and yet provided opportunities to other sectors in our economy. By and large, your Board of Trustees have assessed the stamina and performance of ICD officers and staff for the year 2021 as nothing short of being spectacular.

Last year saw the end of the term of our much-beloved Chairman Rex Drilon II who has moved on to revive the Center for Excellence in Governance (CEG), even as he remains Vice-Chairman of the Institute for Solidarity in Asia (ISA). By the end of the term of Chairman Drilon, he had overseen the transformation of ICD's offering through online format which served well the needs of our members and various stakeholders who continued to have access to programs and advocacies through webinars and virtual meetings. Then Chairman Drilon and Vice-Chair Baby Nuesa had also ensured the financial stability of the Institute and worked out a generous grant from Security Bank and re-structuring our ICD's and ISA's joint bank loan with Union Bank of the Philippines that financed our condominium offices, a process that began by the tail-end of then Chairman Francis Estrada.

Message from the Chairman

Year 2021 saw the Institute reaching out to more companies, directors, and other stakeholders due to your unwavering support in ICD's advocacy. Together, we were able to:



Strengthen the importance and relevance of Sustainability, ESG, and Climate Change by introducing these topics in our courses and conducting relevant webinars.



Increase companies attaining the average ASEAN Corporate Governance Scorecard scores and increasing the golden arrow awards especially from PLCs.



Conduct the ICD Masterclass with timely and quality content.



Partner with regulators and conduct joint initiatives such as webinars and publications.



Automate critical processes.



Increase the satisfaction rating of our clients.



Increase our membership and ratio of women to men.



Offer board opportunities to our members and other networking events.



Provide training and learning experiences for the ICD staff.

In terms of strengthening the institutional governance framework of ICD, last year saw the following reforms undertaken either through formal amendment of the Bylaws or policy resolutions pursued by the Board of Trustees, thus:

- Strengthening the Role of the Executive Committee
- Instituted the position of, and Professionalized the Search for and Appointment of the CEO
- Institutionalization of the 9-year Term Limits for Trustees
- Transparent Nomination and Election Process for the Trustees

- Moving the Terms of Office of Trustees to the Calendar Year to Improve Accountability and Evaluation Process
- Resolution of the Institute's Tax Exposure, Including Adopting Policy of Non-Remuneration of Trustees During their Incumbencies

The ICD Board and Management will work hand in hand towards achieving its vision and mission and strive to:

- Ensure that all courses are updated, relevant and aligned with ICD Corporate Governance initiatives
- Increase in the no. of PH companies improving the CG performance
- Increase the relevance of ACGS to the public
- Ensure regular communication with key organizations that represent the breeding ground for new ICD members and participants for ICD events
- Increase the number of clients from the current institutional partners of ICD
- Expand the participant base of ICD services
- Expand ICD's partnerships with the nation's key regulatory bodies and ASEAN IODs
- Be financially stable in order to continue the Institute's advocacy
- Ensure a sustainable revenue base to support ICD operations
- Improve efficiency in the process and services of the organization
- Increase the number of ICD membership who are Corporate Governance Advocates in the country and in the ASEAN region at the board level
- Have a more diversified representation in the ICD membership profile
- Have more experienced Directors in board membership

Finally, I would like to express my appreciation to my colleagues in the Board, as well as to CEO Charlie Gatmaitan and CFO Merriam Lugtu-Delim and their dynamic Management Team for all the dedication, hard work and personal sacrifices given to the advocacies of the Institute, and the very reason why we can look forward to a stronger ICD community in 2022 and beyond.

Atty. Cesar L. Villanueva, FICD

CHAIRMAN

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



//

As one community, let us continue to reach greater heights, attracting more corporate governance warriors and serving more boards towards our 2024 vision. //

Dr. Carlos Jose P. Gatmaitan, FICD

First of all, I would like to express my profuse gratitude to the Institute of Corporate Directors for my appointment as CEO. As a Fellow of this prestigious organization founded on the values of Independence, Patriotism, Integrity and Ethics, Excellence, Solidarity, and Social Responsibility, I am truly honored.

For over two decades, including political instability, economic challenges and even a global pandemic, ICD has maintained its humble mission of advocating corporate governance for the benefit of the society. The ICD management is wholeheartedly grateful to all the ICD Members who have contributed and represented ICD as the ultimate governance champions and to our stakeholders. We trust that the current leadership shall continue the journey of past leaderships, further strengthening the foundation and ensuring the sustainability of the organization that brought us to where we are.

2021 was anchored on achieving the Dream Philippines with the mandate to educate the private sector; influence corporate boards and steer the national regional competitiveness of the country. We shall continue from 2022 and beyond in strengthening our relationship with government regulatory bodies and publicly-listed companies, broadening the ICD Membership base to over 1,000 within the next three years, guiding SME's and non-traditional organizations, enriching the content and capacity building programs for directors, as well as marketing and promoting the advocacy and visibility of ICD.

As one community, let us continue to reach greater heights, attracting more corporate governance warriors and serving more boards towards our 2024 vision. Thank you.

Dr. Carlos Jose P. Gatmaitan, FICD

CHIEF EXECUTIVE OFFICER

ILB FOR SPREADS

STRATEGY MAP



Identity

The Institute of Corporate Directors (Philippines) is the national association of corporate directors and other stakeholders engaged in corporate governance. It is a non-stock, non-profit organization.

Core Values

We promote the common good and what is right with a firm adherence to a code of ethics.

We strive to accomplish our objectives and perform our duties with commitment to highest standards.

We are guided by the imperatives of responsible citizenship and stewardship.



We are an institution independent of vested economic and political interests.

We perform our work as one solid team and ensure corporate commitment to inclusivity in dealing with different stakeholders and society as a whole.

We uphold and promote the national interest in the context of an independent world.



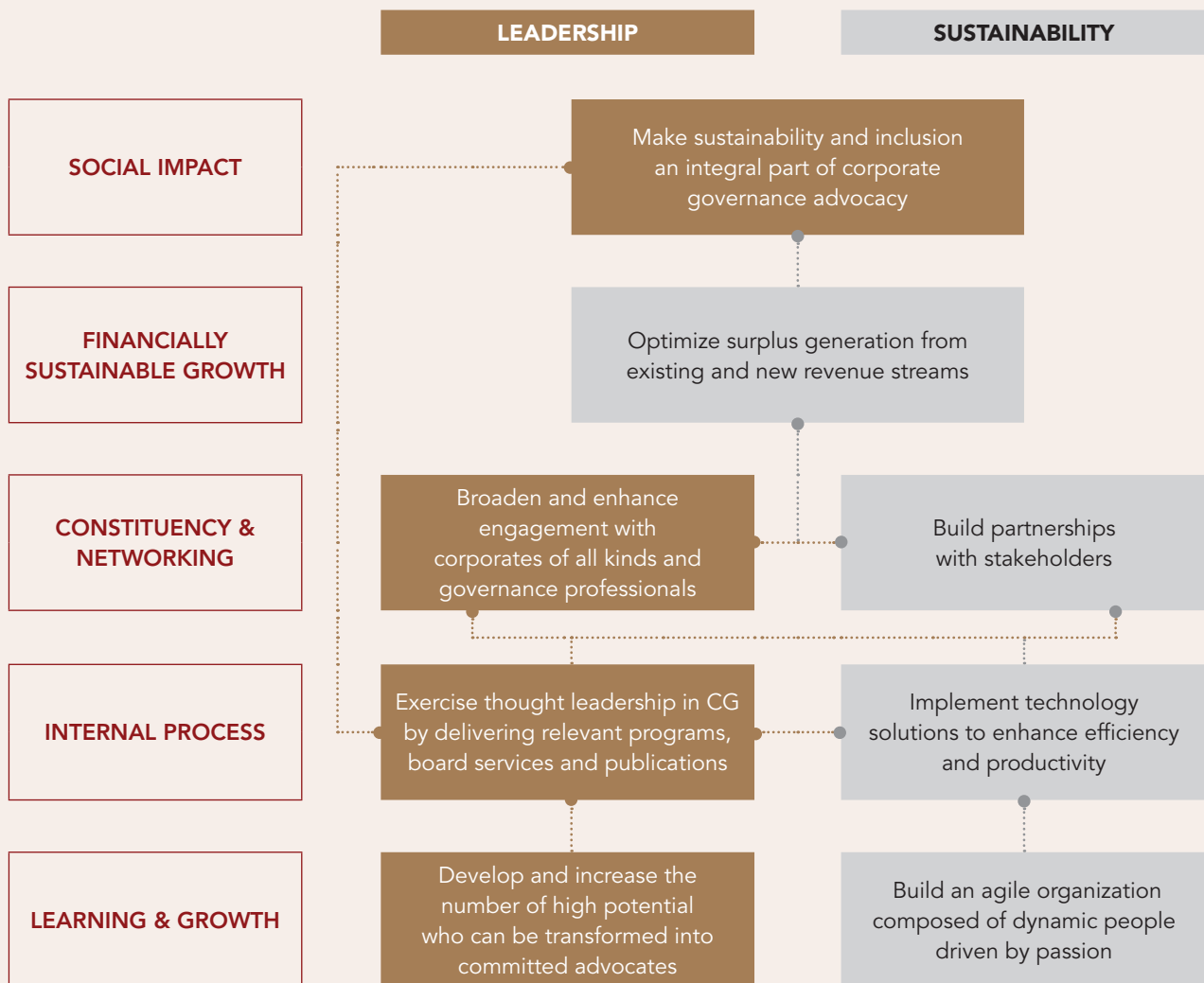
Mission

To advocate good governance in the corporate sector for the benefit of society.



Vision

By 2024, ICD will be widely recognized as the key catalyst in effecting positive change in the corporate governance ecosystem for inclusive and sustainable development.



2021 PERFORMANCE HIGHLIGHTS

PHP 35,224,420

REVENUE

PHP 5,475,549

FINANCIAL SURPLUS BEFORE TAX

5,540 pax

TOTAL YEAR-END ATTENDEES

18

NUMBER OF COMPANIES THAT REQUESTED FOR INDEPENDENT DIRECTORS

26

ICD PARTNERS

16

NEW MODULES

71

ICD TEACHING FACULTY

5

NUMBER OF MEMBERS PLACED ON BOARDS

120

ICD COURSES

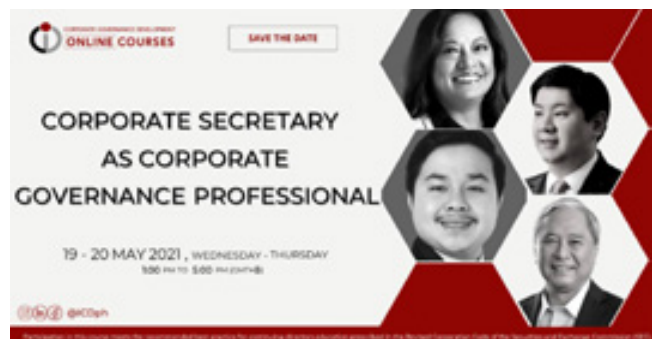
437

ICD MEMBERS

9

BOARD SERVICES

ICD Gallery



ICD **SID** **CENTER for ASIA LEADERSHIP**

Distinguished Corporate Governance Speaker Series
03 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

What It Really Means To Be A Director?

In collaboration with the Singapore Institute of Directors and the Center for Asia Leadership



Mr. Philip Forrest
Member of the Governing Council
Singapore Institute of Directors
Keynote Speaker



Mr. Samuel Kim
Founding President
Center for Asia Leadership
Moderator



Ms. Ida C. Tiongson
Board of Trustees
Institute of Corporate Directors
Director and Moderator

1st Session
03 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

icd.ph sid.asia centerforasialeadership

ICD **ICDM**

Distinguished Corporate Governance Speaker Series
10 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

Board Behavioural Dynamics

In collaboration with the Institute of Corporate Directors Malaysia



Mr. Patrick Dunne
Chairman
Boardlink Limited and EY Foundation
Keynote Speaker



Mr. Dennis Bing Mabete
Board of Trustees
Institute of Corporate Directors
Director and Moderator

2nd Session
10 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

icd.ph icdm.my

ICD **ICDZ** **INSTITUTE OF CORPORATE DIRECTORS ZIMBABWE**

Distinguished Corporate Governance Speaker Series
17 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

Tapping the Strategic Potential of Boards

Too many Boards just review and approve strategy.
Three questions can help them, and executives, begin to do better.

In collaboration with the Institute of Corporate Directors Zimbabwe



Dr. Debra Brown
Founder, President, and CEO
Governance Solutions Inc.
Keynote Speaker



Ms. Cynthia Tendai Mugwira
Board of Director
Institute of Corporate Directors Zimbabwe
Moderator



Atty. Benedicta Du-Baladea
Board of Trustees
Institute of Corporate Directors
Moderator

3rd Session
17 September 2021, Friday
04:00 PM – 06:00 PM (GMT +8)

icd.ph icdz.zw

ICD

See Through the 2022 National Elections

with Victor Andres "Dindo" Manhit
CEO and Managing Director, Seabase Group

What are key electoral discussion points for the 2022 National Elections?
Who are the Filipino voters?
What are the key national issues that will drive priorities of the next administration?
Who are the presidential, vice-presidential, and senatorial preferences based on the latest survey?

11 October 2021, Monday
2:00 PM to 3:30 PM (GMT +8)

Exclusive for ICD Members

icd.ph

ICD INSTITUTE FOR CLIMATE AND SUSTAINABLE CITIES THE CLIMATE REALITY PROJECT PHILIPPINES CORPORATE GOVERNANCE ADVOCACY **WEBINAR SERIES** on zoom | webinar

PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES

SAVE THE DATES!

EPISODE 1
29 OCT 2021
4:00PM - 6:00PM
How can the Philippines cope with the risks and negative impacts of the pandemic and map out the road towards a green economic recovery?

EPISODE 2
05 NOV 2021
4:00PM - 6:00PM
How can organizations enhance environmental health and strengthen the country's resiliency against extreme weather events and other climate-related catastrophes?

EPISODE 3
12 NOV 2021
4:00PM - 6:00PM
How can corporate boards exercise their accountability towards environmental stewardship?

Participation in this webinar meets the recommended best practices for continuing directors' education prescribed by the Securities and Exchange Commission (SEC). This is a SEC-certified webinar.

Episode 1

PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES
More Risks or Opportunities?
Energy Transition Picks Up Speed:
Global Trends, National Risks and the
Fiduciary Responsibilities of Corporate Directors
29 October 2021 | 4:00 PM - 6:00 PM (GMT+8)

DEPUTY SPEAKER LOREN LEGARDA
Atty. Pedro H. Maniego, Jr., PICD
Honorable Representative, House of Representatives
Keynote Addresser

CAMILA FENNING
Fossil Fuel Transition Team Programme Leader, ICAI
Speaker

MELISSA BROWN
Energy Finance Studies Director, Institute for Energy Economics and Financial Analysis
Speaker

JEPHRAN MANANSILA
Chief Global Scientist, Institute for Climate and Sustainable Cities
Speaker

ERIC FRANCA
President and Chief Executive Officer, AC Energy Corporation
Reactor

ERNESTO RANTANGCO
Chairman, Energy Committee, Management Association of the Philippines
Reactor

MARLON APAKADA
Senior Advisor, Nexgen ENGNE Institute, Philippine Local Green Energy Development Association
Reactor

Participation in this webinar meets the recommended best practices for continuing directors' education prescribed by the Securities and Exchange Commission (SEC). This is a SEC-certified webinar.

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on zoom | webinar


ICD INSTITUTE FOR CLIMATE AND SUSTAINABLE CITIES **The Climate Reality Project** **PHILIPPINES** **CORPORATE GOVERNANCE ADVOCACY WEBINAR SERIES**

Episode 2

PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES

**Turning Crisis into Opportunity:
The Corporate Duty Towards
Sustainability and Resilience**

05 November 2021 | 4:00 PM - 6:00 PM (GMT+8)



Participation in this webinar meets the recommended best practices for continuing directors' education prescribed by the Securities and Exchange Commission (SEC). This is a SEC-certified webinar.

GUSTAVO GONZALEZ
Resident Coordinator and Ambassador Coordinator
United Nations Philippines
Keynote Address

HAZBIN GAMILE CASTRO
Branch Manager
The Climate Reality Project Philippines
Agenda Setting

ARTURO TAHUP
Associate for Community Resilience,
BE-Change Pilipinas
Institute for Climate and Sustainable Cities
Speaker

ISABELLA SUAREZ
SouthEast Asia Analyst
Center for Research on Energy and Clean Air
Climate Reality Leader
Speaker

PHILLINE DONGGAY
Co-Founder
Greening Solar PH
Climate Reality Leader
Speaker

AIMEE OLIVEROS
Liaison Coordinator
The Climate Reality Project Philippines
Climate Reality Leader
Speaker

JONAS MARIE DUMDUM
Project Coordinator, Philippine Center for Environmental
Protection and Sustainable Development, Inc.
Climate Reality Leader
Moderator

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on zoom | webinar

ICD INSTITUTE FOR CLIMATE AND SUSTAINABLE CITIES **The Climate Reality Project** **PHILIPPINES** **CORPORATE GOVERNANCE ADVOCACY WEBINAR SERIES**

Episode 3

PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES

**Green Washing
or Green Leading?**

12 November 2021 | 4:00 PM - 6:00 PM (GMT+8)



Participation in this webinar meets the recommended best practices for continuing directors' education prescribed by the Securities and Exchange Commission (SEC). This is a SEC-certified webinar.

SHAI GANU
Governing Council Member,
Singapore Institute of Directors
Managing Director, Wisn Towers Watson
Speaker

RAJEEV PESHAWARIA
Chief Executive Officer,
Stewardship Asia Center
Speaker

HELLE BANK JORGENSEN
Chief Executive Officer,
Competent Boards
Speaker

EPHYRO AMATONG
Commissioner,
Securities and Exchange Commission
Reactor

FR. JOSE VICTOR LOBERGO
President and CEO,
Simbang sa Pag-asim Inc.
Reactor

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ICD Gallery





24 November 2021, Wednesday
 4:00 PM to 6:00 PM (GMT +08)

Shifting Towards Sustainable Financing: A GAME-CHANGER

SPONSORS





KEYNOTE



Eric T. Fronda
President and CEO
ACEN

PANELIST



Christian O.H. Weil, Ph.D.
Managing Director
UBS Singapore

PANELIST



Kelvin Ang
Chief Executive Officer
AIA Philippines

MODERATOR



Eduardo Francisco
President
BOC Capital & Investment Corporation

Participation in this course meets the recommended best practices for continuing directors education prescribed by the Securities and Exchange Commission (SEC).





25 November 2021, Thursday
 4:00 PM to 6:00 PM (GMT +08)

Lighting the FIRE of Sustainability and Resiliency

SPONSORS





PANELISTS



USC-Rafaelita "Rita" Alcala
Commissioner and Executive Chair
Department of Trade and Industry



Dr. David Hanson
Founder & CEO
Hanson Robotics



Commr. Kelvin Lester K. Law
Commissioner
Securities and Exchange Commission



Benjamin Rex Emilio Azada
Chief Strategy Officer
Converge ICT Solutions, Inc.



Sophia the Robot
Hanson Robotics

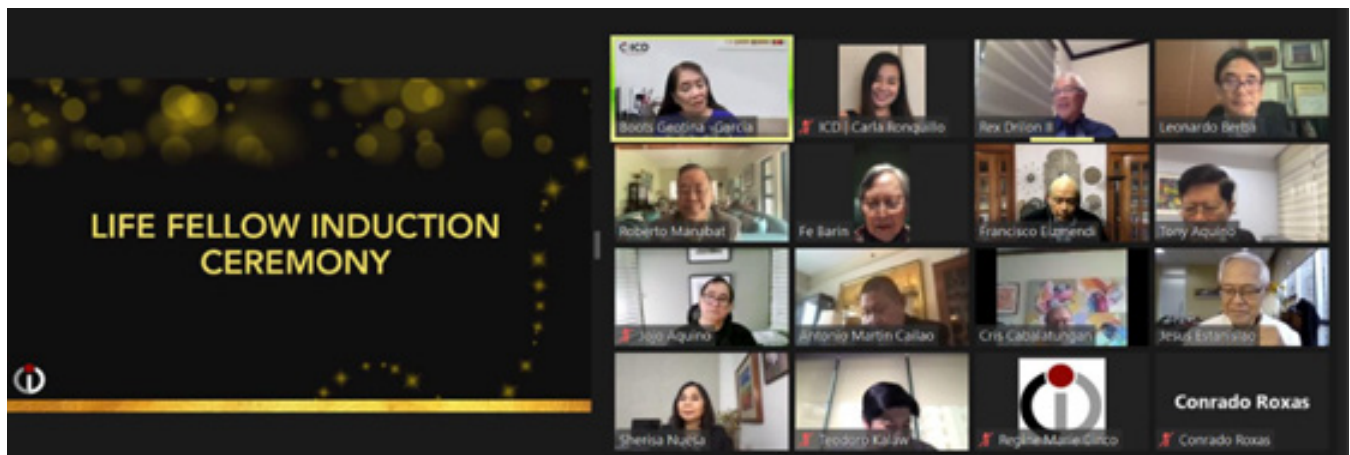


Dr. Donald Lim
Chief Innovation Officer
Ultara Corporation



MODERATOR
Gina Dela Vega-Grua
Independent Consultant/Speaker/Trainer

Participation in this course meets the recommended best practices for continuing directors education prescribed by the Securities and Exchange Commission (SEC).



ICD Gallery

Opening Remarks
Atty. Kelvin Lester K. Lee
 Commissioner
 Securities and Exchange Commission

PROPRIETARY & CONFIDENTIAL

Commissioner Kelvin K. Lee

TOP 100 PH PLCs ACGS ASSESSMENT RESULT - 2019
SCORE DISTRIBUTION

2017 2018 2019

| Score Range | 2017 | 2018 | 2019 |
|-------------|------|------|------|
| 20-24.99 | 1 | 1 | 0 |
| 25-29.99 | 4 | 1 | 0 |
| 30-34.99 | 13 | 8 | 0 |
| 35-39.99 | 34 | 17 | 13 |
| 40-44.99 | 54 | 54 | 52 |
| 45-49.99 | 7 | 13 | 13 |
| 50-54.99 | 13 | 17 | 14 |
| 55-59.99 | 10 | 10 | 10 |
| 60-64.99 | 8 | 8 | 8 |
| 65-69.99 | 0 | 0 | 0 |
| 70-74.99 | 1 | 0 | 0 |
| 75-79.99 | 0 | 0 | 0 |

PROPRIETARY & CONFIDENTIAL

Regina S. T. L.

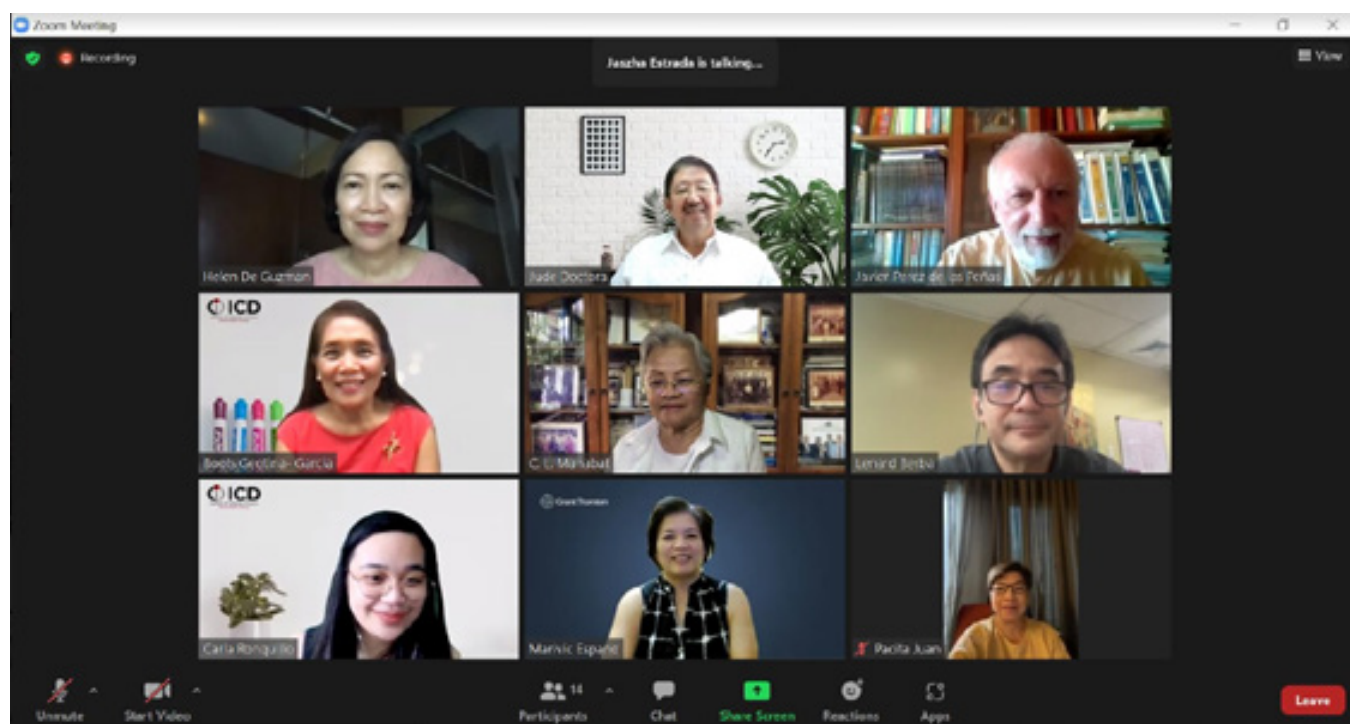
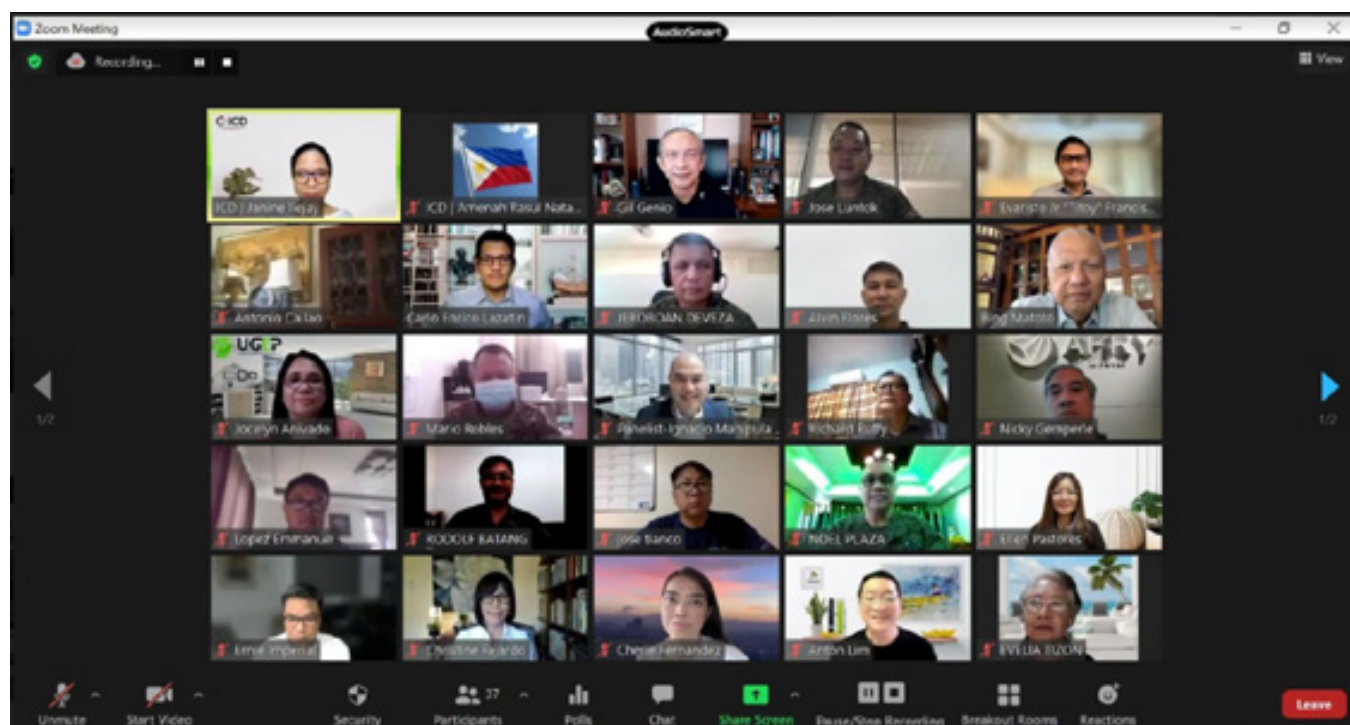
Participants in the video conference:

- Atty. Kelvin Lester K. Lee (Commissioner, SEC)
- Regina S. T. L.
- Maiane De La Torre
- Cathy Perez
- Gerardo De La Paz
- Kristine B. Uy
- Rochelo Carmela Austria
- Ren Abeniza (JOT Capital)
- Bachal Estreza, Guntang Ram...
- Atty. Jackson Villar Aramita

ICD Gallery



ICD Gallery



Zoom Webinar You are viewing Patrick Dunne's screen View Options

Recording

ROLE OF BOARD

Right Vision & strategy Right resources Right Governance

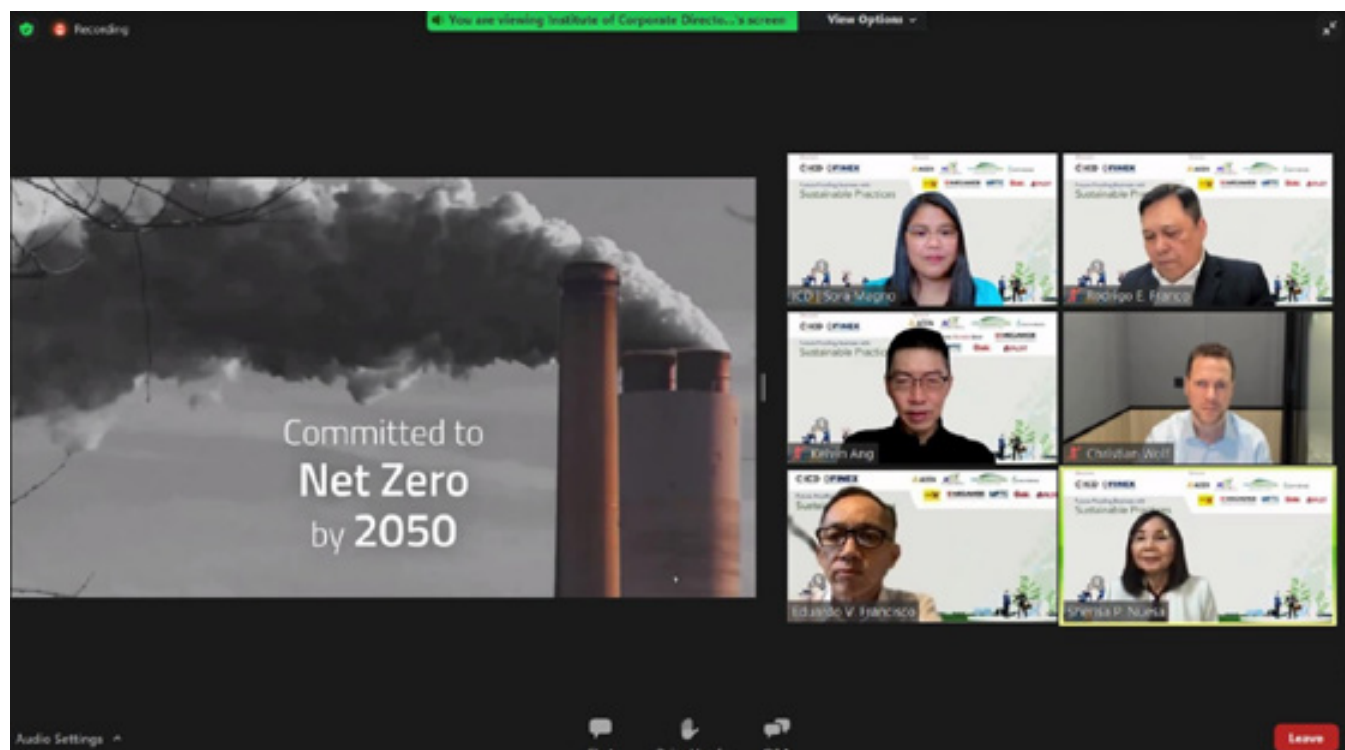
BOARD 1A 4 November 2021

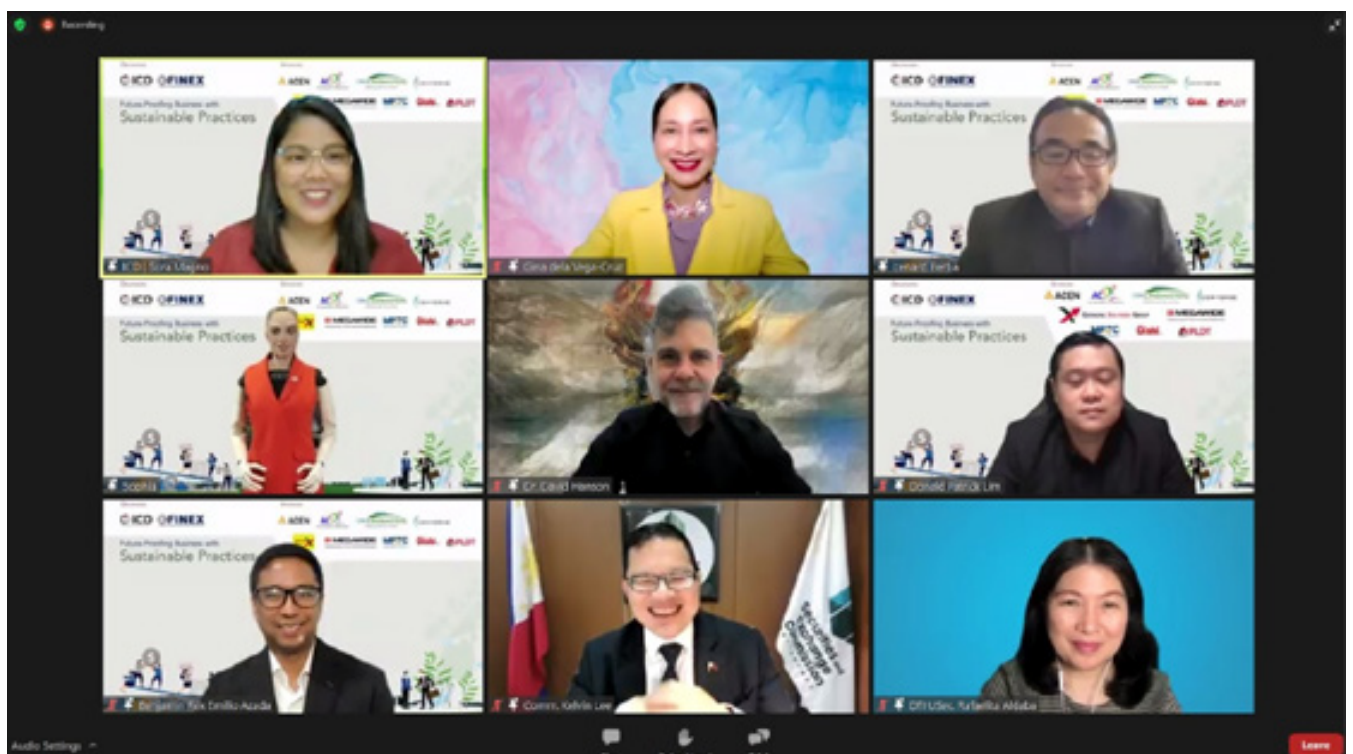
Patrick Dunne

Audio Settings Chat Raise Hand Q&A Leave



ICD Gallery





ICD Gallery





2021 PROGRAM COMMITTEES' MILESTONES

Fellows Committee (Board Committee)



We encourage you to invite potential governance champions into our ranks. The strength of an organization depends greatly in the number of its dedicated members. Thank you very much for promoting ICD's mission to increase the country's global competitiveness rooted on the values of Independence, Solidarity, Patriotism, Integrity and Ethics, Excellence and Social Responsibility.



Atty. Pedro H. Maniego, Jr., FICD, PIE
CHAIR

The Fellows Committee, a board level committee consisting of Trustees, serves as the main gatekeeper in the acceptance of members. Its primary functions are to ensure that all applicants meet the prescribed requirements and have signified their firm commitment to abide with the duties and responsibilities of worthy members. It has oversight over the Membership Committee, which is responsible for the recruitment activities and keeping the members active and engaged.

In 2021, the Fellows Committee was able to initiate and accomplish the following initiatives:

- Install and recognize Messrs. Rex C. Drilon II, Francisco C. Eizmendi, Jr, Francis G. Estrada, Roberto G. Manabat, Attys. Fe Barin and Teodoro Alejandro Y. Kalaw IV, and Ms. Sherisa P. Nuesa as ICD Life Fellows. These Life Fellows have satisfied three (3) consecutive terms or nine (9) consecutive years as Trustee, and other qualifications and accomplishments as approved by the ICD Board.
- Conduct the call for the 2021 Honorary Fellow nominations, and establish an evaluation system for selecting Honorary Fellow based on the following criteria: Social Impact (Advocacy), Experience, Education, CG Roles vis-à-vis company's CG and ethical performance, and Awards & Citations.
- Recognize Mr. Jaime Augusto Zobel de Ayala as the 2021 Honorary Fellow with his (1) Visionary and principles-based leadership, (2) Excellence in management of large publicly-listed companies, (3) Proven track record of solid corporate governance, (4) Commitment to sustainability and national development, and (5) Local and international prominence as business leader.
- Continue the refinements of the Membership Application and Approval Manual.
- Improve the guidelines for ICD Evaluators.
- Conduct training of ICD Evaluators.
- Develop mini-PDP exams to facilitate the admission of Graduate Members (GICD).

2021 Program Committees' Milestones

The table below shows the growth of ICD's membership throughout the years:

| Type of Membership | 2014 Final | 2015 Final | 2016 Final | 2017 Final | 2018 Final | 2019 Final | 2020 Final | 2021 Final |
|---|------------|------------|------------|------------|------------|------------|------------|------------|
| FICD Honorary | 1 | 1 | 2 | 3 | 3 | 3 | 4 | 5 |
| FICD Life | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 8 |
| FICD | 211 | 209 | 220 | 241 | 246 | 258 | 272 | 279 |
| MICD | 0 | 0 | 0 | 0 | 0 | 2 | 11 | 12 |
| GICD | 29 | 40 | 53 | 68 | 80 | 90 | 91 | 92 |
| AICD | 2 | 3 | 10 | 27 | 24 | 26 | 35 | 38 |
| Corp Member (with 3 representative) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Uncategorized | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total based on ICD Membership Categories | 244 | 253 | 285 | 339 | 353 | 379 | 414 | 435 |
| Total ICD Members | 244 | 253 | 285 | 339 | 353 | 379 | 414 | 437 |

We encourage you to invite potential governance champions into our ranks. The strength of an organization depends greatly in the number of its dedicated members. Thank you very much for promoting ICD's mission to increase the country's global competitiveness rooted on the values of Independence, Solidarity, Patriotism, Integrity and Ethics, Excellence and Social Responsibility.

Board Diversity and Inclusion Committee



ICD contends that *diversity in the boardroom* promotes the inclusion of different perspectives and ideas, mitigates against “group think” and improves oversight, informed decision-making and governance.



Ms. Helen T. de Guzman, FICD

CHAIR

As defined in our Board Diversity and Inclusion Committee charter, *Board Diversity* is the inclusion of more than one gender, age, business expertise and experience, and other relevant attributes in the composition of a corporation's board. In advocating for board diversity, ICD contends that *diversity in the boardroom* promotes the inclusion of different perspectives and ideas, mitigates against “group think” and improves oversight, informed decision-making and governance. Good corporate governance has been shown to correlate directly with corporate profitability and growth. Companies of all sizes need it.

The following are 10 top reasons why diversity is good for the boardroom (as cited in the Forbes Magazine by **Mike Myatt, Chairman, N2Growth**)

1. It reflects the real world – something every company should be sensitive to.
2. Healthy debate can lead to better decision.
3. Divergent backgrounds mean tackling the same idea in differing ways.
4. Great ideas come from disruption of the status quo.
5. Your clients and customers are diverse.
6. This can make your company knowledgeable and sensitive to a wider variety of groups.
7. Counsel from a variety of authorities is sensible.
8. Setting an example at the top will hopefully have a trickle-down effect within the organization.
9. Improved reputation and brand.
10. A variety of backgrounds can make the company more adaptable to this ever-changing environment.

The ICD Committee on Board Diversity and Inclusion has undertaken an independent review of all publicly listed companies (PLC) in the Philippines regarding the diversity of their board in terms of gender, age, and directors' functional specialization. Initially, the review covered PLC's performance for the years 2019 and 2020, which will be released before the end of this 1st semester and for 2021 performance, which will be released in the 2nd semester of this year. The review will provide some insights from companies that have somehow excelled in specific dimensions of diversity and present indicators on how we fair with other leading ASEAN countries on board diversity.

This report is significant in putting forward the role of ICD in advocating for diversity and inclusion, and places us in a very strategic position to influence Philippine businesses.

I hope that everyone is as excited as I am in finally meeting together, re-connecting with each other, and sharing our vision in the face of the new paradigm that is upon us.

Corporate Governance (CG) Standards Committee



This coming year, we will continue to provide guidance to Corporate Governance Advocacy Team in CG/ACGS initiatives and events (e.g., ACGS/CGS items, ACGS Golden Arrow Recognitions, Round Table Discussions with Regulators, etc.).



Mr. Reginald H. Tiu, GICD

CHAIR

In 2021, the Corporate Governance Standards Committee has welcomed three new members, namely:

- Atty. Carmela Austria, Ayala Corporation, CG Manager
- Ms. Melanie Oteyza, MERALCO, FVP & Chief Audit Executive
- Mr. Roberto Bascon, Director – Human Resources, Caffrey Trading Corporation

We had engagements with the regulators, board, and management teams of different companies through the following:

- Contributed to Governance that Speaks: The ACGS, last May 27, 2021.
- SEC-ICD-GGAPP Joint Round Table Discussion
CG Standards & Practices: Addressing Issues and Concerns, July 16, 2021 (for PLCs)
- IC- ICD-GGAPP Round Table Discussion for Insurance Commission Regulated Entities (InsCos), July 28, 2021

Articles for the Round Table Discussions have been submitted to the Corporate Governance Advocacy Team.

The committee members drafted an official Committee Oath or official vision/mission as the guiding principle of the group. We also revisited the Conflict of Interest/Code of Ethics requirement that will help the Corporate Governance Advocacy Team in maintaining its independence during the assessment. We have ensured that this policy is aligned with ICD's current practices.

This coming year, we will continue to provide guidance to Corporate Governance Advocacy Team in CG/ACGS initiatives and events (e.g., ACGS/CGS items, ACGS Golden Arrow Recognitions, RTDs with Regulators, etc.). Some of the members are very much willing to contribute in the upcoming ACGS Workshops. We will coordinate with the team as well to publish blog or vlog, articles on newspaper on Corporate Governance and share it with the companies, hoping that this will inspire them adapt the international best practices. We hope to review the Committees' charter and have a formal election process. Surely, the new set of committee officers will continue the advocacy of the group in 2022.

Consulting Group



With these, the Consulting Group act as a board advisory to companies in evaluating their governance practices, board performance and effectiveness and utilizing the intellectual capital of ICD Experts and Members.



Dr. Vaughn F. Montes, FICD

CHAIR

ICD envisions to be the key catalyst in effecting positive change in the corporate governance ecosystem for inclusive and sustainable development by 2024. For years ICD as an institution together with its members has been advocating good governance through the 3 Es:

- **Education** – ICD provides professional development courses and training in corporate governance principles for c-suite leaders and senior executives.
- **Empowerment** – A special team (no contact assessment) is dedicated to conducting and assessing the ASEAN Corporate Governance Scorecard of publicly-listed companies; as well as the Corporate Governance scorecard and performance of insurance companies, government-owned and controlled corporations, and banks.
- **Engagement** – There are concrete, direct, and interactive board advisory services and interventions being conducted to companies to elevate boardroom performance.

The Consulting Group carries out the ICD's Engagement advocacy through its board advisory services to companies in evaluating their governance practices, board performance and effectiveness and utilizing the intellectual capital of ICD Experts and Members. One of its services is the Third-Party Board Evaluation. Through this exercise, directors are able to gauge the performance of the board as a collegial

body, roles and responsibilities of each director, board dynamics and processes, effectiveness of the chair and the board committees.

The milestones for 2021 of the Consulting Group together with the ICD Team and stakeholders include:

- Review of the Consulting Group Charter
- Conduct of four (4) Third-Party Board Evaluation
- Customer-centric interventions with the unbundle packages
- Enhancement of the product and questionnaires based on the requirements of clients
- Enhancement of the marketing letters and collaterals
- Streamlining of processes and reporting for Third-Party Board Evaluation
- Expanded the bench strength of Consulting Group with more members

For 2022, we aim to further refine and improve our services, provide orientation workshops and summits for new experts and members in the Consulting Group, benchmark with other global institute of directors, and expand the market reach.

On behalf of the committee, I encourage you to join us in raising the bar of good governance through consulting and board advisory services. Thank you very much.

Membership Committee



With our goal to have 1,000 Members in the next three (3) years, I encourage everyone to help the ICD Team in strengthening its Communication initiatives, Activation and engagement channels, and Recruitment movements in building better boards towards our Dream Philippines.



Mr. Conrado B. Roxas, FICD

CHAIR

At the core of the Corporate Governance advocacy are the ICD Members who dedicate their talents, time, and resources towards strengthening companies, raising the standards of good governance in the country, and steering economic development. This is the foundation for good democracy by making business leaders responsible and planting seeds for generations to come.

The mandate of the Membership Committee is to grow the membership base and to take care of its members. We are glad to share initiatives that we have accomplished given the post-pandemic recovery transition:

- Established various engagement channels and activities such as learning sessions, webinars, board placement opportunities, access to international content and with global institute of directors, teaching and speaking engagements, networking, and membership onboarding
- Conducted the Board Directorship Development Program that addressed the following questions: What does it take to aspire a directorship as a career path for senior executives? What are publicly-listed companies looking for when selecting a director in terms of skills set and competencies? What are the challenges and lessons learned that experienced directors could share?

- Streamlined the processes and Members' activities
- Increased companies requesting for Independent Directors
- Placed 5 Members on boards
- Curated video content and testimonials for Members' Recruitment
- Sustained membership collection
- 437 ICD Members by the end of 2021

With our goal to have 1,000 Members in the next three (3) years, I encourage everyone to help the ICD Team in strengthening its Communication initiatives, Activation and engagement channels, and Recruitment movements in building better boards towards our Dream Philippines.

Strategy Execution Pathway (StEP) Committee



The Committee refined its programs to better equip companies towards understanding the internal and external drivers, and re-engineering strategic initiatives given the challenges posted by the crisis.



Atty. Pedro H. Maniego, Jr., FICD, PIE
CHAIR

According to the Global Network of Director Institutes 2020-2021 Survey Report on Board Governance during the COVID-19 crisis, the top challenges in COVID-19 response are (1) recalibrating strategy, (2) virtual board meeting effectiveness, (3) responding to new regulations, and (4) ensuring effective governance in decisions affecting stakeholders. Following these findings, the StEP Committee focused its initiatives towards elevating the performance of our members and clients. The Committee refined its programs to better equip companies towards understanding the internal and external drivers, and re-engineering strategic initiatives given the challenges posted by the crisis. With valuable inputs from our Committee Members and diligent staff, the following were accomplished:

- Customer-centric corporate planning initiatives
- Inclusion of risks, scenario planning, and sustainability in the Strategy Planning and completion of Governance Charter and Balanced Scorecard
- Corporate Board and Management Retreat with Liwayway Marketing Corporation, GeiserMaclang Communications Inc., Philippine Deposit Insurance Corporation, Institute of Internal Auditors of the Philippines, and Imus Rural Bank
- Webinar on the key highlights of the Analysing Energy Transition Risks in the Philippine Power Sector study. The webinar was titled "*More Risks or More Opportunities? Domestic and International Energy Transition Implications on the Fiduciary Responsibilities of Corporate Directors in the Philippines*". It was in collaboration with Institute for Climate and Sustainable Cities, The Climate Reality Project Philippines, and ClientEarth.

- Webinar on the trends and analysis of the 2022 National Elections
- Onboarding of new StEP Committee Members
- Conduct the StEP Committee Visioning Exercises
- 2021 Pilipinas Aspire, Rise, Sustain Series with themes on (1) *Energy Transition Picks Up Speed: Global Trends, National Risks and Fiduciary Responsibilities of Corporate Directors*, (2) *Turning Crisis into Opportunity: The Corporate Duty Towards Sustainability and Climate Resilience*, (3) *Green Washing or Green Leading?*

This series was in collaboration with Institute for Climate and Sustainable Cities, The Climate Reality Project Philippines, and ClientEarth.

- Sessions for the ICD Masterclass by StEP Committee Members
 - Double your Valuation... or Not, The Zen of your IPO Journey with Mr. Dennis Montecillo, FICD
 - Since the Customer is King, Ace your Sales Governance with Mr. Ferdinand Dela Cruz, FICD
 - Governing with Analytics: Building a Predictive Enterprise with Dr. Donald Lim, FICD

The Committee would like to give tribute to past StEP Committee Vice-Chair Dr. Aniceto "Nick" Fontanilla for his contributions in institutionalizing the Kaplan and Norton Balanced Scorecard and corporate interventions towards raising the bar of corporate governance in companies; and to past StEP Committee Member Mr. Ignacio Manipula who initiated activities for the cooperative sector. Please join us in praying for the eternal repose of their souls.

Technology Governance Committee (TGC)



The TGC believes that technology is more than just another Board concern. Technology's proper use and governance forms the fabric of every organization and will determine its survival, relevance, and growth.



Ms. Julie W. Reyes, GICD
CHAIR

In 2021, the Technology Governance Committee (TGC) rode the momentum built from the previous year's initiatives in conjunction with the more pressing need for knowledge and appreciation of the real value and impact of technology at the Board level. Technology Governance has now become mainstream, and the ability to identify risks and opportunities and to effectively manage both have become a "must have" for the Board Directors of today.

There has been an alarming uptick of cybersecurity breaches -- major companies were subjected to such attacks, paying the ransom, and losing millions of dollars for infrastructure damage. Cybersecurity attacks and successful breaches will happen. Directors can, however, ensure robust enterprise risk management and mitigation to minimize adverse impact. In relation to this, we have conducted a course which aimed to dive deep into the causes of these cybersecurity breaches, into what companies can do to safeguard their systems, and into mitigation measures to reduce impact. The Technology Governance for Directors: Small Mistakes, Big Consequences. What Boards Can Do Against Ransomware Attack was conducted last August 16, 2021 and has been attended by 101 participants.

The mix of experience and expertise of the TGC touches on various leading technologies, key industries, and disruptive trends. This has allowed for a dynamic and balanced approach in helping organizations manage the technology that governs its operations while providing insight on how technology itself needs to be governed. The TGC believes that technology is more than just another Board concern. Technology's proper use and governance forms the fabric of every organization and will determine its survival, relevance, and growth. The TGC members have been very active in this advocacy and have contributed to the following courses and exclusive sessions:

Mr. Victor Jose Africa

- Digital Transformation - Century Pacific Food, Inc./Shakey's Pizza Asia Ventures, Inc., China Banking Corporation
- DX Pulse Check - Jollibee Foods Corporation

2021 Program Committees' Milestones

Mr. Carmelo Alcala

- Audit Committee - CGOP
- Technology Governance for Directors - Cyber Security
- Beyond Compliance: Making Data Privacy Work for Your Organization - Pacific Cross Insurance, Inc. & Pacific Cross Health Care, Inc. and Basic Energy Corporation
- Cyber Risk Management Fundamentals (AXA study) - Pru Life UK
- Digital Transformation - Home Development Mutual Fund

Mr. Romeo Aquino

- Digital Transformation - RFM Corporation
- Technology Governance for Directors - Cyber Security
- PDP Panel Discussion

Mr. Mario Demarillas

- Strategic IT Governance Issues (with cybersecurity in Telecoms) - Converge
- Strategic IT Governance Issues - Vivant Corporation, Jollibee Foods Corporation, Sun Life, RCBC Group, Philtrust Group
- Technology Governance for Directors - Cyber Security
- Cyber Risk Management Fundamentals - Pru Life UK
- DX Enablers: Privacy and Security - Jollibee Foods Corporation

Mr. Ricardo Nicanor Jacinto

- Risk Management in the Age of COVID-19
- CG for NPOs

Mr. Richard Moya

- Digital Transformation - Metrobank, Megawide Construction Corporation, CGOP, Converge
- Technology Governance for Directors - Cyber Security
- Beyond Compliance: Making Data Privacy Work for Your Organization - Philippine Commercial Capital, Inc.

Ms. Imelda Tiongson

- Finance for Directors - PAGIBIG Fund
- Risk Committee- CGOP
- Digital Banking - Security Bank
- Business Loan Restructuring - Fintech Alliance
- Revised Corporation Code - St. Luke's Medical Center
- Managing Finances in the Digital Age: FINTECH - Home Development Mutual Fund

Ms. Julie Reyes

- AMLA Compliance in the Age of the Digital World - Pacific Cross Insurance, Inc. & Pacific Cross Health Care, Inc., Sun Life of Canada (Philippines), Inc., Philtrust Group, and Caritas Life Insurance Corporation

In 2022, the Technology Governance Committee will attempt to explore and conduct webinars and courses on the following topics:

- Trust in technology for the 2022 National and Local Elections
- Strategic IT Governance and Cyber Risk
- Third-party and Privacy Risk
- AI-use cases
- Digital Trade-Offs: Promise and Peril in the 21st Century
- Web 3.0, Cryptocurrency, and NFT

Thought Leadership Committee



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ICD has established itself as a thought leader by drawing knowledge from the past, analyzing the present circumstances, and illuminating the path to the future by creating a comprehensive, unique, and impactful perspective in the field of Governance.

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Atty. Teodoro Alejandro Kalaw IV, FICD
CHAIR

ICD as a Thought Leader

"The goal of effective communication should be for listeners to say, 'Me too!' versus 'So what?'"

This quote from Jim Rohn emphasizes the advocacy of the Institute of Corporate Directors, which is to advocate good governance and stewardship in the corporate sector for the benefit of society.

ICD has established itself as a thought leader by drawing knowledge from the past, analyzing the present circumstances, and illuminating the path to the future by creating a comprehensive, unique, and impactful perspective in the field of Governance. The organization must be able to not only contribute to the current dialogues but also be at the forefront of intelligent insights and informed opinions.

Being a thought leader in corporate governance does not happen overnight. You must be able to transcend above the menial by building the organization's experience and by cultivating credibility and insight over the long term to cement yourself as a trusted figure. ICD has done exactly that by becoming the Philippines' leading corporate governance learning solutions provider, and by being recognized as the key catalyst in effecting positive change in the corporate governance ecosystem for inclusive and sustainable development.

What the Thought Leadership Committee does

To further establish ICD as the champion of thought, the Thought Leadership Committee was conceived to fulfill the vision and mission of the organization by reviewing and supervising the content development of courses, overseeing the research and publication initiatives, and conducting the recruitment and selection process and development of the ICD faculty.

Aside from those main responsibilities, the Thought Leadership Committee also focuses its attention on protecting and enforcing the intellectual property rights of faculty and providing discipline updates and trend assessments. To exercise its functions, the Committee meets at least every quarter, establishes, and implements policies, and supervises faculty recruitment and development initiatives and activities.

Faculty Development

By the end of 2021, ICD already has 71 members, with 8 new members, as part of the faculty roster. 62 of the 71 have at least 1 engagement.

Through the two (2) Faculty Summits, we continue to train our speakers for online teaching as there are multiple platforms that can be used. The speakers continue to increase their rating during online courses with an average

2021 Program Committees' Milestones

of 91% and an 85% excellence rating for the whole program (respondents who rated 90% and above). We continue to develop new programs and modules. We have launched the Masterclass Series where we featured the following speakers and topics:

- a. Corporate Governance in a Nutshell: What Effective Boards Focus on Before Everything Else by Atty. Teodoro Alejandro Kalaw IV
- b. Personal Governance: Life with a purpose is a life well-lived by Mr. Rex C. Drilon II
- c. Double Your Valuation or Not: The Zen of your IPO Journey by Mr. Dennis Montecillo
- d. Since the Customer is King, Ace Your Sales Governance by Mr. Ferdinand Dela Cruz
- e. Governing with Analytics: Building a Predictive Enterprise by Dr. Donald Lim and Mr. Ryan Guadalquiver

We had an initial launch where speakers were given 20 minutes each to brief the audience and tease them to attend their solo sessions to have a deep dive into their module. This teaser was attended by 332 individuals.

Another course launched was the Corporate Governance for NPOs. It is a 4 half-day session where participants learned the difference in CG between for-profit and NPOs, the laws and regulations that NPO directors should be aware of, Finance for NPO directors, Succession, HR Capital, Fund Raising, and Corporate Foundations.

We thank the Committee Members and the Faculty for their support and dedication as we continuously raise the bar of corporate governance and build better boards.

CORPORATE GOVERNANCE ADVOCACY STORIES

2021 Chairman Emeritus' New Year Address

19 January 2021



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ISA and ICD are not only children of crises, but victors in crisis.

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Mr. Rex C. Drilon II, FICD

LIFE FELLOW

Summary

Welcome Remarks

"Fellow governance warriors of Institute of Corporate Directors (ICD) and Institute for Solidarity in Asia (ISA), welcome to a very special joint convocation today with our beloved Founder and Chairman Emeritus Dr. Jesus P. Estanislao. This is how we are also welcoming the New Year. Thank you, Dr. Jess, for accepting our invitation to speak before the Board of Trustees, Fellows, Associates, members, friends, management, and staff of ICD & ISA in this joint session.

We are a nation in crisis and it seems that nobody is in control. We are torn in many directions and we do not seem to be united as people. The COVID-19 crisis and the pandemic have caused our nation and our people too much. Tens of thousands of businesses have closed down.

Millions have lost their jobs, millions more are going hungry, and thousands have died. Our economy has sunk and there is a growing sense of frustration and despair in our land. I've never seen so many beggars and homeless sleeping in some streets of Makati, our premiere city in this country. We could be sitting on a social volcano that can erupt anytime. In the middle of all of these, our clowns in congress are talking about changing our constitution by themselves. We are indeed a nation in crisis, and not only because of COVID-19, but because of so many clowns in our midst.

Thank God, we have a Dr. Jess Estanislao to tell us that despite the crisis, there are reasons not to lose hope. In talking about the crisis, (whether you) like it or not, we can learn from the Chinese. In Chinese, the ideogram for crisis is "Wēi Ji" or danger and opportunity. On one hand, crisis means anxiety, fear, confusion, loss of control, or danger. On the other hand, crisis can mean excitement, growth, innovation, profitability, or opportunity. ISA and ICD are not

Corporate Governance Advocacy Stories

only children of crises, but victors in crisis. The Asian Flu of the late 1990s which we have in the economies, people, and societies in Asia inspired our Founder, Dr. Jess, to start the corporate governance reform movement in this country with ICD. As many of you know, many of our PLCs now enjoy the honor of being in the Top 50 of the 600 biggest PLCs in ASEAN in terms of best corporate governance practices. I would like to think that ICD helped make this happen.

Another turn of the Millennium in the year 2000 when President Erap was being impeached, Dr. Jess and a few of his friends, I included, got together to discuss what we can do. Led by Dr. Jess, we drafted the Philippine Roadmap 2030 during 2000, and the trust to be submitted to whoever will succeed President Erap, constitutionally or heaven forbid not. ISA was born during this critical period. The goal was to transform governance in the public sector. The public governance reform movement was started by ISA at the bottom - the LGUs and later moved to the NGAs. We believe when we started that *ang pag-asa ng bayan, wala sa Malacañang; ang pag-asa ng bayan ay nasa bayan*. Since then, we have helped more than 200 LGUs and NGAs improve their governance. Six of whom - The Philippine Army, The Philippine Navy, the cities of Ilo-Ilo, Balanga, San Fernando - Pampanga, and San Fernando - La Union were even recognized by the Harvard-based Palladium Hall of Fame and made part of the global elite group of well-governed institutions.

Both ICD & ISA went through birthing pains, had rollercoaster journeys over the years, and slowly but surely were both on the way to achieving sustainability over the long-term. And then, the black swan appeared - a crisis so devastating that so much and so many have suffered, and being not-for-profit institutions, both ICD & ISA were extremely vulnerable and threatened.

Not too many of you know that last year, ICD had to go on a survival plan because its "bread and butter" sources of revenue and margins, through live workshops and seminars, disappeared. The best estimate then was that ICD would last only until August of 2020, if not, earlier. The management team led by the new CEO Mr. Lenard Berba worked closely with the Board of Trustees and adopted and executed a survival plan that included reorganizing and

right-sizing the organization, major cost-cutting initiatives, innovating the program delivery systems, while continuing to push the advocacy.

ISA, on the other hand, in the last few years, by the grace of God, focused on the healthcare industry. In which together with its work with NGAs and LGUs, brought ISA to levels of growth and profitability that were record-breaking. Its strength in the health sector, however, became a potential weakness because the pandemic would divert the hospitals from their governance transformation programs to health crisis management. We feared a major dramatic revenue slump. It turns out that many hospitals we worked with complimented ISA for helping them transform. And because of the transformation that happened in their respective hospitals, they were able to cope and deal with the crisis so much better. They said they were more agile and more responsive. Revenues dropped, yes. But not as much as we have feared.

Crisis indeed can be a danger or opportunity; despair or hope. That is why we have our Founder and Chairman Emeritus Dr. Jess Estanislao today. Again - Happy New Year, welcome, thank you, and have a great day, everyone."



Governance is systemic. No one can go far in transformation unless accompanied by others, who are also trying very hard to become better.



Dr. Jesus P. Estanislao, FICD
CHAIRMAN EMERITUS

Chairman Emeritus' New Year Address

"Chairman Rex, Chairman Popoy, our joint CEO for Institute for Corporate Directors (ICD) & Institute for Solidarity in Asia (ISA) – Lenard Berba, Trustees of both ICD & ISA, Fellows, Associates, friends of ICD & ISA. Good morning to everybody.

I'd like to start by asking everybody to please thank God for enabling us to survive 2020, the year of the pandemic. We, not only have survived. Some of us even look better and are feeling. As Lenard Berba will attest, you can go through a crisis and perhaps come out much stronger because of it. We have plenty of things to thank our Lord for. But one thing that the pandemic has made very clear (and this has been repeated very many times), we can no longer go back to the old normal. This is a time for radical change and there is no turning back. What we need to do is to shape the new normal – the normal for the future. The only problem is that nobody seems to know what that new normal is and what we're supposed to shape.

My task this morning is to reflect together with you (a) the need for reinvention both as individuals and as institutions and enterprises, therefore (b) the need for transformation, and the moment you talk about transformation, you begin talking about (c) better governance.

In governance, we always start by asking "What is out there that would influence whatever it is that we must do in order to shape the future?" This is where the mega-trends that have been made stronger and made clearer by the pandemic would come into mind.

Mega-Trends Strengthened by COVID-19

1. Big Government. Huge Deficit Spending. Big Business.

Big government means governments are spending like crazy. They are getting into deficit spending, with consequences pushed down the road sometime in the future. But nonetheless, all governments are overspending are going way beyond the normal norms of prudence for fiscal positioning. In the business community, you are actually seeing a great divide. Many businesses have closed. But there are a lot of big businesses in the proper sectors which strong cash positions and have made readjustments very quickly that are doing extremely well. The big divide is shown by the difference in what they call in the United States as Wall Street and Main Street. Wall Street has continued to thrive, even as Main Street businesses have struggled. It is symptomatic that in the case of the Philippines when ADB, World Bank, NEDA, and IMF came out with their readings for 2020 and their assessments for 2021, two of our top business executives, in effect, took exception to the very negative tone and negative picture that has

Corporate Governance Advocacy Stories

been presented by all of these multi-laterals. They felt that it was too negative. That, of course, was reflective of the business position that they were in. So, there's a great divide. This is a mega-trend that we'll have to think about and consider as we move forward.

2. Value Chain and Supply Chains are put under severe stress.

These are stresses and the strains that have been imposed on our value chains. Externally, you have for example a project where Rex and myself have been involved – putting together the PBSP and the Philippine Army because we have been faced with a problem of bringing food supplies to Metro Manila. We had to address many of these logistical problems and we have to turn to the Philippine Army in order to be able to help remove these logistical problems. That's just one of many examples about the challenges to the external value chain. On the internal value chain, all of us have been disrupted. All the internal mechanisms that we have in various institutions and in various offices have been upturned, precisely because of Work From Home (WFH). The usual oversight arrangements that we had no longer apply because we are working mainly outside of our respective offices, and that presents quite a number of new challenges for businesses and institutions moving forward. Value chains, both internal and external, have been subjected to quite a lot of stress, and are begging for attention for reinventions and transformation.

3. Digitalization.

All of us have to cope with the new demands or the much higher level of digitalization. I am close enough to the academic world. I know of the challenges that they had to face, even the reports that come out of Harvard University are coping with the standards and quality that they would like to have and maintain with less possibility for face-to-face type of interaction and supervision.

These are some of the three big trends (mega-trends) that will shape the future, that has been made stronger and clearer by COVID-19.

Now, what are the implications that they have moving forward?

Implications from these Mega-Trends

1. Inequality has worsened. There is a great divide. Many more families are pushed below the poverty line. It is no longer possible to disregard those that have become marginalized. There is a much greater, more absolute need for social outreach or programs/initiatives that are meaningful in addressing the needs of the marginalized. **Social responsibility** is essential. There is a need for practical, substantive substantiation: it has to be real, brought down from lofty and high rhetoric.

2. Re-configuring both external and internal value chains lead to demands for new and more effective ways of connecting, harmonizing the pacing of operations, and upgrading inter-dependence. Less independent silos; much more systemic coordination between compartments and departments. **Productivity** takes on central importance. This translates into greater *collaboration with external stakeholders*, and into *tighter coordination between teams within enterprises*.
3. Digitalization imposes new demands upon individuals: not just new technical skills; but also, a new mindset, new working discipline; and new **personal responsibility** for autonomously delivering outcomes with little direct oversight and supervision. Individuals will need to be more self-propelled under enterprise working arrangements characterized as more bottom-up rather than top-down.

Those are, in effect, the major implications of the three mega-trends that have been made very clear by COVID-19.

Now, what are the indicative guidelines for our advocacy when we talk about these implications?

Indicative Guidelines for our Governance Advocacy

1. The absolute need for **external outreach**. Governance is systemic. No one can go far in transformation unless accompanied by others, who are also trying very hard to become better. There is a need for pro-active programs following “whole of the community” approach, with a few empowerment components aimed at those who need to re-invent and upgrade their skills in a dynamically changing business and social landscape.
2. The absolute need for **upgrade of operating systems**. *Efficiency* is an essential governance outcome. This features logistical links that are fast, seamless, and cost-effective, with all external stakeholders properly engaged. The same should apply to internal links between operating teams and working units so that together, enterprise outcomes are competitively delivered at a quality that defines a great brand.
3. The absolute need for an institutional culture built up on the basis of **personal excellence**. Every individual takes fuller responsibility for attaining higher levels of professional competence, proper work and life habits that facilitate rendering a higher level of effective contribution to enterprise strategic goals and other priorities in the transformation roadmap.

More Specific Priorities for 2021

1. The theme for 2021 and beyond: go way **beyond compliance**; use checklists, but do not be inflexibly hemmed in by them. Break out and seek to deliver

substantive performance outcomes in view of the new post COVID-19 realities and the new environment those realities have created.

2. Make partnerships with enterprises genuine. The corporations we deal with, the NGAs and LGUs we work with: we respect what they already have and what they can bring to the governance table. We push them along the governance pathway, and **certify** them as they reach previously determined milestones and deliver genuine transformative outcomes. As certification bodies, we encourage and facilitate so that the governance journey they have is fun, persevering, and productive of real, substantive changes for the better.
3. Create and expand a genuine **community** of governance advocates, and within this community, there is active sharing of experiences, joint celebration of successes, and learning from failures and mistakes. Above all, it should be a community for mutual reinforcement as facilitating contributions towards shaping the DREAM PHILIPPINES we wish to bequeath to our children and our children's children, and indeed to the Filipino people."

DISTINGUISHED CORPORATE GOVERNANCE SPEAKER SERIES

Post-COVID High-Performance Boards: Energizing and Improving your Governance in a New World

11 March 2021



The fundamentals of Governance have shifted. Some are confusing Compliance and Governance. But there is no question that today, the confusion between Compliance and Governance is moving away because there is a need for Agility, Adaptability, and Resilience that is clearly about organizational success.



Dr. Didier Cossin

FOUNDER AND DIRECTOR
IMD GLOBAL BOARD CENTER
SPEAKER

Summary

In a world deeply changed by the Coronavirus, Boards are preparing for fully renewed governance: new topics, new practices, new concerns. Let us dissect the effects on principles of governance, which are shaken as new diversity replaces old diversity and as command economies challenge state-to-business relations.

This webinar highlights how governance quality has been a key driver of success during the crisis, and how it will remain a key differentiator in the post-crisis world.

The fundamentals of Governance have shifted. Some are confusing Compliance and Governance. But there is no question that today, the confusion between Compliance and Governance is moving away because there is a need for Agility, Adaptability, and Resilience that is clearly about organizational success.

A. The Case for Governance

- Governance has become a key driver of performance. It's not about compliance, it's about performance. Performance with integrity, performance for the long-term, performance across cycles, resilience to crises, agility in crises – that's part of governance.
- The world of investors is coming into governance. Shareholders, at the same time that we are considering stakeholders, have become much more important. ESG is transforming the world of governance.
- Governance drives performance. It drives it even more in volatile times.

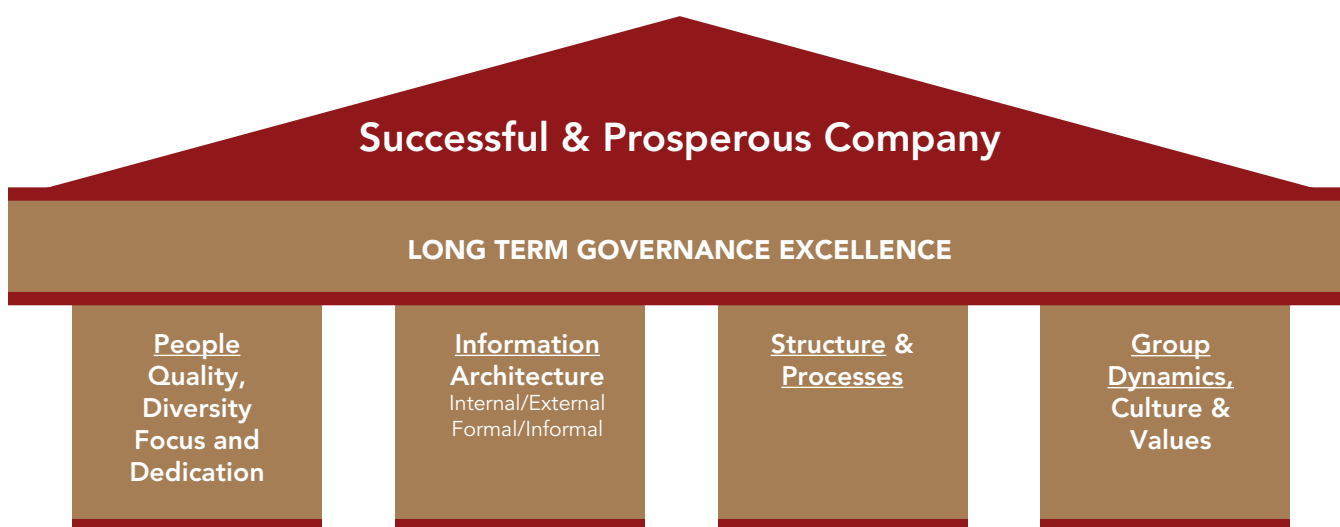
- There is an evolution in Corporate Success: In the 18th Century - Administration, Rules, and Procedures are the highlight of running an organization. This, later on, shifted to Management, Efficiency, and Results at the beginning of the 20th Century. In the '70s, the focus became Leadership and creating a Vision. In the present, the world has become obsolete. We moved to a world of governance that is much more about balance and ultimate decision responsibility.

B. Long-Term Governance Excellence

"When practicing good governance, the board is the vital driver of organizational success, while fostering positive social impact and economic value creation."

Long-Term Board Effectiveness rests on the "Four Pillars of High Performing Boards". These pillars or dimensions are crucial for establishing and maintaining best practices at the Board-level:

- the people involved;
- the information architecture;
- the structures and processes; and
- the group dynamics and culture of governance.



C. Governance Leadership and Culture

- When we think about Board composition, we tend to think about competencies and think less about personalities. Personality is a big driver of Board Success as competencies are. Board may refer to the Big 5 Personality Model which includes the following: "Need for Stability, Extraversion, Openness to Experience, Agreeableness. Conscientiousness".
- The key to the Board is diversity not just in terms of competency and/or skills set, but also diversity in personality. A best practice is to do a Board Composition Mapping to ensure the diversity that the Board will need for optimum performance.
- The New Board Radar Screen: More Boards are thinking of steering organizational structure. The sense of purpose, culture, common views, and values is a huge driver of performance. Likewise, strategy, innovation, leadership, stakeholders, risks are also a significant focus

by the Board.

- Boards get trapped in such a way that there are underlying dysfunctions or red flags in the governance culture. Below are some examples of "Governance Traps":
 - *The Leader/Control Trap:* Disproportionate influence by one/two board members
 - *The Happy Family/Support Trap:* Everyone too supportive, not raising red flags
 - *The Argumentative/Broken Relations Trap:* Trust breaks down, board dysfunctional, stakeholder alienation
- The Role of the Chairperson is Key:
 - Lead and Manage Board Discussion to Keep Focus and Drive Conclusions within Time Constraints
 - Responsible for Rules of Engagement (Implicit or Explicit) Responsible for Board Processes
 - Sets the Agenda with Management
 - Represents Moral Authority (notably in crisis)

Corporate Governance Advocacy Stories

D. Risk and Crisis Management

- Best-in-Class Risk Board Work
 - Having a *Board View of Risks* differentiated from Executive View (elaborated separately from executive risk view)
 - Extension of Risk Thinking beyond executive Classics: Culture, Social Evolution, Regulatory Trend, Technological Disruption
- Key Ingredients for Successful Risk Thinking in Post COVID-19 world:
 - **Preparedness** to Risks and Opportunities (psychological, emotional and objective)
 - **Scenarios** and Mapping
 - **Agility** and Culture: Towards Scrum Boards
- Scenario thinking is becoming prominent for stress testing or dynamic creativity
 - Shapes of recovery are going to be different: U, V, W;
 - Social evolution, geopolitical evolution;
 - Climate response;
 - Growth convergence or dispersion; and
 - Commodities and dollar

E. Post COVID-19 Strategic Challenges

- Technology and New Ways of Working
- Deglobalization and Geopolitics: New priorities
- Managing Stakeholders: More Aggressive?
- The Rise of ESG Practices
- Shareholders Flexing Muscles: Will Santiago Subsist?
- Stewardship: Purpose with Long Term and Positive Social Impact

F. Guiding Principles for Board Performance



Step Back Every Few Years and Take Stock



Clarify Roles, Shared Responsibilities, Collaboration Opportunities with Management Team, Knowledge Standards



Check Difference Between Current Composition and Ideal Composition



Step Up Performance and Knowledge Standards of Every Individual Director



Improve Work Processes and Information Design Continuously



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COVID-19 has evidently created enormous changes all around. One question that I do have is the whole notion of Agility versus Charismatic Leadership and Legacy in the Digital Age.



Mr. Francis G. Estrada, FICD

FORMER CHAIRMAN
INSTITUTE OF CORPORATE DIRECTORS
REACTOR AND MODERATOR

Q&A

"COVID-19 has evidently created enormous changes all around. One question that I do have is the whole notion of Agility versus Charismatic Leadership and Legacy in the Digital Age. Is Charismatic Leadership passé or is this a luxury that modern agile companies can afford? Secondly, how can Boards create an environment favorable to transformation and agility in different contexts of large companies, multi-national companies, and family enterprises with multi-generational constituencies?

Is globalization dead? Is there room for globalization in an increasingly protectionist Digital Age? What about the transformation of global supply chains at a time where protectionism is beginning to rear its head?

I would also like to ask your view and your prognosis of the major Boards of the leading buy-side institutions in North America, Continental Europe, Japan, and Asia. Are they revisiting their previous advocacies of Stewardship, ESG, the reduction of inequity, etc.? What are the major trends in that sector?

In terms of enterprise economics - because of the unprecedented injection of global liquidity via fiscal and monetary policy, several things happened that have affected enterprises profoundly. Among those is the consequent establishment of a very low unprecedented yield curve for financial assets creating, among others, serious financial and risk management challenges to institutional investors and the buy-side. In major divergence between Wall Street

and Main Street where all of a sudden, fixed income is no longer a provider of recurring inflation adjustment income. Are institutions forced to go up the risk ladder to meet the hurdles?

Should High-Performance Boards modify their traditional metrics for performance?" - **Reaction and Question by Mr. Francis G. Estrada, FICD**

"Charismatic Leadership has a lot of value but geniuses are far apart. It is figuring out how to have resilience and agility when you do not have that genius around. Maybe also a bit of humility, grounding, and realizing that we are not geniuses. We are still managing companies. We have people dependent on us. We have been elevated in this responsibility by society for good reasons – not because we are geniuses but because we are going to do a good job in the responsibility. And that is governance.

On transformation and agility – I believe that it is in the heart of success [and of capitalism], in my view. It is a natural selection process. I have a view that is more system-based than organizational-based. The success of human society is linked to these organisms being competitive in a natural selection process. It's not only competition. It's more than that. It's also integration and protecting each other in some way. It is cooperation, multiple stakeholders, purpose, etc. – that whole balance of what works well. It is a whole system that works well, in my view. [Where] I believe that an autocratic centralized system doesn't work so well.

Corporate Governance Advocacy Stories

We've seen the evolution in communism even, from Soviet Union to China, with the Chinese system much more prone to taking more information than the Soviet Union. I'm not taking political sides in this discourse but I'm saying that we need that natural selection process.

Then a question on Globalization - Is Globalization Dead? The answer is yes. Of course, we still live in a globalized world. We still have an impact on each other. Today, you use tech that is American or from China. It's a different choice. It is not mutual. I worked with the Stock Exchange in Moscow and all IT infrastructures owned by US investment vehicles don't work anymore. We've moved away from that. It is a new world.

We live in a world of regime shifts. We have a big financial regime shift that's coming to us which will have a huge impact on asset owners. Returns are challenged for the years to come. We will not have a game of winners and losers there. Look at how Canadians have done with pension funds over the last 10 years by freeing their governance. And now, retirements are secured. Look at countries like France and Italy that have remained there where retirements are not secured. It could have been secured hence; the quality of investments that have been done. We are coming back to a world where investment per se has a social impact and importance to the world. It is investments as part of society and smart investments in the future will be dynamic. All of that is part of what I would call a governance of investments that will impact the corporate governance that we are talking about today." - **Response from Dr. Didier Cossin**

Some say that Capitalism has failed because we are now facing the global problems of Inequity and Exclusion. Is Stakeholder capitalism or Shared Prosperity the answer? Why or why not? - **Question from Mr. Rex C. Drilon**

"We have an enormous debt to the next generation. Whether it is financial debt, climate debt, or social debt, inequity and exclusion are a part of that. The question is how do you get out of that? It's not an easy answer as we all know. It's hard work, hard discipline. Stakeholder capitalism is part of the answer. It's not the answer. The answer has to be returned. It is smart investment. It's

figuring out opportunities. It's not only being good. It is also being productive. I'll use the oil and gas companies as an example. Many oil and gas companies are moving with Sustainability Committees, etc. They are doing big investments – i.e. largest windfarm operators, even so, it is not a very good operator of wind farms and it's not very good at investing at wind farms because it [typically overpays]. That's not the right stakeholder capitalism. We want a way to figure out shared prosperity. The future is stewardship. It's about stakeholder capitalism and shared prosperity but in a value-creative way. It has to be much more authentic. It must be part of our values." - **Response from Dr. Didier Cossin**

In governance, are you advocating the primacy of performance over compliance? Isn't there an Aristotle's mean? - **Question from Mr. Antonio Cailao**

"It's not one versus the other. Both are driven by the same theme, anyways. We rely a lot on auditors for fraud. What is the percentage of fraud that is uncovered by external auditors? 3% of all frauds are not covered by external auditors. How successful are internal auditors? 22% of frauds are uncovered by internal auditors. So, 3 quarters of all frauds are not covered by internal auditors. What drives governance? It's the culture, the people speaking up, Whistleblowing – it is simply people expressing themselves. This is the same as agility and shared value. This is the quality of the culture in the organization. So, it's not a fight of one versus the other." - **Response from Dr. Didier Cossin**

DISTINGUISHED CORPORATE GOVERNANCE SPEAKER SERIES

The Role of the Board of Directors in the Connected Age: Governance of Subsidiaries, Partners and Ventures

18 March 2021



In a circular value creation, we still have the same players but the roles of the players have shifted and will shift. In the end, it is up to the companies to decide in which opportunities can they create value.

Dr. Michael Hilb

FOUNDER AND CHIEF EXECUTIVE OFFICER
DBP GROUP
SPEAKER

Summary

In a world of fast-paced technology disruptors, Boards are preparing to evolve in this highly connected age. Let us explore how technology disruptors impact the form of economic business models and the form of governance.

In this connected age, you will learn about the emerging value architects, how these are created in different governance modes such as with subsidiaries, joint ventures, with partners, and takeaway the dimensions of effective governance.

A. Value Creation in the Connected Age

We are in the midst of major technology disruptions. There are 3 key disruption forces namely:

- Computing – Faster and cheaper data processing
- Cognition – Smarter ways to turn data into intelligence
- Connectivity – More data available and accessible

All 3 forces shaped the world in the last 50-60 years. These 3 forces are changing value creation.

We are undergoing major shifts when it comes to business and economic value creation.

Corporate Governance Advocacy Stories

Implication 1 - From linear to circular value creation

From a pure linear value creation approach, we used to focus on value chains – trying to optimize and control all functions. Companies that were successful in managing and controlling huge value chains have created more value for shareholders and stakeholders.

Nowadays, companies connect producers and consumers in an effective way. Nothing has changed in terms of the manufacturing and consumption of services. What has changed is that the parties in the middle of the platforms are capturing the most value and influence on the process of economic value allocation and creation.

In a circular value creation, we still have the same players but the roles of the players have shifted and will shift. In the end, it is up to the companies to decide in which opportunities can they create value.

Implication 2 - From centralized to distributed governance

From a centralized type of governance where companies control decisions and channel information controlling all the activities. Nowadays, many companies are moving to a decentralized way of governance where certain responsibilities are with the smaller companies/entities. Distributed governance, on the other hand, is a way of interaction between different entities who govern themselves.

The Emergence of New Value Architectures

- Value Chain – ways of economic value creation where companies create value sequentially
- Value Hubs – centralized platforms like Amazon, Alibaba, Facebook that create value for players in the economy
- Value Nets – collaborating with partners that have a wider audience and access to different suppliers
- Value Webs – decentralized or distributed platforms

In this connected age, Boards deal with different approaches to governance.

B. The Challenges of Multidextrous Governance

The Nature of Multidextrous Governance -

“Multidextrous governance is the ability of a Board of Directors to manage corporate, market, and community governance simultaneously, as organizations become increasingly part of “competitive” ecosystems.”

The Challenges:

• The Exploration Challenge

In interacting with different companies in this connected age, you will explore new ways and innovations in businesses. You will not be able to plan it all out, but you have to rely on others to do so. There will be a lot of unpredictability in your decisions. Failure could become a norm. Growth is a must and trust counts.

In corporate governance, planning is a core task. Survival will be the basic assumption that Boards will ensure. Profitability is the goal – it is important for survival. Always ensure clear rules and regulations.

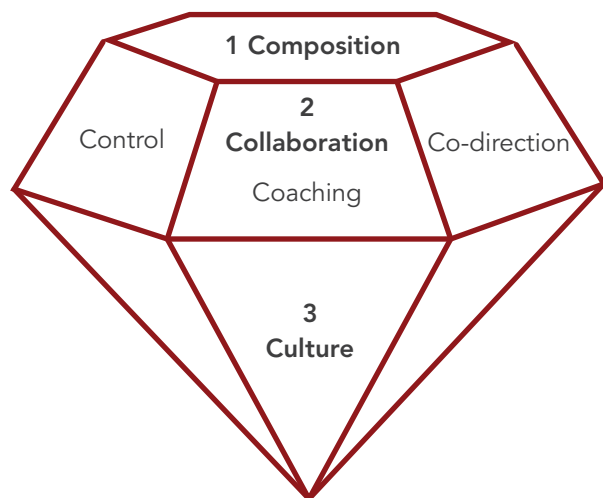
• The Collaboration Challenge

Many companies will collaborate with many much more parties in the future. These collaborations will not just be contract-based. Co-developing and co-managing will be evident. Boards have to ensure adherence to obligations, maximizing value to stakeholders and shareholders, and manage different collaboration that further increase in the future.

• The Alignment Challenge

In independent companies with their own Boards and interests, there may be forms of collaboration. This challenge is focused on aligning the interests of the owners with the interest of new ventures or alliances. This type of challenge needs alignments since a lot of interests may be fragile or may lead to potential conflicts in the end. When dealing with this kind of challenge, it is about alignment, collaboration, and exploring the nature of those value creation approaches.

C. Mastering Multidextrous Governance in the Connected Age



"The 10 Commandments of Multidextrous Governance"

Composition

- Ensure you know the ownership strategies of all the ecosystem players
- Set up independent boards for collaborative ventures with representatives of the organizations involved
- Choose an independent chair who is accepted by all parties and the venture

Collaboration

- Establish transparent reporting structures accepted by all parties
- Use the venture board as a coach for the venture management team to find the way around the various organizations, partners, and markets.
- Ensure regular adjustment and alignment of the various ownership strategies.
- Make sure the board members are aware of the different hats they wear.

Culture

- Make confidence building a key priority.
- Discuss exit opportunities and conditions in good times.
- Regularly review your approach to governance in light of changing conditions.

D. Conclusion and Outlook

Three Disruption Forces - Understand the implications of increased connectivity, computing power and improved cognitive technologies on value creation and governance modes.

Three Governance Challenges - Be aware of the exploration, collaboration and alignment challenges of multidextrous governance.

Three Board Dimensions - Rethink and refine your board composition, collaboration and culture to make your board fit for multidextrous governance.

Corporate Governance Advocacy Stories



Overall, large companies are developing new business models that work in the digital world and create value for connected customers.



Dr. Alfredo E. Pascual, FICD

TRUSTEE
INSTITUTE OF CORPORATE DIRECTORS
REACTOR AND MODERATOR

Reaction and Q&A

"The three disruptive forces of connectivity, computing power, and data cognition are well recognized in the Philippines both in business and government. Connectivity is constrained in the Philippines because of low high-speed broadband penetration. This is a big issue, particularly during elections. Sad to say but the Philippines lags behind its neighbors when it comes to broadband availability. But local corporates and government units that Filipinos who have the spending power and resources to pay for goods and services have good access to the internet and are looking for online-based systems for transactions. Many are aware of computing power for faster and cheaper data processing and have actual experience dealing with artificial intelligence through their digital devices. The work from home experience during the pandemic is another source of greater awareness about digital platforms.

I would say that businesses and governments are under pressure to meet the expectations of customers, clients, and citizens. Large cities and government offices have started to introduce the delivery of public services using online facilities. The general population is also aware of the ubiquitous presence of international social media platforms like Facebook, etc., in our midst.

In the business space, large companies have started or are well into their digital transformation journey to make their organizations more agile and ready to meet challenges from technology disruptors. Through data analytics and artificial intelligence algorithms, companies are working to improve and expand their customer targeting, automate marketing campaigns, and understand the behavior of customers. Overall, large companies are developing new business models that work in the digital world and create value for connected customers. As incumbents in their industries, they are launching digitalization-driven innovations to find new ways to create an appropriate value.

Most large business groups in the Philippines are diversified conglomerates engaged mainly in non-tradable goods and services. There are areas like property development, retail merchandising, telecommunications, power generation, and distribution, infrastructure, construction, operations, and banking. There is some degree of competition that benefits consumers. For example – in retail merchandising, there is SM, Ayala, Robinsons, or JG Summit. In the airline business, we have JG Summit and LT Group. The existing conglomerates have very little involvement in platform-driven ecosystems. Exceptions are in retailing and accommodations in which international platforms like Lazada, Shopee, Zalora, Airbnb have affected conglomerates in the business being handled by these platforms.

Locally, platform-driven ecosystems are emerging mainly in financial services. A big potential exists for fintech companies for penetrating and tapping the large unbanked and underserved population. Platforms have also emerged to provide e-commerce access to micro small-medium size enterprises.

The concepts shared by Dr. Hilb shared are useful in enabling us to be more effective Board of Directors in company groups and in situations where our companies go into partnership with other organizations for joint venture undertakings. I also like the guidance in addressing the three multidextrous governance challenges of exploration, collaboration, and alignment. The three board dimensions of board composition, collaboration, and culture, together with the 10 commandments provided us with a structured way of arriving at an alignment between partners and ventures. Going forward, the concepts and frameworks of Dr. Hilb help us prepare in facing the challenges confronted by companies."

How does distributed governance work in a single company where there is just one board?

"As you point out correctly, distributed governance can be within a company. You can delegate responsibility. The notion of "agile" is often used to symbolize this delegation or increased autonomy given to certain teams or parts of the companies. The big challenge that needs to be avoided is having two systems in the company – having a traditional corporate governance at the top and agile or free willing entities in the organization. Companies needs to have a clear definition on which areas you are allowed to be agile. What are the conditions of that? You need a constitution for those activities. Secondly, you need to have a clear mapping or translation of objectives. It is about mapping, translation, and defining the basic rules of those activities."

Certain big companies are thinking of developing their own platform where they can control all players except the customers and suppliers. What do you think of that kind of arrangement?

"The big challenge or dilemma of platform economies is the fact that everyone wants to be the platform orchestrator. Everyone wants to be in the middle of that and that is not possible because you only need one party to be in the middle. One alternative would be like the diem project that can build a new entity jointly and make things orchestrate. Otherwise, it's just win or lose."

What happens if all conglomerates form and build jointly a platform? This might make sense strategically but will raise some trust issues. It may be seen as the collision of all these parties. Laws in these areas are far behind these developments. A lot of change and discussions in these laws will be needed. This will be one of the big blockers of future digitalization of the economy that any law may come into play."

With the pandemic, there was a rapid transformation of events and disruptions. The impact is so fast that the front-liners who are nearest in the situations should be empowered and well equipped. To my mind, there is less primacy given to strategic planning because of the happenings at the front line. There are less roles for CEOs since much weight is given to the front liners, more so to the Board of Directors who meet only once a month or once a quarterly. The events right now are very disruptive and fast. Is there a way for directors to be abreast of the developments or should we meet more often?

"In times of disruption and crisis like COVID-19, a lot of trends are accelerated. It's just impossible for a CEO, even a Board member, to have any influence if the decisions need to be taken instantly. Therefore, a lot of the decision power has been or will be delegated to the front line who knows directly what's going on instantly. It's the role of the Board or the CEO if that's going to persist and that may probably persist to a certain extent. There are three roles of the Board: (a) recognize the fact and the challenge that comes with it; (b) the Board gets closer or exposed to the action to get a better sense of what's going on; and (c) governance innovation or challenge your own system or supervising. In the end, you have to work on your own way of operating to make you adapt to these new realities. This will be a very interesting and big challenge to all of us as we adapt to the post-COVID-19 world. We will recognize that a lot of things will stay from this pandemic. We will have to change our way of operating as Board members."

Corporate Governance Advocacy Stories

As companies need to evolve, how can the more traditional companies evolve to take advantage of the network platform or having a multidextrous Board? What is the best option to move forward to digitalization – develop from within or involve a third-party or partner?

"In the companies where I am involved, there are two questions. One – what should be the role of the Board in this digital transformation? What you can do as Boards is to be: (a) very clear about the direction so people understand and that the aspiration will be well understood, and (b) use the technologies as a Board. Be a role model and realize this aspiration. Another question – whether you buy, borrow, or build? Sometimes, there's a certain bias in companies, particularly the management, that tend to build themselves. I think it is a good thing because they are confident and that they can do it. The Boards may challenge this perspective. It is not discrediting the capabilities of the management but a possible way of doing it is to see what others are doing and learn from collaborating with others."

In order to futureproof the boardroom, rethinking the composition and including tech expertise is one good practice. How can the non-tech expert board of directors get up to speed quickly about new technologies?

"Knowledge about technologies and their implications on the business is important. One way to do it is by bringing an expert or a well-established figure into the Board. This may work out but sometimes it might not be the best option. For example, those people from tech companies really know technology but if you are an established conglomerate or a big company, you work very differently. You can't just copy the rules of Grab or Alibaba. It won't work. You have your own culture and you have to make it work within your culture."

DISTINGUISHED CORPORATE GOVERNANCE SPEAKER SERIES

Stakeholder Voice in the Boardroom

25 March 2021



We have to move and rethink Corporate Governance from the hierarchal structure to a flatter co-creation governance structure where digitization, flat hierarchy, showing that you care, communicating in a clear language, that you uncorporate, and that you create communities in order to figure out what the next things is.

**Dr. Erik P.M. Vermeulen**

PROFESSOR OF BUSINESS & FINANCIAL LAW
TILBURG UNIVERSITY, NETHERLANDS
SPEAKER

Summary

In a world of evolving demands from transparency requirements of regulators, shifts in consumer and workforce behavior, evolution of technology and supply chains, expectations from investors and society, and anticipated commitment to sustainable development goals, boards are challenged to integrate stakeholder voices in fulfilling their governance roles.

Let us explore value creation with a more collaborative, inclusive, and strategic stakeholder engagement. In this world of shifting expectations, you will learn about the importance of listening to the “voice of stakeholders” and adopting a governance culture that builds trust and confidence among stakeholders.

A. Corporate Boardrooms are in Need of Education

- “Consider boards and innovation. Boards not only monitor the company’s innovation performance; they actively contribute to it. Board diversity is key in this regard as board members from other industries are faster to foresee sudden industry shifts or disruptive moves” (Cossin, 2012)
- “Today’s companies need to be agile as casts to navigate a fast-moving, hyper-sensitive operating environment filled with disruptive technologies, cyber threats, and social media. Yet we still govern them with a core structure that, literally, was designed in the Middle Ages and for another purpose entirely” (2019)
- There’s hardly Board Diversity within Corporate Boards. Most Board members are “cocker spaniels” rather than “pit bulls”. This means that Boards just says yes to almost everything. (Buffett, 2020)
- “In times of crisis, advice-oriented boards fare better than monitoring-oriented boards” (2020)

Corporate Governance Advocacy Stories

This 2021, we see a change of the status quo. While there is exponential growth in emerging tech-driven products & services — the environment, health, diversity, changing industries, and consumer behavior will also become even more important. Everything is about management. The question now is: How can the management figure out what the next step would be?

Within organizations:

1. Profit is important but people also want to know the purpose.
2. Hierarchies are changing and becoming networks.
3. Instead of a “controlling” management side, people are empowered.
4. Planning has now transitioned to experimentation.
5. Privacy becomes Transparency.



Management doesn't have all the answers. More often than not, answers come off the shop floor, and managers need to accept the fact that great views come from all over the organization.



- Peter Harmer

B. Co-Creation Model of Corporate Governance

Digitize

Because of technology, business models have to change. Companies with a digital-savvy Board perform better. Being digital-savvy does not mean having artificial intelligence or blockchain experts in the Boardroom – it is about Boards with an understanding of the digital technologies' impact on the corporate strategy and direction.

Keep it Flat

Hierarchical structures are not going to do the trick anymore. Organizations should be flatter. This could mean that companies will need to get rid of certain management layers. Instead of having management levels, some companies use an “inverted pyramid” model where the customer becomes the starting point connected with all kinds of teams within the organization. Every organization is unique therefore there's a need to figure out what will work for them. However, organizations must find ways to make the structure flatter.

Uncorporate

Uncorporate behaviors and make your organization different. In a book entitled “No Rules Rules: Netflix and the Culture of Reinvention”, a “No Rules Rules” environment is encouraged wherein more freedom and responsibility are given to employees. In return, employees feel appreciated since they can actively contribute to the future direction of the organization.

Care

Being transparent and showing that the organization cares is extremely important. It pushes for brand loyalty, consumer loyalty, and employee loyalty.

Build Communities

Creating a community around the company and involving investors, consumers, employees, the government, and social media platforms is key.

Communicate Clearly

How the organizations interact with consumers is important. Communicating clearly in plain English is key. The power of using plain English in policies and general terms and conditions will drive more understanding between organizations and its stakeholders.

We have to move and rethink Corporate Governance from the hierarchal structure to a flatter co-creation governance structure where digitization, flat hierarchy, showing that you care, communicating in a clear language, that you uncorporate, and that you create communities in order to figure out what the next things is.

“It's not about being right up front. it's about creating a system that helps you find right”. Creating a system that helps you find right is what Corporate Governance is in this digital world. This is how we should think about Corporate Governance, Board Compositions, the role of the Board, and how the Board can engage with stakeholders.



The role of a Board is not to be an overseer. It is to contribute to the progress and development of the corporation. I love the way Dr. Vermeulen ended – that the mission of the Board is to help the corporation “find the right”.



Mr. Jose Teodoro “TG” K. Limcaoco

FORMER CHIEF FINANCE OFFICER, CHIEF RISK OFFICER & CHIEF SUSTAINABILITY OFFICER OF AYALA CORPORATION
REACTOR

Reaction

The role of a Board is not to be an overseer. It is to contribute to the progress and development of the corporation. I love the way Dr. Vermeulen ended – that the mission of the Board is to help the corporation “find the right”.

He also mentioned that Warren Buffett said that “the Board is broken”. I would venture to say that it’s probably not the structure that is the problem. It is actually the way we convey the mission of the Board. It seems that the Board’s mission is supervision and control over the management. Let’s think about the way we define Board members. We make a big statement that we need Independent Directors. The term itself – “Independent Directors” connotes that you are independent of the Board, management and that you represent minority stockholders. It seems to convey a mission that Independent Directors have an oversight mission rather than a mission of contribution. Maybe we need to educate Directors on what their real mission is as Board members.

I like the analogy that “most Board members are cocker spaniels rather than pit bulls”. Maybe they shouldn’t be pit bulls because pit bulls are adversarial. And that is not what you want with a director. Maybe directors should be beagles. They’re bloodhounds, they sniff out new opportunities, they guide, and while they are loyal, they are not a follower. That’s basically what must happen in a director – they should guide the corporation, they don’t have to be loyal in terms of following what management wants, and they have to show the way to “find the right”.

In Ayala Corporation, we make sure that everyone in the organization, including the Board of Directors, completely understands the way we want to do business. In Ayala, we like to think of ourselves as an investment holding company. Every time we make a decision to allocate capital or invest into a business, we look at 3 things:

Seeing Potential: While others see challenges, we see potential in markets that are not being served well and become the drivers for its transformation. It is in our DNA to challenge convention, and in doing so, we unlock the potential within.

Making Business Better: We believe that success in business requires constant work, and the work lies in its people doing things the right way to generate trust. This trust allows businesses to further develop and create a bigger impact that brings about greater change.

Improving Lives: We are fueled by the hopes and dreams of others, and are committed to giving people the opportunity to lead improved lives. By making good business that doesn’t just focus on returns, we contribute to the communities that we serve, and ultimately to the country as a whole.

Ayala has always strived to run the company for the benefit of the country and the people.

We have embedded the 17 UN Sustainable Development Goals (SDGs) into the way we do business for a very simple reason that these are well thought off and easy targets to communicate. We purposefully said that each business unit will target one main SDG.

Corporate Governance Advocacy Stories



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One of the major obstacles, at least here in the Philippines, is that the government always expects Boards to be “pit bulls” rather than “beagles”. Wouldn’t it make sense to actually separate the role of a “pit bull” and “beagle” so that directors have more time and that they will know what their roles are?

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Mr. Rex C. Drilon II

FORMER CHAIRMAN
INSTITUTE OF CORPORATE DIRECTORS
MODERATOR

Q&A

How open will Japan be to the Co-Creation Model of Corporate Governance knowing that culturally, they are very hierarchical and structured?

“The hierarchical way of thinking and the Co-Creation Model has some kind of disconnect. I think that some companies realize that. If you look at Toyota, they are trying to come up with more of a Co-Creation Model. But as I mentioned, there’s no one-size-fits-all here. You have to take culture and history into account as well. Some Japanese companies try to embrace more of a Co-Creation Model by bringing in foreigners in top management or at the Board-level. But the same as Ayala Corporation, you have to think of co-creation and find ways of involving the stakeholders. If you don’t, it will be extremely difficult to survive.”

- Dr. Erik Vermeulen

What’s the best strategy to influence the Board where everybody is a “cocker spaniels”?

“If your company is doing really well, then still there might be a reason to change the Board. The environment is changing so quickly these days and you can’t just sit back and relax. Particularly, for companies that have a monopoly position, then you have to be extremely careful. The Board still has to supervise but the Co-Creation approach is much better and makes you a better supervisor.”

How to influence them? There are several ways. Some companies appoint younger generations or millennials on Board. In the Board meeting discussions, just have an agenda discussion on what’s happening in the world, the environment, competition, and how can we change. But the most important thing is - the management should learn how to involve the Board members. It is the management that can activate the Board members better and make better use of them.”

- Dr. Erik Vermeulen

One of the major obstacles, at least here in the Philippines, is that the government always expects Boards to be “pit bulls” rather than “beagles”. Wouldn’t it make sense to actually separate the role of a “pit bull” and “beagle” so that directors have more time and that they will know what their roles are?

“I believe in the Board as a collegial group. Within the Board, there might be certain people playing roles but there must be an open discussion that you have with all of them. One of the things that I don’t like in Corporate Governance - when there are too many committees, they fragment the whole Board and put them in boxes. What you miss there is having a complete and open discussion with all of them. Separating roles is okay but still, it should be a collegial group with an open discussion on whatever is on the agenda.”

- Dr. Erik Vermeulen

"I don't think you necessarily have to say that those are two conflicting roles. An excellent Board performs both roles. There's a supervision role to make sure that proper controls for the management, and there's a role that Boards need to contribute to the business. It is really driven by leadership at the Board-level. To promote a spirit of openness and of contribution, how do you change? As Dr. Erik shared, you might need people to realize that they are not doing their fair share of the heavy lifting. The problem with corporate structures is that it takes a lot of maturity for that controlling shareholder to open their minds to say that "I need a Board that is inclusive and that contributes". One good practice is that at the end of every Board meeting, everything goes into an executive session with just the Board members." - Mr. TG Limcaoco

Will the Co-Creation Model work for small and medium-scale enterprises?

"Yes. It is extremely important to embrace co-creation for them. Sometimes, they find difficulty to bring outsiders to help them figure out what's right. For smaller companies, they might not have a supervisory board but they can use advisors that can help them. The world is changing extremely fast. In that respect, COVID-19 only accelerated things and forced many organizations to make choices. That goes for the biggest corporations and also for the smaller and start-up companies. I would definitely advise them to look at advisors to help them have a co-creation component that can help them find what's right for the future." - Dr. Erik Vermeulen

Diversity is very important in the Boardroom. Yet, whenever I see advertisements for Board Directors – if it's for a Bank, they always want people with finance expertise. Companies only seem to ask for people with direct expertise at the type of company. You don't get diversity if you are only looking at people who are just the same as you. Does your bank, for example, have anyone in the Board who is not a finance expert? If not, why not? How can we improve the situation?

"I completely agree with you. We had an ExCom meeting yesterday at the bank. One of the things we discussed was actually setting metrics for board diversification within the next couple of years. One of the things that we put in there was to make sure that we have directors who have an experience that is not necessarily finance. For example, we want someone who is an expert in marketing, consumer behavior, digital, and technology. In fact, there was a little discussion wherein – should we put a statement where we also want a director who's knowledgeable in finance and banking?

My quick reply is that maybe we shouldn't so that we don't need experts in finance and banking on the Board. I think that it's very worthwhile for companies and Boards to begin this thought process of specifying what kind of experience is needed. There is much to be learned from directors who bring in a different perspective and a different experience."

- Mr. TG Limcaoco

"My answer would be a prediction. If you have a bank with only financial experts, that bank will not last for another 5 or 10 years. Yes, you need other expertise. If I were Chairman of the Board of the bank, I would look for an artist on the Board. That sounds really weird. But these artists and creators understand decentralization and decentralized finance much better than any financial expert I have met so far. They know that it's not only about the service or the product, it's a kind of movement in a different way of thinking. You need that in a Board of the bank, otherwise, they might be disrupted."

- Dr. Erik Vermeulen

Final Remarks

"I appreciate ICD's mission. One of the things that we need to work on as an institution is to make sure that the role of the Board is fully understood by the directors themselves. A lot of people begin to think that a Board position is a reward for age, experience, or loyalty. That's such a disservice to the company that you are serving. A director should be very active. If you can embed yourself into the operations, it provides a lot more help to the business. When I sit on a Board, it's very clear that I need to have an interest in that business. As members of ICD, we should push this agenda of educating ourselves and our colleagues that the mission of a Board member is to contribute and not to police. It's not to represent the interest of a shareholder, but to represent the interest of all stakeholders."

- Mr. TG Limcaoco

"I think that the focus should continue to be on training and education of Boards. Many Board trainings are always kind of the same thing. Sometimes, you should also give completely different trainings that are outside the comfort zone of Boards because that will open their eyes as well. This will show Boards how the world is changing."

- Dr. Erik Vermeulen

ICD's Partnerships Wins for 2021

I. Why Partnerships are Important

"Together we stand, divided we fall." This famous saying highlights the truth that there is no better approach to solving problems and effectively making a stand than when everyone works hand-in-hand. By utilizing the strengths and abilities of others in cooperation with your very own capabilities, an organization can strategically drive innovation to be able to solve complex challenges that we face today. Even more so in a fast-paced world where the pandemic has caused more disconnect than ever, connecting with one another has become imperative for businesses and for people. This is what partnerships are about – Connection.

By creating strategic partnerships, organizations can benefit from broadening their relevance and widening their reach to new potential markets. Partners can mutually benefit from the strengths and offerings that each organization brings to the table. Fostering collaboration allows companies to deepen their ties with each other and expand their opportunities by being exposed to new perspectives and expertise.

II. Strategic partnerships for ICD

The Institute of Corporate Directors (ICD) underscores the importance of building and maintaining strategic partnerships with its local and global stakeholders. Any relationship, whether between small enterprises or large conglomerates, will only succeed when there is a common purpose and shared goal. As the Philippines' leading thought champion of Corporate Governance, ICD recognizes that in order to achieve the goals of the organization, it must cooperate with like-minded individuals, businesses, as well as government bodies who advocate and pursue the same causes.

Of course, this not only entails reaching out to organizations in your immediate proximity but also developing relations with groups and institutions outside of the country.

III. ICD PH goes Global (partnerships with SID, ICDM, and ICD Zimbabwe)

To start, ICD Philippines solidified strong partnerships with some international Institute of Directors not only with our ASEAN neighbors such as Singapore and Malaysia, but also across the globe when we collaborated with ICD Zimbabwe.

These value-adding alliances were even further cemented by organizing and collaborating on a series of webinars spearheaded by ICD Philippines entitled the "Distinguished Corporate Governance Speaker Series" (DCGSS). The webinar sessions were held on September 3, 10 and 17, 2021 with each session in collaboration with one of the International Institute of Director partners.

Each partner institute discussed relevant and timely topics in relation to Corporate Governance and its impact on their respective countries. For the Singapore Institute of Directors, Mr. Philip Forrest talked about "What It Really Means To Be A Director." The Institute of Corporate Directors Malaysia discussed "Board Behavioural Dynamics" with its keynote speaker Mr. Patrick Dunne. And lastly, the Institute of Corporate Directors Zimbabwe ended the webinar series with flying colors by talking about "Tapping the Strategic Potential of Boards" with keynote speaker, Dr. Debra Brown.

Differences in culture, language, and time zones did not hinder the success of the DCGSS as each webinar session was well-received by Filipino audiences who deemed the online talks to be very relevant and insightful sessions for aspiring Directors.

IV. ICD & CALI partnership

Another partnership that ICD Philippines was able to secure in 2021 also goes beyond borders and time zones when the Center for Asia Leadership Initiatives (CALI), a group of non-profit organizations that aims to address social needs and problems in Asia through research, development, training, and publications, formally signed a Memorandum of Understanding on September 1, 2021.

With this partnership, ICD is solidified and acknowledged by CALI as the approved thought leader and the marketing and logistics supporter for capacity-building programs in the Philippines. Meanwhile, CALI is recognized by ICD as an approved provider of initiatives in the areas of leadership and strategic foresight.

Both organizations have decided to work hand-in-hand and seek ways to collaborate on projects that will develop the capacity of emerging and senior corporate leaders in the country. To kick off the alliance, CALI, represented by its Founding President, Mr. Samuel Kim, participated as a panelist in the DCGSS event held on September 3, 2021.

V. ICD features Sophia the Robot (partnership with Hanson Robotics)

Who would have thought that you could organize an event where a humanoid robot became one of the panelists in a webinar session about Sustainability and Resiliency? Well, ICD just did! Last November 24 and 25, 2021, ICD, in cooperation with the Financial Executives Institute of the Philippines (FINEX) launched the successful Corporate Governance Conference entitled “Future-Proofing the Business with Sustainable Practices”. It was a two-day event that highlighted relevant and meaningful discussions around the emerging opportunities of Technology and Innovation in reshaping the Financial, Governance, and Market landscapes.

The first day focused on “Shifting Towards Sustainable Finance: A Game-Changer” and included high-profile speakers who are deemed experts in the field of finance such as Mr. Eric Francia of ACEN, Mr. Christian Wolf of UBS Singapore, Mr. Edwin Bautista of UnionBank of the Philippines, and Mr. Kelvin Ang of the AIA/PhilamLife Group.

ICD was then spotlighted when on the second day of the conference focused on “Lighting the FIRE of Sustainability and Resiliency”. The webinar tried on a new fireside chat format and included renowned panelists such as dynamic government leaders from the Securities and Exchange Commission (SEC) Commissioner Kelvin Lee and from the Department of Trade and Industry Competitiveness and Innovation Group, Undersecretary Rafaelita Aldaba. Among the panelists also are businessmen who are experts in the field of technology, Dr. Donald Patrick Lim of DITO CME and Mr. Benjamin Azada of Converge ICT Solutions, Inc.

Last but not least among this superb roster of panelists are Dr. David Hanson, the Founder and Chief Creative Officer of Hanson Robotics, and of course, Dr. Hanson’s most advanced human-like robot invention, the social humanoid Sophia the Robot.

Support and aid for the CG Conference also came in the form of sponsorships from various corporations who also share the same commitment to enable innovation and technology in nation-building. These sponsors are ACEN, ACDI Multipurpose Cooperative, Cebu LandMasters Inc., Converge ICT Solutions Inc., Gothong Southern, Liwayway Marketing Corporation, Megawide Construction Corporation, Metro Pacific Tollways Corporation, and PLDT.

The two-day conference was very well-received by the attendees. The audiences were impressed and enjoyed the refreshing presence of Sophia the robot as a panelist deeming the AI humanoid as the star attraction who was intelligent and provided thought-provoking answers. Many regarded the webinars as very interesting, engaging, and relevant to the present time and in the foreseeable future.

VI. ICD partnerships in line with its Board Diversity and Inclusion initiatives

Under the guidance of ICD’s Board Diversity and Inclusion Committee, one of the main advocacies of ICD is to create a business case to push for board diversity to influence regulators and decision makers in the boardroom. Among its many initiatives, the Committee has successfully formed partnerships with both local and international organizations whose advocacy are also in line with ours. To name a few, we have formed and maintained our partnerships with the Philippine Women’s Economic Network (Philwen) and the Philippine Business Coalition for Women Empowerment (PBCWE) chaired and co-chaired by Ms. Boots Garcia, the Diversity & Inclusion in Asia Network (DIAN), and we have even started our partnership talks with the National Association of Corporate Directors. Moving forward, the Committee has a lot in store for us in its pipeline for the upcoming years.

VII. Initiatives for years to come

It is important to form partnerships with organizations whose corporate goals and values augment your own. That much is true and evident in the alliances that ICD Philippines has forged in 2021. However, there are still uncharted waters left unexplored – more potential alliances and opportunities for growth left untapped.

There is a sense of urgency to create more fruitful business connections especially while we are in the midst of a pandemic, where many organizations are becoming limited due to short-term and long-term uncertainties. By seeking more strategic partnerships in the coming years, ICD Philippines will only be pushed to greater heights and will be driven to remain relevant for a long time in order to achieve its vision of becoming widely recognized as the key catalyst in effecting positive change in the corporate governance ecosystem for inclusive and sustainable development.

“Alone we can do so little; Together we can do so much.”
– Helen Keller

A Glimpse of 2021

GRI-Strategy, Sustainability Reporting

ESG is a very relevant topic these days, and this 3-day workshop is very timely. Thank you for putting it on, and thank you for reminding us that we can use the 8 hours credit towards this workshop. Very helpful. Well done, ICD.

A comprehensive and practical workshop on ESG Integration which is a very relevant topic in today's corporate world. Thank you, ICD Philippines, for staying on top of the latest business trends and topics.

The communication from ICD on this program has been exemplary - congratulations on a job well done. Thank you for holding this 3-day workshop.

ICD staff are very accommodating and fast in terms of replying to questions regarding the registration and the webinar. Thank you so much.

Congratulations! By prefacing the Sustainability Strategy and Reporting Course with the Business Case and Strategy session, ICD made going through the GRI framework and standards very understandable while enriching as well the role of Business Case and Strategy in governance, management, and adherence to the SDGs.

Very helpful in understanding and appreciating the need and value of Sustainability Reporting.

Corporate Governance for Startups

Very helpful to a start up company, speaker is great.

Everything is in order. Thanks.

Looking forward to attending other seminars.

Very information packed session. Updated also has good source.

The manner of explanation is very clear and detailed. I appreciate the examples shared to illustrate concepts and theories.

Great insights and passionate speaker! Learned a lot about functions of a business

Kudos to ICD!

The seminar provided a clear definition of what the role of Board Members should be. Board Directors will be able to perform their functions well knowing the importance of their presence in a company and the role they play in honing the best talents of their industry. Kudos to Atty. Teddy Kalaw on this well presented seminar!

Very insightful and engaging sessions about corporate governance particularly for those planning, or involved with, start-up boards. Atty Kalaw was in his element, donning his different "hats" as he comprehensively explains the material to the participants. Eight hours well-spent!

Attending these CG seminars/sessions is a must. A lot of learnings and takeaways. Seminar contents are very practical and the speaker knows his stuff.

Keep up the good work.

Thank you for crafting and initiating these kinds of seminars. I appreciate Sec. Jess Estanislao coming up with these ideas. These CG seminars will greatly help Philippine businesses in terms of effective, prudent and entrepreneurial management.

Risk Management in the Age of CoVid19

Thank you very much for your encouragement and support during such a difficult time in history.

Timely, Relevant, and Excellent Coverage of Still Continuing Pandemic Concerns.

Congrats to the team for the very well-organized session

To the staff of ICD who assisted us during breakout activities, keep up the excellent work. You guys are amazing!

The seminar provides very useful tools to walk the Board through risk management exercises.

The topic is very timely and relevant to the current situation that is happening today. Risk management is very important not only for usual or common possible risks but senior management of any company should assume the novel risk that may affect anytime to the company's financial and personnel assets

Corporate Secretary Course

The points given were very practical and useful for actual use. The information he can share could not probably fit within the time given. Maybe a more extended session would be best, especially since he encourages an interactive session- which is very helpful for everyone.

Looking forward to other ICD programs!

The ICD Members were very helpful in asking our queries.

The speaker provided new insights and good explanations on key issues.

A very timely and relevant webinar.

First of all, congratulations on organizing this 2-day program. Lots of insights to be absorbed and put into practice. I would appreciate it if ICD could provide more resource materials that we, attendees, can also take a look at in our leisure time to expound our knowledge further and become more effective in our role.

The ICD Course for Corporate Secretary as Corporate Governance Professional is commendable. The course identifies the value of Corporate Secretaries and their work for the growth and development of an organization. It also highlights the importance of its role within the organization and its relation among the parties involved with and within the organization. It gave the participants a clearer and simplified view of the duties and responsibilities of a Corporate Secretary, including the how, when, who, what, and why. Participants were encouraged to ask questions and provide their own inputs. It provides an interactive way of learning- between the Speakers and the participants and among the participants themselves. The dynamics among breakout groups offered a broader perspective on the roles of the Corporate Secretary and how it is possible to apply certain practices to different industries. This course focuses more on application and not only theories. It encourages participants to apply what they have learned and not only "learn" from it. Even those who are not Corporate Secretaries but members of the board would definitely learn from this—looking forward to attending other Courses by the ICD!

Finance for Directors

Great job as always!

Kudos to ICD!

Always an informative session! Great way to learn new things and be adept in Corp Gov!

Continue with your mission

Overall assessment: Very Good!

Good refresher course for Directors with some Finance background

The speakers are definitely knowledgeable and qualified to talk on the subject matter,

Corporate Governance Advocacy Stories

AMLA Compliance in the Age of the Digital World

I appreciate ICD's tack on this AMLA training. Our organization has had several trainings on this topic, which were mostly technical in orientation. Like a recitation of the rules. The speakers of this ICD training were able to impart the heart and spirit of AMLA, as it should be understood.

More trainings similar on this

Very informative and with updated case studies

Had an excellent grasp of the subject, was able to give clear examples.

Interesting and up-to-date topics

Fully researched and prepared content

The visual aids are very helpful in tackling this type of topic.

Corporate Governance for NPOs

I have learned a lot about the processes and complexities of hiring, firing, and recruitment in the non-profit sector.

The live case provided a good learning opportunity on how an organization rode the waves of the current crisis.

Very valuable in getting information on properly managing a non-profit organization.

I gained a deeper understanding of the subtleties between for-profit and not-for-profit org.

Excellent program. Must attend the course for non-profit corporation managers and directors

This session gave me a higher understanding of what funders are looking at in an organization.

The seminar has provided comprehensive insights on how to properly and effectively non-profit organizations.

It is great to learn about the initiatives of other practitioners in the non-profit world, especially that of the Matti couple.

This is an excellent program. A must-attend course for non-profit organization management personnel and directors.

The seminar is very informative, and the presentations are all very clear and concise, and relevant to current issues on NPOs.

ICD is commendable for its extensive and relevant program offerings and its speakers, who are generous and effective.

Part Two of the course. There is still so much to learn. Please give us more reading material or suggest references that we can look into.

ICD is providing the means and resources to uplift the governance of NPOs, a great task!

The course is a must for directors and executives of every NPO who wants to make a difference in our nation.

A must attend a session to attend, especially for those who just leave all finances to their accountants.

This session was very informative, and I learned a lot about NSNP operations and the laws and taxes governing its operations.

Corporate Governance for Non-Profit Organizations Seminar will unlock the potential of the well-intentioned visions of the Filipino Dreamers.

Valuable inputs were generated during the breakout session and plenary discussion.

Attending the ICD sessions helped me be an "I Care" Director for my organization...

Corporate Governance Orientation Program

I would like to commend ICD on its webinar platform because I did not encounter any issues on the above concerns.

Very good. Congratulations.

Outstanding! Very clear and concise.

Great program and would be very helpful if more members of the BOD in all corporations will take up this course

The sessions were very applicable and relatable.

Thank you for a great and enlightening discussion. In particular, enjoyed the discussion on risk.

An eye-opener on the perils of the lack of board focus on audit & risk management

Thank you ICD because even during this pandemic you were able to reach out and provide seminar/orientation for our continuing study and learning.

More similar seminars along this topic should be conducted by ICD.

This session did meet my expectations of calibrating my experience in my roles of director and trustee of several organizations.

Kudos to the efforts of ICD to help improve corporate governance which has shown significant progress. If more corporations can be made to appreciate the benefits not only in terms of penalties but in terms of profitability, sustainability & the social implications, there is much hope for the Philippines

Well prepared topics; Program I have looking for as an aspiring Director.

A truly enlightening set of sessions! A must-take for anyone seeking relevant knowledge in business management on the Board level.

Thank you for the knowledge and information gained about corporate governance best practices. I am satisfied with the program. Thank you.

More trainings and session on corporate governance.

Continue evolving and being in touch with new normal demands

I've learned so much thank you

The sessions were very good, up to date and comprehensive.

Great learning for someone very interested in governance as a differentiator of Corp performance

Corporate Governance Orientation Program

Great training, insightful and open

Very informative and provided great insight on good corporate governance

I had gained new perspectives about audit and risk and for that have appreciated these functions all the more. Will surely bring this into application in our board meetings.

Very enriching and makes you realize your role as a Board Member for important and crucial.

A good mix in the coverage, catering to beginners and experts, with extremely knowledgeable presenters.

Very informative and I would highly recommend this course to any business owners, senior managers, or those newly appointed to boards especially at smaller organizations.

The ICD speakers provided special insights on Corporate Governance which are very relevant to current business challenges in the Board Room.

I learned a lot from the CGOP sessions. Thank you ICD! I hope to be a fellow someday.

ICDs session shows relevant and up to date examples to support the theories and suggestion they have, with relates to Good Corporate Governance. The session is very productive and provides ideas to our Company to improve our Corporate Governance policy and structure.

The session is very useful and timely

Let us propagate continuous learning and education, for a resilient and progressive society/ community/nation. Thank you and more power!

Very organized and impactful session with experienced speaker and good support team

The training is packed with useful information for those who will take on the role of Board of Directors.

A great introduction to the functions of Boards and to Corporate Governance. Looking forward to register for the rest of the modules comprising the Professional Directors Program!

VERY ENRICHING AND. SHOULD BE A REQUIREMENT FOR ALL BOARD OF DIRECTORS/TRUSTEES

I learned a lot about corporate governance with this course where the most important concepts on this topic were concisely presented. Thank you!

The courses were informative. The whole online process was efficient.

Professional Directors Program

Glad to be equipped as a Director through the ICD Program.

ICD provides learning foundation for aspiring Directors.

Thank you for this opportunity to join this very professional group of people. I am learning a lot! Kudos and more power ICD!!

I have never been more enlightened on the policy responsibility of the board than in this session. Great session with a lot of interaction and nuggets of wisdom picked up

Excellent speakers makes for excellent learning

Continue Good Work

Thank you for making this resource available. It is invaluable. You have a great support team! :)

ICD provides a well facilitated further learning and community sharing among participating Directors and promotes a springboard for aspiring Directors

Great session & highly engaging! More advocacy to influence the necessary amendments to existing regulations

I enjoyed discussing the cases and learned a lot from them.

Organized, systematic and adequate time allocation for group presentation and discussion.

Staff very efficiently handled my registration manually; she had to work around system due max no. of participants was already reached.

Outstanding Program

Great program! I just wish more current & aspiring directors will attend regardless of the size or nature of the organization/company.

Keep the fire of good corporate governance burning through your programs and advocacy

Encourage the attendance of "ruling" majority shareholders, especially the matriarchs and the patriarchs in closely held family corporations.

The breakout sessions were helpful in order that all group members could actively participate, share their viewpoints, clarify each other's stand, raise important points from the case studies. It was good forum for learning, aside from the plenary session itself.

Governance That Speaks: ASEAN Corporate Governance Scorecard

Excellent work, ICD (and SEC)! You must be making good progress in your own Strategy Map.

ICD is more and more becoming an internationally relevant organization

Keep up the good work.

Technology Governance for Directors

Both timely and relevant, a very informative session with extremely knowledgeable resource speakers, on a growing risk to most institutions, given the growth and trajectory of information technology.

Very insightful, time well spent for this program.

Good session, very informative

Continue with regular governance updates, including on the soft skills side.

Corporate Governance Advocacy Stories

Personal Governance Workshop

A good way to prepare being in the pre-departure stage...

Timely and useful regardless of one's current state in life.

Keep it up! Congratulations Team ICD.

Very enlightening course not only on personal aspects but also on career aspects

The seminars, talks are very informative, very insightful. I have been attending these talks during this pandemic as it truly helps me navigate through this crisis. It helps me keep a positive attitude from the insights & knowledge gained from these talks.

ICD PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES: Episode 1

Always an eye opener

Keep on keeping on.

More power to ICD.

ICD PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES: Episode 2

Excellent topics on sustainability!

Congratulations ICD Team.

More power to ICD.

It's refreshing to hear the advocacy for climate change from the "bottom" and the creative initiatives to improve inclusiveness of "marginalized" groups.

ICD PILIPINAS: ASPIRE, RISE, SUSTAIN SERIES: Episode 3

Excellent session. Keep it up!

Congratulations ICD Team.

Shifting Towards Sustainable Financing: A Game-Changer

Impressive series

good presentation on ESG issues

Good seminar

Great resource

We are dealing with survival !

Value adding sessions!

Good discussions but title is fanciful. Future proofing is aspirational. No such thing nowadays.

Highly engaging and interesting session with excellent speakers and panelists

Timely discussion on issues that matter and will matter for a very long time

ICD has put together excellent resource persons and the experiences they shared encourage us to go for bolder dreams for our own sustainability and regeneration journey.

Great collaboration between FINEX and ICD, and an excellent choice of presenting corporation on ESG journey.

Overall the content was relevant and timely, panelists were knowledgeable and the session well managed and facilitated

Thank you for a good informative session

Learned a lot!

Lighting the FIRE of Sustainability and Resiliency

- Learned a lot!
- Very value adding topics and great panelists
- Congratulations ICD Team
- Very interesting session on how technology can help companies bounce back from the slowdown brought about by the pandemic.
- This was a very interesting and engaging seminar.
- I like the manner that ICD framed a technical subject like AI and technology/innovation in general. They reminded us that technology is important but it does not replace humans who are the sources of creativity and ethical judgement. In the end, technology and innovation must be seen as being there to serve man and to improve our lives and elevate our country.
- Excellent series
- This seminar addressed a most compelling and relevant issue not only of today but also in the foreseeable future.
- Thank you ICD for hosting all of us!!!
- Very current and relevant issues discussed

ICD DCGSS | What It Really Means To Be A Director?

- Excellent session and emphasizes the importance of the board of directors roles and responsibilities.
- good session, well done ICD team
- Good refresher course!
- Insightful discussions
- The session was very informative and real life examples were interesting and helpful.
- Great insights, most helpful seminar
- Awesome time with ICD Session.
- Very insightful session!
- Very relevant and practical insights.
- ALWAYS WITH INTERESTING AND RELEVANT TOPICS
- Wonderful webinar.....Mr. Forrest was sensational!
- We learned a lot from very well organized presentation of Mr. Philip Forrest about the Directorship: risks, challenges, rewards and responsibilities! Thank you all for conducting this series!
- One of the best webinar on the role of a Director. Concise, precise, substantive.
- very relevant, insightful session for aspiring Directors!
- Time well spent whenever I attend an ICD session. Very insightful presentation.
- Thank you ICD and to the Speakers.
- ICD has constantly provided us with opportunities to scale up on corporate governance. Thank you very much ICD!
- Excellent Learning Session
- Very insightful inputs not only from the speakers but from the moderator as well, in both local and international settings. Strongly recommend others to attend the remaining sessions in this series.
- Thank you for the opportunity to attend this webinar to gain clear understanding about the director's role. The information is compacted and completed. The case study illustrated the concept very precisely, which help us to understand it easily.
- It was a good refresher course.
- Speakers have the depth and breadth of knowledge and experience on the subjects discussed.
- One of the best ICD webinars I've ever attended.

Corporate Governance Advocacy Stories

ICD DCGSS | Board Behavioral Dynamics

- Productive session
- Very engaging and insightful!
- This was a very informative and thought-provoking session.
- ICD continues to push the envelope. Great job ICD!
- ICD has indeed made it possible through webinars for its members to increase their stock knowledge and improve their dealings as directors
- ICD's DCGSS is usually a winner.
- Good speakers. Relevant and useful topics.
- ICD is always able to stage and arrange very relevant corporate governance trainings - kudos!
- Excellent and insightful session. More of this ICD Sessions!
- Very informative and good insights!
- Insightful discussion
- The sessions always provide a broader perspective
- Congratulation to the ICD team for organizing this platform of continuous education among senior officers and a constant reminder that corporate governance leads to ethical business practices - a driver of financial viability.
- Keep on tracking, ICD - excellent job!
- Congratulations for initiating and running this program series.

ICD DCGSS | Tapping the Strategic Potential of Boards

- Very timely topic for governance learning
- very informative
- ICD always provide insightful and valuable topics. Highly trusted in delivering excellent sessions relating to Governance.
- Another great session of ICD!
- The items discussed are very relevant especially to the current situation on pandemic being experienced worldwide.
- The ICD host today has excellent command of English and did a seamless transitions in introducing each speaker.
- Wonderful topic. Very helpful!
- This is 3rd seminar of the DCGSS series proved to be very helpful and insightful in today's pandemic scenario.
- Great learning sessions
- Great topics
- Excellent and relevant series. Strongest so far from ICD.
- Way to go, ICD - great job!
- It was a very relevant, enlightening session.
- It was a great Distinguished Speaker Series. Please do more of these. Thank you.
- As usual - great, relevant, enriching learning session from ICD!
- You should have more speakers like Dr. Brown and topics that are more timely and relevant.
- Insightful session.
- good discussion
- ICD never disappoints. The session is a welcome boost to my knowledge and aid me in discharging my duties as a responsible Member of the Board as well as a Corporate Secretary. I always learn something new.
- ICD always delivering expectations.
- ICD continues to level up!
- ICD's initiative of holding webinars in cooperation with other governance institutions (especially across countries) is a great way of learning and sharing experiences.
- ICD, has been very helpful in organizing great talks where directors, or non directors can get ideas, new concepts that will help us hone our skills, knowledge, and experience.
- Thank you for giving added value to the participants.

Masterclass: Corporate Governance in a Nutshell

- Excellent and practical content.
- Very informative webinar.
- very good
- This is great.
- Session discussion was very useful.
- Very enlightening talk
- Great topic and very insightful speaker! Must do this webinar & speaker more often!
- Keep it up in your advocacy on excellent governance!
- ICD had another master stroke with its Masterclass series
- Thank you I enjoyed the session!
- The delivery was so engaging that I lost track of time. A very effective speaker.
- The course gave a quick refresher on what are to be prioritized by a working board and also highlighted the importance of having a competent CEO.
- Thank you for insightful session. Must attend for board members.
- Another great learning experience - please keep it up ICD!
- I made the right decision to join the Masterclass Course! Thank You ICD!
- Excellent talk and very informative.
- This session has a great speaker. The webinar was also well planned and executed. There are no technical difficulties experienced during the session.
- Time well-spent, enlightening, lots of catching up to do.
- Shows clear balance of the practical reality of business governance and the execution
- The pandemic is no hindrance in ICD continuing the learning sessions. More power to you.
- Exciting and very educational 1st session! Very insightful! Can't wait for the rest of the classes!
- This session was informative and enriching. I am looking forward to more sessions for me to attend. Thank you!
- This Masterclass is a very useful way for directors to re-assess their roles as board members as it also supplements existing knowledge and skills with concrete concepts on corporate governance.
- Very informative and insightful.

Masterclass: Personal Governance

- The lecturer provided key insights that will promote introspective thinking in the hope of helping someone become a better person and a better leader.
- Impactful session that will improve the quality of life of the participants.
- Valuable workshop for personal development
- Brilliant coverage of transcending self to live our purpose and achieve our vision !
- Mr. Rex Drilon II effectively communicated important lessons and insights on personal governance supported by historical and contemporary context as well as practical tools and methodology which we can adopt in seeking to create balance in our lives as we navigate the new normal. Thank you ICD for relevant webinars that add meaningful value to our professional and personal journey.
- This is a very important seminar for reflection and going back to roots.
- Very insightful and spiritually inspiring.
- Clear guide posts for living a well spent life.
- Thank you ICD for relevant webinars that add meaningful value to our professional and personal journey.

Corporate Governance Advocacy Stories

Masterclass: The Zen of your IPO Journey

- Very interesting and insightful
- The session was very helpful
- Excellent session
- Three hours very well spent. Keep up the great work!
- Session provides up to date insights and information needed to guide potential companies who contemplate going public
- Attending the ICD Masterclass is a chance to up the ante in corporate governance for anyone seating as a board director.
- Congrats to Dennis for a great session and thanks for sharing his wealth of experience.!
- The session provided a great overview about the topic and perhaps can be further enhanced with more actual case studies, preferably local. The fireside chat is a great format and will probably be a great way to do this.
- It's great to learn the right reasons why a company will go public
- Great Informative presentation. Professional and knowledgeable speakers.

Masterclass: Since the Customer is King, Ace your Sales Governance

- Training has really been easier with ICD Online
- Very informative and insightful
- great session. very insightful.
- Very interesting and insightful presentation
- Really enjoyed this session. Interesting topic that was explained well
- Investing in the ICD Masterclass is the decision!
- Ai-driven sales and marketing techniques will overtake the classical Sales Governance and Marketing techniques
- For a masterclass, this is a very good orientation. Would like to have "sales governance for dummies" at more detailed/ tactical level to complement the strategic framework.
- very good use of time and resources given the friday towards a long weekend. :-)
- Very interesting and relevant topics provided by ICD
- Approach is appropriate, simple and digestible
- informative in strategies of sales. great pick up points.
- The topic is very helpful and interesting but the time given is too short for the speaker.
- Thank you for a most insightful webinar.

Masterclass: Governing with Analytics: Building a Predictive Enterprise

- The seminar was very enriching. Thank you
- Learning never stops. A deeper look into now and the future of technology-driven life
- Excellent Great thanks!
- Fantastic masterclass. I really opened my eyes on the current modern state of business analytics.
- absolutely worthwhile
- ICD never fails to make 4-6pm Friday online sessions worth it.
- Congratulations ICD Team
- Thank you. The session just made me realize I have more to learn.
- very relevant topic for today's day and age
- We just had another opportunity to be introduced to current trends
- Very informative and timely! And should prime our younger corporate executives to chart their corporate journey in the next few years.
- I found the session enlightening and useful.
- ICD is doing a great service to its members.

Corporate Directors in Action

On 26 August 2021, seven ICD Life Fellows were recognized. The following statements were shared by the ICD Life Fellows on how corporate governance and ICD could create impact:

//

Corporate governance is aligned with my role as a public auditor concerned with financial reporting, internal controls, and risk management which are the important components of corporate governance. Upon retirement, it was easy for me to move to an independent board director or independent board advisor companies as my role as a public auditor was consistent with an independent mindset to oversee the control functions. //

Mr. Roberto G. Manabat

//

There is need for a champion that will consistently monitor and see that the principles of good governance is really accepted and that it has taken roots in the target companies which are the objects of its activities. So after I retired, the first thing I did for myself, and this is one of the rare things I do for myself is to apply for membership at the ICD and graciously, I was accepted because I really believed that this is an advocacy that is worth pursuing, worth supporting and worth working for. And I was not mistaken, in addition to being able to promote in one's own little way, the principles of good governance, I noticed that it also resulted in developing my own personal governance. For how can you convincingly talk or preach about governance when you yourself does not observe it in your own life? And this is one of the best experiences that I gathered from my membership in the ICD. More than that, and these are the bonus points, you get to meet people from various sectors who are open minded, are willing to engage in discussions that will always result in something fruitful. You may not always agree as a group, but you always learn something else and something new and this is the experience that I would like to share and therefore for those who are already just maybe new members and those who are planning to get involved in ICD, in addition to this experience, one of my purposes for sharing this experience is to encourage all of you to not only being inducted as a Life Fellow award but really involved, actively involved in the pursuits of ICD because it's then and only then that you will realize that there maybe more work for you but you always get something more than what you give. //

Atty. Fe B. Barin

//

I submit that ICD's commitment to the maximization of all stakeholders' interests is key to the response to those who would divide us and lead us to perdition. //

Mr. Francis G. Estrada



I wish to remind my fellow fellows that we are more than just governance warriors, that we are more than just teachers of good governance and role models of good governance in the various boards that we are involved in. We are going to be more than this because we need to help our country we have committed to the covenant of shared prosperity spearheaded by ICD and MAP and we live those commitments and in the process help share the bounties, eradicate poverty and start building our dream Philippines. //

Mr. Rex C. Drilon II



It was also a privilege to be involved in key national issues and thanks to you, our ICD fellows, you declared in a survey that you wanted ICD to be involved in compelling issues confronting the country as well as in national governance: a continuing advocacy of ICD and ISA, always pushed by Dr. Jess. I really couldn't help but emphasize that especially in these challenging times, the role of responsible and engaged citizenship must take center stage amidst all our endeavors. //

Ms. Sherisa P. Nuesa



Although I was already sitting in some boards before I joined ICD, I never had the opportunity to be trained and be prepared for my position as a director in a board. It was only after I attended the first run of our PDP that I fully understood the role of the board, the duties, and responsibilities of directors towards their stakeholders. This realization made my involvement in ICD's governance advocacy more meaningful. It has been gratifying experience for me to see the changes that have taken place in the boards that I am associated with. The implementation of the code of good corporate governance by our regulators has been an important factor in influencing these changes. Today boards are more cognizant of their duties and responsibilities to their stakeholders. The code has defined the way boards function today. They are more cognizant the role in setting strategies for the corporation, monitoring performance of management, ensuring the integrity of our financial statements, managing risks, ensuring that related party transactions are conducted on an arm's length basis, and the compliance to all regulatory requirements. //

Mr. Francisco C. Eizmendi Jr.

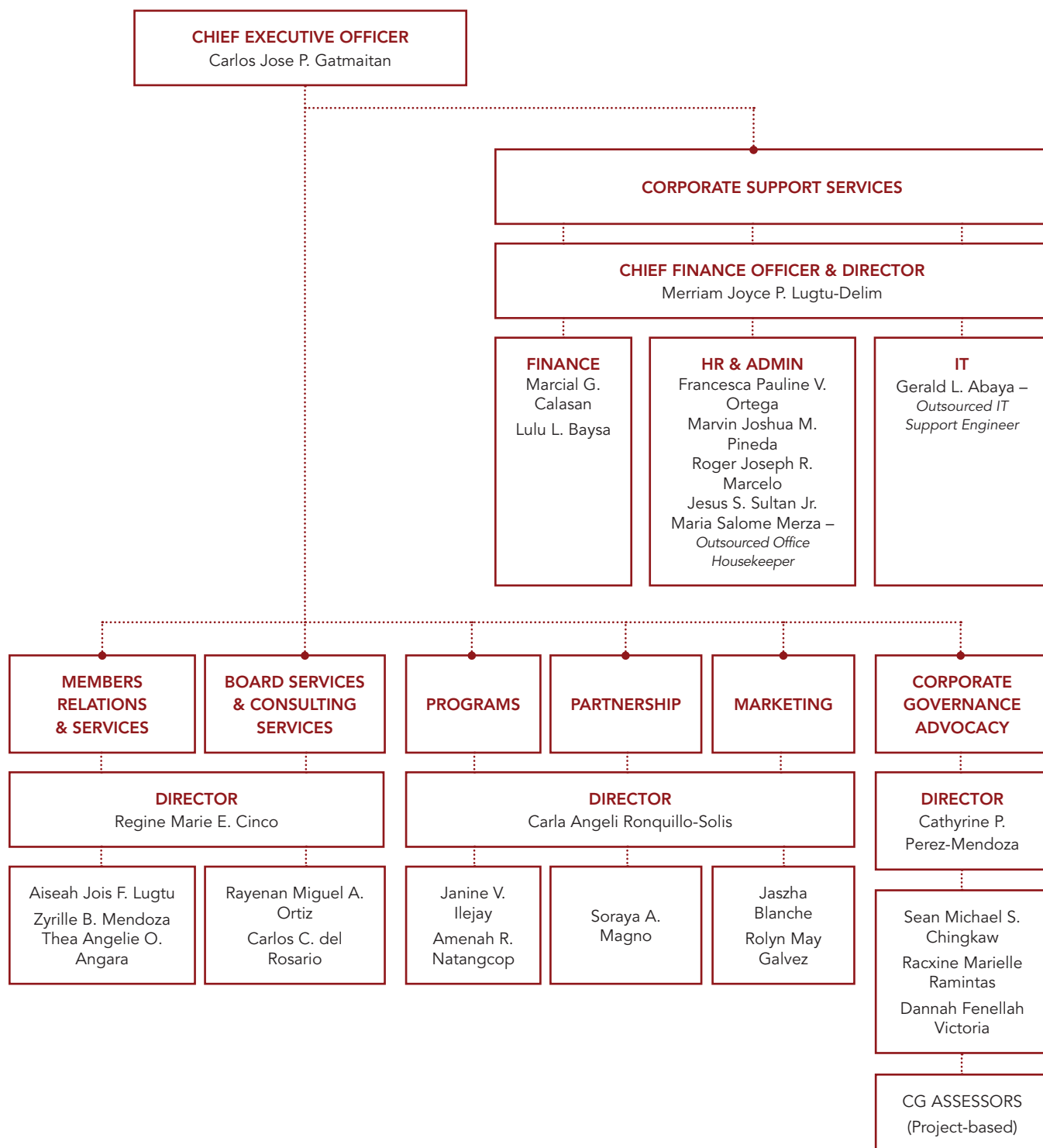


I've count myself really fortunate in these two decades that I've been with ICD since I was inducted as a fellow in 2005 and from that point on, I've been really active, I've noticed that we've made a major change. I've seen the major change in how we do things from a focus on value preservation and the governance themes of accountability, transparency, and equity to a focus on value creation. //

Atty. Teodoro Alejandro Y. Kalaw IV

Get to know the ICD Team

ORGANIZATIONAL STRUCTURE



Corporate Governance Advocacy Stories

Trainings Attended By Employees

This is one of the benefits of the employees which was temporarily put on-hold due to the implementation of the survival plan of the company up to 2nd quarter of 2021. On the next quarter, a total of twenty-two (22) employees were enrolled to their respective chosen trainings and seminars online such as:

- Adobe Photoshop CC Photo Editing Course
- Analytics Business Discovering Insights Data
- Certified Balanced Scorecard Professional Course at Udemy
- Video Editing in DaVinci Resolve 17: Beginner to Advanced at Udemy
- Human resource: Effective work Management
- Leadership & Management: Conflict Transformation in the New Reality
- Project Management
- Adobe Premiere Pro CC Video Editing Course
- The Complete Graphic Design Theory for Beginner Course

Employee Engagement Activities

The Human Resources and Admin Department in participation with all ICD Team facilitates in organizing the following activities in 2021 such as Townhall Meetings, Out-of-the-Cube discussions, and Birthday Celebrations.

ICD continue to promote engagement and work life balance activities in a hybrid set-up. Others are still in Work from Home (WFH) and some were able to work on-site. Much-anticipated team building and summer outing were still put on hold due to Alert Level lockdown in NCR.

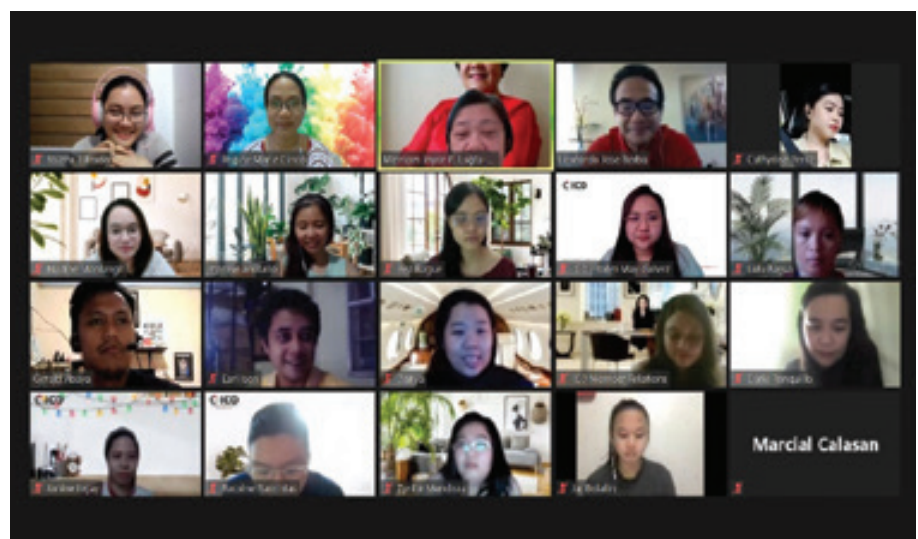
As ICD continued the Work from Home and Skeletal Workforce arrangements, we conducted the Townhall Meetings back-to-back with Out of the Cube Sessions. CEO and Management announcements were able to share and discuss during the Townhall. In Out of the Cube, ICD employees got a chance to be invited as speakers wherein they shared personal experiences according to their interest. Sessions allows the employees to learn and engage in random topics – all walks of life, including those related to the organization's advocacy of good governance. In September, OTC SELF-CARE SERIES were launched and able to produce a learning discussion to employees that focus on Physical, Emotional, Mental, Spiritual and Health in general.

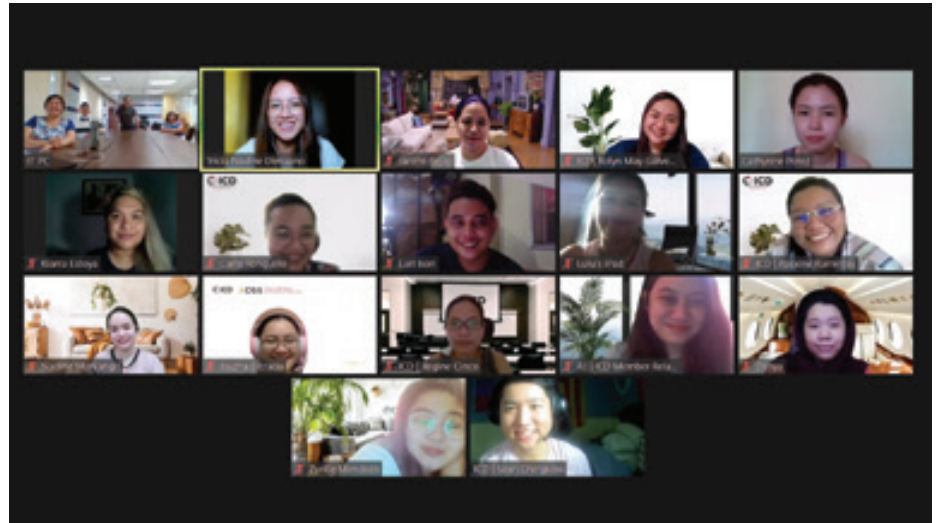
Below are the highlights of activities that occurred in 2021.

I. Townhall Meetings and Out-of-the-Cube Discussions

For May, aims to contribute to the inner personal and professional development of employees and the following are the objectives of the discussion:

- Building businesses in the midst of pandemic
- Self-care practices
- Do's and don'ts of scuba diving



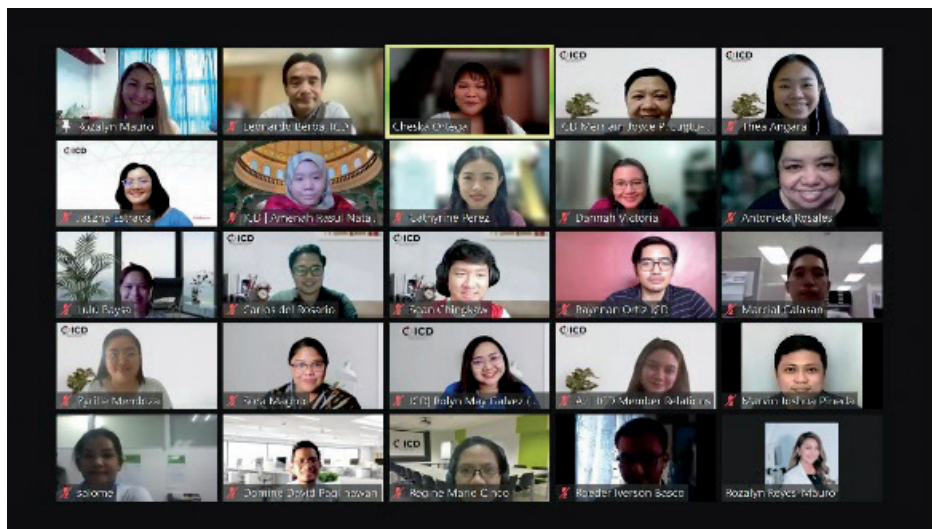


For July, topic was "Anxiety and Stress Management in the Workplace" and the following are the objectives of the discussion:

- Recognize the causes and warning signs of anxiety and stress at work and identify ways to cope in a physical and remote setting.
- Explore the different types of workplace anxieties and recognize common triggers.
- Learn the difference between anxiety and what is known as "common" nervousness.
- Learn the myths and misconceptions about anxiety and stress.

- Learn how to better manage their mood and fatigue individually.
- Learn how to better manage and lead should there be colleagues that are prone to experiencing mental illness.
- Understand and use anxiety and stress management strategies fit to their context and roles as employees.

As we have entered 'BER' months, we wanted to produce a learning discussion to employees that focus on *Physical, Emotional, Mental, Spiritual and Health in general*, therefore, the seminar aims to provide awareness and contribute ideas on how they will establish SELF-CARE.

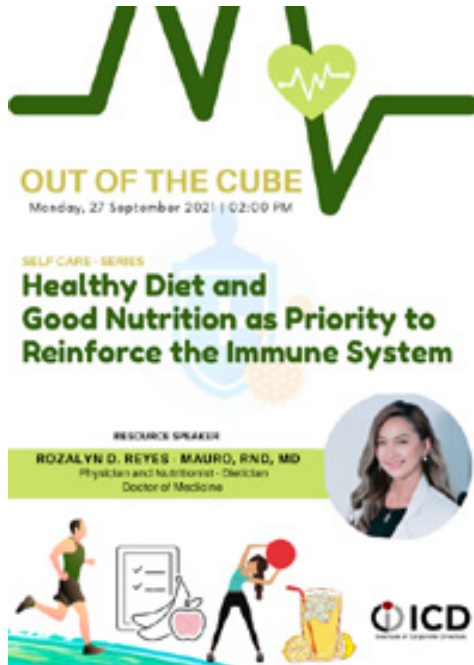


For September, topic was "Healthy Diet and Good Nutrition as Priority to Reinforce the Immune System" and the following are the objectives of the discussion:

- To discuss a balanced diet to guarantee a strong immune system.

- Establish a good nutrition significantly affects our mental health.
- To discuss how to attain and maintain good nutritional status to fight not just the virus but in general.
- Provide practical tips and advice related to the given topic.

Corporate Governance Advocacy Stories



For **October**, topic was “Mindfulness-based Meditation: Overall Wellness and Creative Stress Relief” and the following objectives of the discussion are as follows:

- To she mindfulness exercises and how can benefit each individual
- To provide creative activities when you feel sad and stress – Art Therapy
- To help employees foster a healthy and supportive workplace through awareness in mental health concerns
- Provide practical tips and advice related to the given topic

In this month, employees started to visit office on-site and others were able to joined OTC in face to face while some were still online. Townhall was extra special as we heard Sir Leonardo Jose ‘Lenard’ Berba (former CEO) to discuss his ‘LMB’s Pablin’ before he transitions the position to the new CEO. Back-to-back with this, we also invited and introduced the new Chief of Executive Officer, Sir Carlos Jose ‘Charlie’ Gatmaitan.



Corporate Governance Advocacy Stories



ICD awarded a Certificate of Appreciation to the outgoing CEO Leonardo Ose "Lenard" Berba for his dedicated service to the advocacy of good corporate governance and exemplifying our core values of social responsibility, patriotism, excellence, independence, ethics, and solidarity as the Chief Executive Officer of Institute of Corporate Directors Inc. from 2020 to 2021.

Meet & Greet with ICD's new CEO, Sir Charlie Gatmaitan.



ICD's Chairman Emeritus, Dr. Jesus "Jess" Estanislao and Chairman Cesar Villanueva as they deliver their message for ICD Team, outgoing CEO Lenard and the new CEO, Charlie.



HR facilitated fun activities such as, Category Game, Pop the balloon, Hep hep hooray with the twist, Hep hep as Lenard Jose and Hooray for Carlos Jose based on 2021 CEO's name.

Corporate Governance Advocacy Stories

II. Birthday Greetings

This year, we started to sent out emails to greet birthday celebrant each month to make them feel included and treasured by the organization.



III. Christmas Party (F2F) and Celebration of Dr. Jess Estanislao's birthday



Corporate Governance Advocacy Stories



Corporate Governance Advocacy Stories

The Christmas party was held on December 14th at Cervantes Room, Discovery Primera, Ayala Avenue, Makati. The theme of the party was Christmas Groove in a Retro Vibe. Program includes exchange gifts, raffles, games, and presentation of awardees.

IV. Other Activities**Corporate Support Services****Automation of Internal Processes**

The following backroom processes were launched:

1. Updated the ICD Proposed Functional Table of Organization
2. Launched Out of the Cube Session: Self - Care Series in BER Months
3. New Position for HR Team – Onboarded a Board Support Lead post
4. Updated ICD Policy on Sick Leaves
5. Extension of Vacation and Sick Leave credits for 2020 from January up to June 2021

IT Initiatives

1. On-going search for cloud provider
2. Searching out for 3 different suppliers for Cloud quotation
3. SSD Upgrade to all ICD laptop
4. Monitoring Bandwidth using UBIQUITI Network Applications

Other Initiatives

1. Purchased of face masks; face shields; PPEs for cleaners, and other disinfecting solutions
2. Distributed Vitamins C to all employees prior to lockdown since there's no available face masks during that time

ICD MEMBERSHIP MATRIX

To remain in good standing, every member is required to pay the annual membership dues depending on category (except Life and Honorary Fellows).

Endorsement by Fellows Committee and confirmation by the Board

| | | |
|--|---|---|
| (FICD) Honorary Fellow | <ul style="list-style-type: none"> • Distinguished personality; • Has provided significant contributions to corporate governance advocacy; • Invitation by the Fellows Committee after conducting appropriate due diligence; & • Bestowed and approved by the Board | CORPORATE MEMBERSHIP <ul style="list-style-type: none"> • Corporate member packages for 3 or more representatives; • Representatives are board directors or C-level executives, subject the applicable approval process prescribed by the Fellows Committee; and • Corporate representatives may subsequently apply as individual members |
| (FICD) Life Fellow | <ul style="list-style-type: none"> • Regular member in good standing for twenty (20) consecutive years, with at least ten (10) consecutive years as Fellow; or • Fellow who has served 3 consecutive terms or 9 consecutive years as Trustee; or • Fellow who meets other qualifications and accomplishments as may be approved by ICD Board, & • Endorsed by the Fellows Committee & approved by the Board | |
| (FICD) Fellow | <ul style="list-style-type: none"> • Completed the CGOP & PDF, or the equivalent of forty (40) hours of accredited ICD courses; • Has a minimum of two (2) years relevant Board directorship experience; & • Has successfully undergone the applicable approval process. | |
| (MICD) Regular Member | <ul style="list-style-type: none"> • By Invitation by bonafide ICD member or application • Has at least five (5) years' relevant experience in any of the following: <ul style="list-style-type: none"> • Board Directorship; • Associate or full professorship in corporate governance in a reputable institution; or • Corporate Governance practice (e.g. Corporate Secretary, Compliance Officer, Chief Risk Officer); & • Successfully undergone the applicable approval process as prescribed by the Fellows Committee. <p>**MICD or Corporate Representative to FICD: Must complete PDP or 40 hours of equivalent ICD courses or equivalent courses offered by foreign ICD counterparts, submit exam and undergo interview, are waived by the Fellows Committee, on highly meritorious cases</p> | |
| (GICD) Graduate Member | <ul style="list-style-type: none"> • Completed the Corporate Governance Orientation Program (CGOP) and the Professional Directors Program (PDP) or the equivalent of forty (40) hours of ICD courses; and • Successfully undergone the applicable approval process; but • Has not yet acquired the requisite Board directorship experience. <p>*GICD to FICD Upon meeting the relevant board experience requirement, request upgrade by submitting form for elevation to Fellow</p> | |
| (AICD) Associate Member | <ul style="list-style-type: none"> • At least a college graduate; • Attended a cumulative of eight (8) hours of accredited ICD courses; • Middle manager or higher; • Recommendation from a Graduate Member, Regular Member or Fellow; & • Successfully undergone the applicable approval process, <p>To retain membership:</p> <ul style="list-style-type: none"> • Must attend at least 1 ICD event per year | |

CORPORATE GOVERNANCE GUIDELINES

Charter of the ICD Board of Trustees

1. Statement of Purpose

The Board of Trustees (the "Board") of the Institute of Corporate Directors ("ICD") has adopted the following Charter to create a framework that seeks to ensure the effective governance of ICD. The Board intends this framework to be flexible and, subject to any applicable law, the Board may modify this framework based on its experience under it.

The Board is responsible for the stewardship of ICD and for supervising the management of the business and affairs of ICD. Accordingly, the Board acts as the ultimate decision-making body of ICD, except with respect to those matters that must be approved by its members. The Board has the power to delegate its authority and duties to committees of the Board (each a "Committee") or individual members and to senior management as it determines appropriate, subject to any applicable law. At all times, the Board will retain its oversight function and ultimate responsibility for matters that the Board may delegate to Committees, unless specified in the mandate of a given Committee from time to time or as otherwise specifically delegated by the Board to a Committee.

The Board explicitly delegates to senior management responsibility for the day-to-day operations of ICD, including all matters not specifically assigned to the Board or to any Committee. Where the Chairperson of the Board, a Committee or senior management is responsible for making recommendations to the Board, the Board will give due and careful consideration to those recommendations.

The mandate, functions and responsibilities of the Board and its Committees are subject to the provisions of ICD's By-laws and other applicable legislation.

2. Board Mandate

The fundamental duty of the Board is to supervise the management of the activities and affairs of the organization.

The Trustees will perform their duties honestly and in good faith with a view to the best interests of ICD while exercising at least the care, diligence and skill that a

reasonably prudent person would exercise in comparable circumstances, and will consider the interests of all members, employees and other stakeholders of ICD. In fulfilling their roles, Trustees and senior management will apply the principles specified in the *Vision*, *Mission* and *Values* statement of ICD. In fulfilling its duties, the Board is, among other things, responsible for the following:

- appointing, evaluating, and determining the remuneration of the Chief Executive Officer ("CEO"); on an ongoing basis, satisfying itself that the business of ICD is conducted ethically and with integrity and that the CEO and other senior management inculcate a culture of integrity throughout ICD;
- reviewing and approving from time to time ICD's *Vision*, *Mission* and *Values*;
- providing input to, reviewing and approving ICD's strategic direction and strategic plan;
- understanding and overseeing the management of the principal risks to ICD's business, including reviewing with the CEO and senior management their assessment of the principal risks to ICD's business (or, in the case of financial risk, receiving reports from the Audit Committee on management's review thereof) and ensuring that appropriate systems to manage these risks are implemented. In the case of financial risk, these functions may be performed by the Audit and Risk Committees;
- reviewing and approving annual budgets;
- monitoring, on a regular basis, performance of ICD (including the CEO and other senior management) against the strategic plan and the annual budget;
- reviewing and approving annual audited financial statements (as recommended by the Audit Committee);
- approving the selection of ICD Fellows made and proposed to the Board and Members; and
- considering, and if thought fit, approving recommendations made to the Board by the Committees.

3. Qualification of Trustees

ICD seeks as Trustees committed individuals who have the highest ethical standards, sound practical commercial judgment and an interest in the long-term best interests of

ICD and its members and other stakeholders. Trustees are selected with nondiscrimination of gender, race, religion, age, professional skill, or other qualifications. With this goal in mind, each year the Board will determine:

- (a) what competencies and skills the Board as a whole should possess (taking into account the particular business of ICD) as will be reflected in the Board Matrix approved by the Board; and
- (b) whether the competencies and skills that the existing Trustees possess meet the requirements set out in the Board Matrix. The Board will make those determinations in sufficient time for the Chairperson, in consultation with the Nomination & Remuneration Committee, to reflect them in the Chairperson's recommendations for nominees to the Board.

In order to be qualified as a Trustee, an individual must be a Fellow in good standing of ICD at the time of his or her election or appointment as such and throughout his or her term of office.

4. Board Size

The Board will periodically review whether its current size is appropriate. The size of the Board will, in any case, be within the number provided in ICD's Articles of Incorporation.

5. Term Limit for Trustees of the Board

All Trustees are elected at the annual general meeting of members of ICD for a term of three (3) years. Beginning in 2013, the maximum cumulative term of a Trustee shall not exceed nine (9) years.

6. Committees

The Board will have an Executive Committee, Audit Committee, Corporate Governance Committee, Nomination & Remuneration Committee, Fellows Committee, and a Risk Committee, the charters of each will be as established by the Board from time to time. The Board may, from time to time, establish and maintain additional or different committees as it deems necessary or appropriate.

Committees of ICD are established to facilitate the work of the Board. Committees are accountable to the Board, which at all times retains responsibility for the activities and decisions of Committees. Each Committee has its particular oversight responsibilities in relation to ICD but all have common rules of governance and composition, and common operating principles and procedures.

| Trustee | Age | Trustee Since | Terms Served | Involvement in ICD - Board Committees | Involvement in ICD (others) |
|-------------------------------------|-----|---------------|-------------------------------------|--|---|
| Cesar L. Villanueva | 66 | June 2010 | 2010-2011 2018-2021 2021-2024 | Chairman; Executive Committee; National Governance Committee | Teaching Faculty; Consulting Group |
| Ma. Aurora D. Geotina-Garcia | 68 | June 2018 | 2018-2020 2020-2023 | Vice Chairperson; President; Executive Committee; Nomination and Election Committee; Fellows Committee | Board Diversity and Inclusion Committee; Cebu Circle (Regional Circle) |
| Imelda C. Tiongson | 55 | May 2016 | 2016-2019 2019-2022 | Treasurer; Executive Committee; Corporate Governance Committee, Fellows Committee | Teaching Faculty; Technology Governance Committee; StEP Committee; Consulting Group |
| Benedicta A. Du-Baladad | 59 | June 2020 | 2020-2023 | Audit Committee, Nomination and Election Committee | National Governance Committee; Thought Leadership Committee |
| Ma. Victoria C. España | 56 | June 2020 | 2020-2023 | Risk Committee; Corporate Governance Committee; Fellows Committee | Teaching Faculty; Membership Committee; Consulting Group |
| Ricardo Nicanor N. Jacinto | 60 | June 2013 | 2013-2015 2019-2022 | Corporate Governance Committee; Audit Committee; Fellows Committee; | Teaching Faculty; Thought Leadership Committee; Technology Governance Committee; StEP Committee; Consulting Group; Corporate Governance Standards; Golf Committee |
| Tomas H. Lipana | 72 | June 2018 | 2018-2021 | Audit Committee; Risk Committee | Consulting Group |
| Pedro H. Maniego Jr | 71 | April 2015 | 2015-2018 2018-2021 2021-2024 | Fellows Committee; Nomination and Election Committee | Teaching Faculty; StEP Committee; Consulting Group; Golf Committee |
| Vaughn F. Montes | 50 | June 2020 | 2020-2021 | Nomination and Election Committee | Teaching Faculty; Membership Committee; Consulting Group; Thought Leadership Committee |

Corporate Governance Guidelines

| Trustee | Age | Trustee Since | Terms Served | Involvement in ICD - Board Committees | Involvement in ICD (others) |
|--------------------------------|-----|---------------|--------------|---|---|
| Alfredo E. Pascual | 72 | June 2019 | 2019-2022 | Corporate Governance Committee; National Governance Committee | Thought Leadership Committee; Technology Governance Committee; StEP Committee |
| Jonathan Juan DC Moreno | 50 | June 2021 | 2021-2024 | Corporate Governance Committee; Risk Committee; Fellows Committee | Cebu Circle (Regional Circle); Young Leaders Group |
| Senen L. Matoto | 73 | June 2021 | 2021-2024 | Risk Committee; Nomination and Election Committee | Consulting Group; StEP Committee |

7. Access to Information and Advisors

In carrying out its duties, the Board and each of its Committees will have full access to all of the books, records, facilities and personnel of ICD that are relevant in respect of the duties of the Board or of a particular Committee. In carrying out its duties, the Board and each Committee (in respect of that Committee's duties) may, from time to time, with the consent of the Chairperson of the Board, retain an outside advisor at the ICD's expense and determine the advisor's fees and other retention terms. Those advisors may include counsel, auditors, and other professionals, as appropriate. Individual Trustees may retain an outside advisor with the approval of the Executive Committee.

8. Board Meetings

Agenda

The Chairperson of the Board, or a designate of the Chairperson, is responsible, in consultation with the CEO, for establishing the agenda for each Board meeting. Each Trustee may suggest items for inclusion on the agenda and may raise at any Board meeting subjects that are not on the meeting agenda.

Frequency of Meetings

The Board will meet as often as the Board considers appropriate to fulfill its duties, but in any event at least once per quarter. The scheduled Board meetings will be held on the last Friday of the month following the end of the quarter. Special meetings may also be called by the Chairperson or when requested by at least three (3) Board Members. The Board also holds a Corporate Board Retreat coinciding with the fourth quarter regular meeting.

Responsibilities of Trustees with Respect to Meetings

Trustees are expected to regularly attend Board meetings and Committee meetings (as applicable) and to review in

advance all materials for Board meetings and Committee meetings (as applicable).

Voting at Meetings

At meetings of the Board, each Trustee shall have one vote and all questions and issues raised, and all resolutions to be adopted shall be decided by a majority of votes there being a quorum.

A majority of the number of Trustees as fixed in the articles of incorporation shall constitute a quorum for the transaction of corporate business, and every decision or resolution of at least a majority of the Trustees present at a meeting at which there is a quorum shall be a valid as a corporate act, except in the election of officers and in those instances under the Revised Corporation Code that require the vote of a majority of all the members of the Board. In the event of a tie in the voting on any issue raised and all resolutions tabled for adoption, the Chairperson may in the exercise of discretion cast a vote to break the tie.

Minutes

The minutes of all Board meetings will be approved at the next meeting of the Board. ICD's corporate secretary (the "Corporate Secretary") is responsible for ensuring that draft minutes are completed after each meeting. The Corporate Secretary will circulate the draft minutes to the Trustees within two weeks of the Board meeting and send the agenda for the next Board meeting, at least seven (7) days prior to the next Board meeting date. These may be circulated earlier to assist communication between and among management and the Board.

Attendance at Meetings

The Board (or any Committee) may invite, at its discretion, non-Trustees to attend a meeting. Although Trustees are encouraged to attend all meetings in person, pursuant to ICD's By-laws, a Trustee may participate in a meeting by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.

ATTENDANCE OF ICD BOARD 2021

| ICD 2021 Board Schedule | | Rex C. Drilon, II | Sherisa P. Nuesa | Cesar L. Villanueva | Ma. Aurora D. Geotina-Garcia | Imelda C. Tiongson | Tomas H. Lipana | Ricardo Nicanor N. Jacinto | Pedro H. Maniego Jr. | Benedicta A. Du-Baladad | Alfredo E. Pascual | Ma. Victoria C. España | Vaughn F. Montes | Jonathan Juan DC Moreno | Senen L. Matoto | TOTAL |
|----------------------------|--|-------------------|------------------|---------------------|------------------------------|--------------------|-----------------|----------------------------|----------------------|-------------------------|--------------------|------------------------|------------------|-------------------------|-----------------|-------|
| Q1 BOT Meeting | 11 March 2021 (9:00 PM - 12:00 NN) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | NA | NA | 12 |
| Special Board Meeting | 10 May 2021 (10:00 AM-11:30 AM) | Yes | Yes | Yes | Yes | - | Yes | - | - | Yes | Yes | Yes | Yes | NA | NA | 9 |
| Q2 BOT Meeting | 10 June 2021 (9:30-12:00 NN) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | NA | NA | 12 |
| ICD ADMM | 10 June 2021 (2:00 PM-4:00 PM) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 12 |
| ICD Organizational Meeting | 10 June 2021 (4:30 PM-6:00 PM) | NA | NA | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 12 |
| Q3 BOT Meeting | 09 September 2021 (9:00 AM - 12:00 NN) | NA | NA | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 12 |
| Special Board Meeting | 13 October 2021 (1:00 PM - 4:15 PM) | NA | NA | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 12 |
| Q4 BOT Meeting & CBR | 01-02 December 2021 (9:00 AM - 5:00 PM; 9 AM - 12:00 NN) | NA | NA | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 12 |
| TOTAL Attendance | | 4 | 4 | 8 | 8 | 7 | 8 | 7 | 7 | 8 | 8 | 8 | 8 | 5 | 5 | |
| TOTAL Meetings | | 4 | 4 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 5 | 5 | |
| Attendance Rate | | 100% | 100% | 100% | 100% | 87.5% | 100% | 87.5% | 87.5% | 100% | 100% | 100% | 100% | 100% | 100% | |

Executive Sessions

At each Board meeting (and each Committee meeting at which members of management are in attendance), there shall be an opportunity for the Trustees to meet separately without management present.

9. Board Evaluation

The Board shall use self-evaluation questionnaires to assess their performance as a whole, the different Board Committees, and the Chairperson.

The ICD Board Evaluation Questionnaire for the whole Board includes the following elements:

- Structure and Composition* – This looks at the diversity and balance of competencies of directors, Board committees, and officers who support the Board.
- Responsibilities and Duties* – This looks at how the Board effectively fulfills its roles and responsibilities particularly in strategy, policy, oversight, and accountability.

(c) *Board Processes* – This looks at the internal processes of the Board from nomination, election, and on-boarding of the directors, among others.

(d) *Dynamics and Relationships* – This looks at how the Board works as a team, the expectations of individual directors, and the leadership of the chairperson.

This includes qualitative questions where Trustees can give their insights. The results of the Board evaluation will be discussed by the Board during the 4th Quarter Regular Meeting/Corporate Board Retreat. Action items for the whole board and for the different committees will also be discussed during the Meeting/Retreat.

10. Orientation and Continuing Education for Trustees

Each new Trustee will receive a comprehensive orientation from the Chairperson and the CEO, or designates, including an overview of the role of the Board, the Committees and each individual director, the nature and operation of

Corporate Governance Guidelines

ICD's business and the contribution and time commitment the new Trustee is expected to make. The orientation will include access to senior management of ICD and the facilities of ICD. The Board will consider from time to time appropriate continuing education for the Trustees, which may include presentations from management, site visits (including at ICD programs) and presentations from industry experts. Each Trustee is also expected to maintain the necessary level of expertise to perform his or her responsibilities as a Trustee.

11. Role of the Chairperson

The principal role of the Chairperson of the Board is to provide leadership to the Board. The Chairperson is elected by the incoming Board in the Trustees' meeting immediately following an annual general meeting. The Chairperson is accountable to the Board, acts as a direct liaison between the Board and the management of ICD, and acts as a spokesperson for Board decisions where appropriate. The Board supports the concept of separation of the role of the Chairperson from that of the CEO, confirming that the Chairperson should be independent from management and free from any interest and any business or other relationship which could interfere with, or reasonably be perceived to interfere with, the Chairperson's independent judgment.

More specifically the duties and responsibilities of the Chairperson are as follows:

- to provide leadership to the Board in following the strategic plan of ICD;
- to act as Chairperson at meetings of the Board;
- to chair the annual general meeting and other meetings of members;
- to act as a liaison between management and the Board;
- to provide advice and counsel to the CEO;
- to oversee that ICD Trustees are properly informed and that sufficient and timely advance distribution of all information and materials is provided to enable the Trustees to form appropriate judgments and make all necessary decisions;
- to see that issues arising out of Board in camera deliberations are adequately communicated to and addressed by management and that the resulting outcomes are communicated to the Board;
- to coordinate the activities of the Board with Committee chairpersons;
- with the CEO, develop and approve the Board agenda;
- with the CEO, to oversee a program of comprehensive director orientation for new Trustees;
- to attend any meeting of any Committee that the Chairperson considers appropriate;
- with the CEO, to recommend to the Board the date, time and location of the annual general meeting;
- to advise the Board of member concerns as appropriate; and
- to annually conduct a Board evaluation based on a process approved by the Executive Committee.

12. Role of the Chief Executive Officer

The CEO is responsible for preparing for the Board's review, implementing and executing the strategic plan and annual budget and related objectives approved by the Board. The CEO will have the authority to manage and supervise the day-to-day business of ICD, including making any decisions not specifically assigned to the Board or to any Committee of the Board, subject to any applicable law.

The CEO shall, subject to the authority of the Board, be responsible for the direct management of the business and affairs of ICD and shall direct and supervise the other officers and employees of ICD. The CEO shall see that all orders and resolutions of the Board are carried into effect and the CEO shall have such other responsibilities and perform such other duties as are delegated or assigned by the Board. The CEO shall be a Trustee of ICD.

The responsibilities of the CEO include:

- managing the business and affairs of ICD within the guidelines established by the Board and reporting to the Board, its Committees and members as appropriate;
- recommending to the Board the strategy for ICD's business, and when approved by the Board, implementing the corresponding strategic plan;
- communicating in a timely fashion with the Board, its Committees and members, as appropriate, on material matters affecting ICD;
- ensuring compliance with the Code of Business Conduct and Ethics and relevant laws and regulations by the management and staff;
- overseeing the integrity of ICD's accounting, internal controls and preparation of financial reports;
- with the Chairperson, ensuring that new Trustees receive a comprehensive director orientation;
- developing an annual budget for review by the Finance & Audit Committee and approval of the Board and implementing the annual budget;

- overseeing the quality, consistency and delivery of the education and certification programs offered by ICD and its partners (if any);
- serving as ICD's principal spokesperson and principal manager of relationships with ICD's stakeholders; and
- such other duties as the Board may delegate from time to time.

The CEO who leads the Society of Fellows should be a Fellow of ICD. If not a Fellow at the time the CEO assumes the position, such CEO should fulfill all requirements for Fellowship within a year from the date of appointment.

13. Communications with Fellows and Others

Fellows and other interested parties may contact the Board with any questions or concerns, including complaints with respect to accounting, internal accounting controls, or auditing matters, by contacting the Corporate Secretary of ICD at:

Corporate Secretary c/o the Institute of Corporate Directors
14F Trident Tower, 312 Gil Puyat Avenue, Makati City
Tel (main): +632 8884-14941
Fax: +632 8884-1493
Email: corsec@icd.ph

All correspondence received by the Corporate Secretary will be promptly acknowledged and reviewed by the Corporate Secretary, who will determine whether the correspondence should be forwarded immediately to the Board or any

member of the Board or whether the correspondence should be presented to the Board at its next regular meeting. The Corporate Secretary will consult with the Chairperson if there is a question concerning the need for immediate review by the Board or by any member of the Board.

14. Code of Business Conduct and Ethics

The Board has adopted the Code of Ethics and Business Conduct of the ICD Trustees, and the Code of Business Conduct and Ethics for ICD. The Board expects all Trustees, officers, employees and volunteers of ICD to conduct themselves in accordance with the highest ethical standards, and to adhere to the Code.

15. Expenses

ICD will pay all of the expenses reasonably incurred by the Board and its Committees in the course of carrying out their duties. ICD places importance on ensuring that those traveling in relation to ICD business exercise due care and prudence in incurring expenses.

16. Public Disclosure of Governance Documentation

ICD will disclose on its website the current versions of the Board Charter, the charters of the various committees, the Code of Business Conduct and Ethics for Trustees, and the Code of Business Conduct and Ethics for ICD.

ICD BOARD OF TRUSTEES



Jesus P. Estanislao, Ph.D., FICD
 FOUNDER AND CHAIRMAN EMERITUS,
 INSTITUTE OF CORPORATE DIRECTORS

EXECUTIVE SUMMARY

Dr. Jesus P. Estanislao is currently Chairman of the Center for Excellence in Governance, which serves the different governance advocacies pitched to strategic sectors of society and the economy. And whose main focus is Personal Governance and National Governance. Until recently, He was a Visiting Professor at IESE Business School in Barcelona, Spain.

He is the founding chairman—now Chairman Emeritus— of the Institute of Corporate Directors (a corporate governance advocacy) and the Institute for Solidarity in Asia (a public governance advocacy).

Through these institutes, he has been a leading figure for governance reforms in the Philippines; through them he has been working with similar institutes in Southeast Asia (he is the Philippine expert in the ASEAN corporate governance scorecard initiative).

He had served in academe, government, and the private business sector. He was the founding President of the University of Asia & the Pacific in Manila. He served as Economic Planning Secretary and later also as Secretary of Finance under the administration of President Corazon Aquino.

He capped his banking career as Chairman and CEO of the Development Bank of the Philippines, after having served as President of Associated Bank and Chairman of the Philippine Commercial and Industrial Bank.

He holds a Ph.D. in Economics from Harvard University, and an M.A. in Economics from Fordham University. He obtained his bachelor's degree from the University of San Carlos in Cebu, the Philippines. His awards include: the Philippine Legion of Honor in 1992; the Philippine Management Man of the Year in 2010; the Outstanding Filipino (for governance) in 2012; and the Hernando de Soto award for democracy in 2013.

WHAT ARE YOUR CONTRIBUTIONS/WHAT CAN YOU CONTRIBUTE TO CORPORATE BOARDS

I consider my major contribution to ICD the following: to ensure that ICD adheres to the foundational values and core purposes which were laid down at the very start of ICD.

CURRENT DIRECTORSHIPS

- Founding Chairman, Institute of Corporate Directors (ICD) – Philippines
- Founding Chairman, Institute for Solidarity in Asia (ISA) – Philippines
- Chairman, Center for Excellence in Governance (CEG) – Philippines

PAST DIRECTORSHIPS

- Metrobank
- Philam-life
- Manila Hotel
- PCIB

PROFESSIONAL EXPERIENCE

- Former Secretary, Department of Finance – Philippines
- Former Secretary, National Economic & Development Authority (NEDA) – Philippines
- Chairman and Chief Executive Officer, Development Bank of the Philippines
- Founding Dean, ADB Institute, Tokyo Japan
- Chairman, Philippine Commercial and Industrial Bank
- President, Associated Bank – Philippines
- Founding President, University of Asia and the Pacific – Philippines
- Visiting Professor, IESE Business School – Barcelona

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Philippine Economic Society

EDUCATION

- Harvard University – USA
 - Doctorate in Economics
- Fordham University – USA
 - Masters in Economics
- University of San Carlos – Philippines
 - Bachelor of Arts in Economics

RECOGNITIONS

- the Philippine Legion of Honor
- the Philippine Management Man of the Year in 2010
- the Outstanding Filipino (for governance) in 2012
- Hernando de Soto award for democracy in 2013.

PUBLICATIONS

- Governance in the Philippines: Spanish Colonial Rule, 1565-1898
- Governance of the Philippines: The US Colonial Period 1898-1946
- Governance of the Philippines: as a Republic, 1946-2021

EXPERTISE

- Banking and Finance
- Business Development
- Corporate Strategy
- Governance
- Organization Development
- Planning & Strategy Mgt
- Training & Development

INDUSTRY EXPERIENCE

- Banking and Finance
- Management Consulting
- Government
- Non-Government Organization

ICD Board of Trustees



Cesar L. Villanueva, FICD
CHAIRMAN, ICD

CONTRIBUTING TO CORPORATE BOARDS

Oversaw: latest amendments to the ICD Articles of Incorporation and Bylaws to conform with CG best-practices; and the formalization and adoption of: (a) Charter of the ICD Corporate Governance Committee; (b) Code of Conduct and Business Ethics for ICD Trustees; (c) Code of Conduct for the ICD Fellows, Officers and Staff; (d) Charter of the ICD Board.

EXPERTISE

- Commercial Law, Corporate Law, Corporate Governance.

INDUSTRY EXPERIENCE

- Commercial and Corporate Law practitioner, Corporate Governance Advocacy; Corporate Litigation; Corporate Insolvency and Rehabilitation; Legal Education

DIRECTORSHIPS AND CONSULTANCIES

- Executive Secretary of Administrative Tribunal, Asian Development Bank (ADB)
- Trustee, Institute of Corporate Directors
- Chairman, Corporate Governance Committee, Management Association of the Philippines
- Independent Director, Professional Services, Inc./ The Medical City
- Trustee, Kapampangan Development Foundation

PROFESSIONAL EXPERIENCE

- Chairman, Governance Commission for GOCCs, 2011 – 2016
- Dean, Ateneo de Manila Law School, 2004 – 2011
- Executive Vice President/Director, Philippine Association of Law Schools, 2004 – 2011
- Chairman, Commercial Law Department, Philippine Judicial Academy, 2003 – 2011
- Governing Board Member, Mandatory Continuing Legal Education Council (MCLE), 2004 – 2011

EDUCATION

- San Beda Graduate School of Law (Philippines), 2005
 - Diplomate In Juridical Science (D.J.S.)
- Australian Institute of Company Directors (AICD), 2002
 - Fellow
- Harvard Law School (Cambridge, MA), 1989
 - Master of Laws (LL.M.)
- Ateneo De Manila Law School (Philippines), 1981
 - Bachelor of Laws (LL.B.), valedictorian, cum laude
- Holy Angel University (Philippines), 1977
 - Bachelor of Science in Accountancy (BSC), magna cum laude

PUBLICATIONS

- Books Authored:
 - Commercial Law Review
 - Philippine Corporate Law
 - Agency & Trusts, Partnerships & Joint Ventures,
 - Law on Sales
 - Law and Practice on: Philippine Corporate Governance (2009 National Book Award on Professions given by the NATIONAL BOOK DEVELOPMENT BOARD and the MANILA CRITICS CIRCLE)

RECOGNITIONS

- Outstanding Law Dean (Gold Category), Awarded by the Legal Education Board, November 2011
- Ambassador Cesar B. Bautista Award for Good Governance, Awarded by the ICD, May 2014
- Presidential Medal of Merit, Awarded by former President Benigno S. Aquino, June 2016



Ma. Aurora D. Geotina-Garcia, FICD
VICE-CHAIRPERSON AND PRESIDENT, ICD

EXECUTIVE SUMMARY

Ms. Boots started her professional career in 1974 at SyCip, Gorres, Velayo & Co (SGV & Co.) a member practice of Ernst & Young Global Ltd where she headed SGV & Co.'s Global Corporate Finance Division. She is currently the President of Mageo Consulting Inc. a company providing business advisory and corporate finance services.

Boots has served as a consultant to business and government for over 40 years in corporate finance and has advised clients on project development, packaging and structuring of projects, identification of potential funding sources, preparation of sale documents and related materials, and negotiation of financing agreements with lenders. She also handled projects involving financial rehabilitation and restructuring, privatization, initial public offerings, valuation studies, market and financial feasibility studies, sectoral/industry and research studies, mergers and acquisitions, joint ventures and assistance to foreign investors in establishing local companies.

She was the first female Chairperson of the Bases Conversion & Development Authority, (BCDA), a Philippine government owned and controlled corporation responsible for the development of former base lands and military camps, and was member of the Board of Directors of the subsidiaries and affiliates of BCDA. She currently sits as Independent Director of private and publicly listed corporations engaged in property development, energy, exploration, and healthcare. Boots has broad experience as chairperson and member of board committees for audit, corporate governance, risk oversight, related party transactions, and personnel and compensation.

Boots is active in advocacies for corporate governance and capital market development, and gender and development (GAD), women's economic empowerment (WEE), and diversity & inclusion. (D&I)

Boots received a Bachelor of Science Degree in Business Administration and Accountancy and a Master in Business Administration from the University of the Philippines (UP) in 1973, and 1978, respectively. She is a Fellow of the Institute of Corporate Directors and a Certified Public Accountant.

In 2012, she received the Distinguished Alumni Award from the University of the Philippines, and was recognized as ASEAN Woman Entrepreneur at the ASEAN Business Awards in 2019.

ICD Board of Trustees**CURRENT DIRECTORSHIPS**

- Independent Director, Cebu Landmasters, Inc. – Philippines
- Independent Director, ACEN Energy Corp. – Philippines
- Lead Independent Director, ACE Enexor Inc. – Philippines
- Independent Director, Professional Services, Inc. – Philippines

PAST DIRECTORSHIPS

- Bases Conversion and Development Authority – Philippines
 - Chairperson, 2015-2016
 - Director, 2011-2016
- Fort Bonifacio Development Corporation – Philippines
 - Vice Chairperson, 2015-2016
 - Director, 2011-2016
- Director, BCDA Management Holdings, Inc. – Philippines – 2011-2016
- Vice Chairperson/Independent Director, HBC Inc. – Philippines – 2012-2016
- Director, Bonifacio Global City Estates Association Inc. – Philippines – 2012-2016
- Bonifacio Estates Services Corporation – Philippines – 2012-2016
- Independent Director, Queen City Development Bank – Philippines – 2001-2021

PROFESSIONAL EXPERIENCE

- President, Mageo Consulting Inc. – Philippines
- Partner/Head, Global Corporate Finance Division, SyCip, Gorres, Velayo & Co (SGV & Co.) – Philippines

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Shareholders Association of the Philippines (SharePhil), Vice Chairperson
- Institute of Corporate Directors (ICD), Vice Chairperson and President

- Philippine Women's Economic Network, Inc. (PHILWEN), Founding Chairperson, President
- Philippine Business Coalition for Women Empowerment (PBCWE), CoChair
- NextGen Organization of Women Corporate Directors Phils. Inc (NOWCD), Chairperson
- Male Champions of Change Philippines, CoConvenor
- Samahan ng Kababaihan Para sa Reporma at Kaunlaran, Inc. (Spark Phils. Inc.), Founding Trustee/ Secretary-Treasurer
- Business and Professional Women, Makati (BPW Makati), Founding Trustee
- Women's Business Council Philippines Inc. (WomenBizPh), Past Chairperson, President
- TESDA Women's Center Advisory Council (CAC), Member
- ASEAN Women Entrepreneurs Network (AWEN), Past CoChair
- Management Association of the Philippines (MAP), Member
- Philippine Institute of Certified Public Accountants (PICPA), Member
- UP MBA Alumni Society, Inc., Member
- UP Alumni Association, Inc., Member
- UP Business Research Foundation Inc., Member
- Guild of Real Estate Entrepreneurs and Professionals Inc. (GREENPRO), Past President
- Junior Achievement of the Philippines, Inc. (JAP), Past Vice President

EDUCATION

- University of Philippines
 - BS in Business Administration and Accountancy
 - Master of Business Administration

RECOGNITIONS

- ASEAN Woman Entrepreneur Award, ASEAN Business Advisory Council (ABAC), 2019
- Distinguished Alumni Award, University of the Philippines, College of Business Administration, 2012



Imelda Ceniza Tiongson, FICD
TREASURER, ICD

PROFILE/EXPERIENCE SUMMARY:

She started as a traditional banker for over 22 years holding senior executive positions in National Australia Bank and Philippine National Bank until she was pirated in 2007 to head OPAL Portfolio Investments (SPV-AMC) Inc, which was initially an ING-formed company in charge of distressed assets and turning around businesses, she is heading today.

Last March 8, 2022, she was appointed also **Chairperson of Pru Life UK Philippines**.

Ms Tiongson is also heavily in Fintech. Her fintech stint started in 2017 when she helped develop Lending Credit Scoring algorithm of a Singaporean fintech company. Because of her passion in Fintech, she did further studies and developed skills in Blockchain, Fintech, Digital Transformation, Artificial Intelligence and Web3.0. In December 2021, she was among chosen by the Bangko Sentral ng Pilipinas to sit as Member of the **BSP Open Finance Oversight Committee**.

She is also a **teaching Fellow of ICD**.

CURRENT AFFILIATIONS

- Trustee, Institute of Corporate Directors
- BSP Open Finance Committee TG
- Trustee, Fintech Alliance Ph and Fintech Association of the Philippines
- Vice Chairman of Governance Committee, Management Association of the Philippines
- Trustee and Treasurer-Womenbiz.ph

STRENGTHS FINTECH

- Governance, Audit,
- Risk Management
- Digital Transformation/
- Strategic Planning
- Risk Management
- Mergers and Acquisition
- Corporate Rehabilitation
- Corporate Finance

EDUCATION

- Bachelor of Business In Accountancy, Royal Melbourne Institute of Technology (with Credit), Australia.
- Accounting for Bankers (Perfect Score), NAB Melbourne

MASTERCLASSES

- Remedial Management, Asian Institute of Management
- Blockchain/ Crypto by Terrapin Singapore,
- Audit and Risk Governance by Wordbank IFC,
- Alibaba Netpreneurship
- a Certified Kaplan and Norton Balance Scorecard Strategy Master

PROFESSIONAL PAST EXPERIENCE

- Senior Vice President, Philippine National Bank heading Remedial/Credit Management – Corporate Banking
- Senior Lending Officer, National Australia Bank (Melbourne, Australia)

CURRENT DIRECTORSHIPS

- Chairperson and Independent Director, Prulife UK Ph
- Independent Director (Chair of Risk Com), Xurpas Inc. (PLC) – publicly listed Technology company
- Independent Director and Chair of Risk and Audit, SeedIn Technologies Inc. (Fintech Lending Platform)

PAST DIRECTORSHIPS

- Vitarich Inc. (PLC)
- Board Advisor, East Asia Power Resources Inc.(PLC)
- Fin Tech Global Resources Inc.

ICD Board of Trustees**OTHER AFFILIATIONS/MEMBERSHIP
IN ORGANIZATIONS**

- Lecturer in various institutions such as ICD, Ateneo Graduate School of Business, PNB Institute of Banking, BSP-PDIC programs, etc.
- Involvement in drafting various business laws including the following:
 - Financial Rehabilitation and Insolvency Act
 - Revised Corporation Code
 - Portions of the Bayanihan Act – Heal as One 11469
 - Several Digital laws 2020-2021



Benedicta Du-Baladad, FICD

EXECUTIVE SUMMARY

Atty. Benedicta Du-Baladad, Vice-President

Benedicta “Dick” Du-Baladad is Founding Partner and CEO of Du-Baladad and Associates (BDB Law). A multi-awarded Harvard-educated lawyer, she is an elite tax practitioner consistently ranked by Asia Business Law Journal as one of the country’s top 100 lawyers. Dick is a recognized business leader, philanthropist, book author, painter, and fashion designer. She founded BDB Law Foundation in 2014 to address gaps in humanitarian, cultural, and socio-civic developments by focusing on quality education, sustained livelihood, clean environment, and better health.

Dick serves as Co-Chair of Capital Market Development Council, the Vice Chairman of Bank of Commerce, and a board member of Philippine Chamber of Commerce and Industry and Institute of Corporate Directors (ICD). She was previously Governor of Management Association of the Philippines (MAP), President of Financial Executives Institute of the Philippines (FINEX) and a former official of the Bureau of Internal Revenue (BIR). She is a regular columnist in Business Mirror and a professorial lecturer in taxation at the law colleges of University of Santo Tomas (UST) and University of the Philippines (UP).

WHAT ARE YOUR CONTRIBUTIONS/WHAT CAN YOU CONTRIBUTE TO CORPORATE BOARDS?

Having served several years both in the government and in private legal practice, Dick can share a balanced view of situations, taking into consideration both the private and government perspective in matters pertaining to regulations, governance and compliance, thus resulting in a more practical, engaging and holistic understanding of the Board.

CURRENT DIRECTORSHIPS

- Director, Bank of Commerce – Philippines
- Director, WTS Global – Germany
- Director, Legislation and Taxation Committee, Philippine Chamber of Commerce and Industry – Philippines
- Chairman, BDB Law Foundation – Philippines
- Chair, Tax Committee, Management Association of the Philippines – Philippines
- Co-Chairperson, Capital Markets Development Council
- Vice President and Trustee, Women’s Business Council of the Philippines – Philippines
- Corporate Secretary and Trustee, FINEX Foundation – Philippines
- Trustee, FINEX Academy – Philippines
- Trustee, Institute of Corporate Directors (ICD) - Philippines
- Trustee, HEED Foundation – Philippines
- Trustee, CIBI, Inc – Philippines

PAST DIRECTORSHIPS

- Founding Chairman and Chairperson, FINEX Academy – Philippines – 2019
- Trustee, FINEX Institute and FINEX Foundation – Philippines
- Management Association of the Philippines (MAP) – 2019
 - Governor – 2014-2015; 2019
 - Chairperson, Special Tax Committee – 2011-2013
- Financial Executives of the Philippines (FINEX) – 2017
 - President – 2017
 - External Vice President and Director – 2013
- Co-Chair, Taxes Group, Capital Markets Development Council
- President, Tax Management Association of the Philippines (TMAP) – 2005

ICD Board of Trustees**PROFESSIONAL EXPERIENCE**

- Founding Partner, Chair and CEO, Du-Baladad & Associates (BDB Law) – Philippines
- Governor, Management Association of the Philippines – Philippines – 2014-2015, 2019-Present
- Co-chairperson, Capital Markets Development Council (CMDCC) – Philippines – 2019-present
- Professorial Lecturer in Taxation, University of Santo Tomas – Philippines – 2013-present
- President, Financial Executives of the Philippines (FINEX) – Philippines – 2017
- Chairman, Taxation Committee, Philippine Chamber of Commerce and Industry – Philippines – 2012-2014
- Partner and Head of Tax Compliance & Advisory, Punongbayan & Araullo – Philippines – 2001-2009
- Head Revenue Executive of Legal Services and Enforcement Services, Bureau of Internal Revenue – Philippines – 1984-2000

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Shareholder Association of the Philippines (Sharephil)
- Management Association of the Philippines (MAP)
- Financial Executives Institute of the Philippines (FINEX)
- Philippine Chamber of Commerce and Industry (PCCI)
- Women's Business Council of the Philippines (Womenbiz)
- Tax Management Association of the Philippines (TMAP)
- Philippine Institute of CPAs (PICPA)
- Harvard Law Alumni Association of the Philippines (HLAAP)
- Wharton Alumni Association
- Integrated BAR of the Philippines (IBP)
- American Chamber of the Philippines (AmCham)
- European Chamber of the Philippines (ECCP)
- British Chamber of Commerce of the Philippines (BCCP)
- Institute of Corporate Directors (ICD)
- Rotary Club of Manila Metro (RCMM, District 3810)

EDUCATION

- Wharton School of the University of Pennsylvania – USA
 - Advanced Management Program (AMP) – 2007
- Harvard University – USA (1996-97)
 - Masters of Law
 - International Tax Program
- University of Santo Tomas – Philippines
 - Bachelor of Laws (1989)
- St. Louis University – Philippines (1982)
 - Bachelor's Degree in Accountancy

RECOGNITIONS

- Recognized by Asia Business Law Journal as one of the Philippines' top 100 lawyers (2018-2021)
- Indirect Tax, Tax Controversy, Women in Tax (Highly Regarded, Tax Leader) (2020-2022) International Tax Review – World Tax)
- Recognized by Chambers and Partners as a Leading Lawyer in Tax
- Named by the International Tax Review as a Woman Leader in Tax
- Recognized by Who's Who Legal as a Global Leader in Corporate Tax Advisory (2020)
- Named by the Asialaw Profiles as an Elite Practitioner in Tax (2020-2022)
- Band 1 Tax (2017-2022 – Chambers & Partners Asia Pacific Guide)
- Recognized Women in Business Law (2021)
- Tax Dispute Resolution Lawyer of the Year Award – Women in Business Law Asia (2021)

PUBLICATIONS

- Taxation of Financial Institutions in the Philippines (2006), Anvil Award
- The Taxation of Banks and Non-Bank Financial Intermediaries (2010)
- Taxation of Insurance Companies (2014)
- Columnist, Business Mirror's Tax Law for Business

EXPERTISE

- ☐ Accounting
- ☐ Business Development
- ☐ Compliance
- ☐ Corporate Strategy
- ☐ Governance
- ☐ Legal/Law
- ☐ Operations Management
- ☐ Planning & Strategy Mgt
- ☐ Policy & Procedures

INDUSTRY EXPERIENCE

- ☐ Banking and Finance
- ☐ Management Consulting
- ☐ Legal Services
- ☐ Non-Government Organization



Maria Victoria C. Españó, FICD

EXECUTIVE SUMMARY

Maria Victoria C. Españó (Marivic) is the Chairperson and Chief Executive Officer of Punongbayan & Araullo (P&A Grant Thornton), one of the Philippines' leading professional services firms providing audit, accounting, advisory, and tax services and a member firm within Grant Thornton International Ltd.

As a practitioner, Marivic has wide-range experience in taxation. She has provided comprehensive tax services to local and multinational clients, covering tax consultancy, outsourcing, expatriate tax services, tax compliance reviews and assessments.

Marivic is a Philippine Certified Public Accountant, a Certified Management Account (Australia), Associate Certified Coach of the International Coach Federation, a GRI Accredited Sustainability Professional and a Fellow of the Institute of Corporate Directors. She is recognized by the Philippine Professional Regulation Commission as the 2020 Outstanding Professional in the Field of Accountancy.

WHAT ARE YOUR CONTRIBUTIONS/WHAT CAN YOU CONTRIBUTE TO CORPORATE BOARDS?

The management of business risks, including cybersecurity, and new strategies to recruit and retain the right talents are the key issues that most companies are facing today and I can contribute to the discussions in these areas. I am very passionate about promoting gender equality, especially the development of women in business and on corporate boards.

EDUCATIONAL BACKGROUND

- Grant Thornton International Senior Leadership Program – SAID School of Business, Oxford University, United Kingdom, 2013 to 2014
- Advanced Management Program – Wharton Business School, University of Pennsylvania, United States of America, 2010
- Leadership Program of a Leading Professional Firm– Harvard University, United States of America, 2020
- Top Management Program - Asian Institute of Management, 1999
- Master in Accountancy– Polytechnic University of the Philippines, 1993
- B.S. In Mathematics for Teachers (Cum Laude) – Philippine National College, 1985

PROFESSIONAL EXPERIENCE

- PUNONGBAYAN & ARAULLO (P&A), Philippines, 1997-Present
P&A is a leading professional services firm that helps dynamic organizations to unlock their potential for growth. Our brand is respected globally, as one of the major global accounting organizations recognized by capital markets, regulators and international standards setting bodies.

P&A is the Philippine member firm of Grant Thornton International Ltd (GTIL), one of the world's leading organizations of independently owned and managed accounting and consulting firms.

P&A has a total personnel strength of over 1,000 people, including 23 partners. Almost half of these personnel are college honor graduates and were leaders of various organizations in their respective college campuses. A large number of our people are also CPA board topnotchers.

Position or Functional Title: Chairperson & CEO

Presently, as Chairman and Chief Executive Officer of Punongbayan & Araullo (P&A), one of the Philippine's largest professional service firms, Marivic brings to the table significant experience in overseeing the operations of a business that deals with a multitude of projects at any given time. At P&A, Marivic has put in place a performance management system that ensures adherence of these engagements and projects to targets and budgets, delivers exceptional quality to clients, and safeguards compliance to ethical and professional standards.

- ATLANTIC, GULF & PACIFIC COMPANY, Manila, September 1995 – January 1997
- DEPARTMENT OF FINANCE, Manila, April 1997 to June 1995

ICD Board of Trustees**CURRENT DIRECTORSHIPS**

- Shareholders' Association of the Philippine, Trustee – 2019 to 2022
- Institute of Corporate Director, Trustee – 2020 to 2023
- Trustees, FINEX Foundation and FINEX Academy, 2022

PAST DIRECTORSHIPS

- Grant Thornton International Ltd., Board of Governor, 2015 to 2019
- Financial Executive Institute of the Philippines Academy, Chairman, 2020
- Financial Executive Institute of the Philippines Foundation, Chairman, 2019
- Financial Executives Institute of the Philippines, President 2018
- Philippine Institute of Certified Public Accountants for Public Practice, National Director, 2017 to 2019
- Association of Certified Public Accountants in Public Practice, Director 2010

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Management Association of the Philippines
- Shareholders' Association of the Philippines
- Financial Executives Institute of the Philippines
- Institute of Corporate Directors
- Philippine Institute of Certified Public Accountants in Public Practice
- Makati Business Club
- Women's Business Council of the Philippines
- Association of Certified Public Accountants in Public Practice, Member

EXPERTISE AND INDUSTRY EXPERIENCE

Please tick the box of all applicable expertise and industry experience:

EXPERTISE

- Accounting
- Audit & Risk Management
- Change Management
- Corporate Strategy
- Governance

RECOGNITIONS

- 2020 Outstanding Professional in the Field of Accountancy by the Philippine Professional Commission
- Recognized as one of the "Eminent PNU Alumni" of 2015
- ATOM (a tribute to Outstanding MaSians) Awardee, Manila Science High School, 2013
- PICPA's Most Outstanding CPA in Public Practice (2011)



Ricardo Nicanor N. Jacinto, FICD

EXECUTIVE SUMMARY

Mr. Ricky Jacinto is currently the Chairman of SBS Philippines Corporation and a director of its subsidiary, SBS Holdings Corporation. He is also the chairman of Maybank Kim Eng Capital Partners Inc as well as an independent director of the Metro Retail Stores Group, Inc., Etiqa Life and General Assurance Philippines, and Maybank Securities (Thailand) Public Co. Ltd and an executive director of Torre Lorenzo Development Corporation.

He was a director of Manila Water Co from 2011-2014 and the Social Housing Finance Corporation from 2011-12. His previous directorships in non-profit organizations included chairman of the Nicanor P. Jacinto Jr. Foundation from 2006-2014, Trustee of ICD from June 2019-2022 and Treasurer/Trustee of the Judicial Reform Initiative.

Mr. Ricky Jacinto served as Chief Executive Officer of the Institute of Corporate Directors (ICD) from January 2013-December 2017. His major accomplishments during that time were:

- An increase in the number of courses offered on governance and other board topics as well as attendance from 17 runs and 456 participants in 2013 to 68 runs and 3025 participants in 2017. During this time, the number of ICD lecturers rose from 4 to 51. At the same time, the percentage of participants giving ICD “excellent” ratings rose from 43% to 53%.
- Growth in the number of Fellows/members from 254 (net) to 328 (net) during the same period. The percentage of Fellows/members giving ICD “excellent” ratings also increased from 39% to 60%.
- The appointment of ICD by the Securities and Exchange Commission as the Domestic Ranking Body for the Philippines for the ASEAN Corporate Governance Scorecard (ACGS) Initiative. By the end of 2017, ICD had entered into partnerships with four of the country’s major corporate regulators and assessed the corporate governance practices of over 500 publicly-listed companies (PLCs), state-owned enterprises, insurance firms and commercial banks on an annual basis. During his term, the average ACGS scores for the nation’s top 100 PLCs rose from 58 points in 2013 to 74.59 points in 2016.
- Hosted the first ever ASEAN CG awards based on the ACGS in Manila in 2015 as well organized annual forums which focused on various topics in corporate governance. ICD’s 2017 risk conference, which was co-organized with the Management Association of the Philippines, the Financial Executives Institute of the Philippines and the Institute of Internal Auditors – Philippines, attracted over 300 participants.
- Admission of ICD as the Philippines’ representative into the Global Network of Director Institutes.
- Created sustainable revenue streams which grew from P23.4Mn in 2013 to 43.2Mn in 2017 while reversing a deficit from the difference between revenues and expenses of P3.6Mn into a surplus of P1.7Mn. During that time, loans payable fell from P25Mn to P15Mn while ICD’s unrestricted fund balance rose from P5.5Mn to P12.3Mn.

He continues to serve as one of ICD’s most active and highly-rated lecturers/facilitators for its director training seminars and strategic planning workshops which cater to the needs of publicly-listed companies, privately-held family firms and government-owned and – controlled corporations. He also recently edited “Corporate Governance in Practice: A Case Book”, a joint effort between ICD and the Management Association of the Philippines, and wrote a number of cases that were included in the book.

In October 2019, Ricky began teaching as a Professional Lecturer (MBA program) at the Virata College of Business Administration (Bonifacio Global City campus) of the University of the Philippines.

Ricky began his professional career in 1982 as a Junior Executive Trainee of the Philippine American Investment Corporation. From 1987-1994, he was Vice President at AB Capital and Investment Corporation where he ran the Philippine Long-Term Equity Fund, a US\$20 million debt-to-equity fund which invested in companies such as International Container Terminal Services, Inc., Cebu Holdings and Hi-Cement Corporation before many of them went public.

ICD Board of Trustees

From 1994-1996, Ricky was Vice President for Corporate Finance at Bankers Trust Co (Manila OBU). He advised clients on various merger and acquisition transactions including Del Monte Philippines and the Philippine Shipyard and Engineering Co.

In 1996, Ricky joined Ayala Corporation (AC). From 1996-2002, he was seconded to Ayala Land Inc (ALI) where he was Vice President for the Land & Community Development Group. This group was responsible for land acquisition of ALI as well as the development of high-end subdivisions such as Nuvali, Westgrove Heights, Paseo de Magallanes, Ayala Southvale and Ayala Heights. In 2002, he was moved to AC Capital where he was responsible for the corporate restructuring and sale of Burger King, PT Sinar Mas Purefoods and various properties of AC. In 2010, he was seconded as Managing Director and CEO of Habitat for Humanity Philippines. He retired from AC as a Managing Director in 2011.

Ricky graduated magna cum laude from the University of the Philippines BS Business Economics program in 1982. He received his Masters in Business Administration from the Harvard Business School (HBS) in 1986. He has also completed the following executive education programs:

- Value Creation Through Effective Boards – IESE/HBS 2015
- Disruptive Strategy – HBS 2017 (online)
- Negotiation Mastery – HBS 2018 (online)
- Driving Digital Strategy; Risk Management for Corporate Leaders – HBS 2019

WHAT ARE YOUR CONTRIBUTIONS/WHAT CAN YOU CONTRIBUTE TO CORPORATE BOARDS?

- Expertise in corporate governance
- General manager experience in a wide variety of industries

EDUCATIONAL BACKGROUND

- Harvard Business School (HBS) – 1986 Masters in Business Administration
- University of the Philippines – 1982 BS Business Economics

PROFESSIONAL EXPERIENCE

- **Virata College of Business Administration, University of the Philippines** – 2019-Present
Company Description:
 - Education
 - Government**Professional Lecturer (MBA program)** – 2019-Present
- **Institute of Corporate Directors (ICD)** – 2013-2017
Company Description:
 - Non-Profit/NGO
 - Private**Chief Executive Officer** – 2013-2017
- **Ayala Corporation** – 1996-2011
Company Description:
 - Holding Firm
 - PLC**Managing Director & CEO, Habitat for Humanity Philippines** – 2010-2011
AC Capital – 2002
Vice President for the Land & Community Development Group - Ayala Land, Inc. – 1996-2002

- **Finance at Bankers Trust Co** - Philippines – 1994-1996

Company Description:

- Banking and Finance

Vice President for Corporate Finance – 1994-1996

- **AB Capital and Investment Corporation – Philippines** – 1987-1994

Company Description:

- Banking and Finance

Vice President – 1994-1996

- **Philippine American Investment Corporation – Philippines** – 1982-1987

Company Description:

- Banking and Finance

Junior Executive Trainee – 1982-1987

CURRENT DIRECTORSHIPS

- **SBS Philippines Corporation** – 2015 to present
 - Non-executive director
 - Chairman of the Board, NomRem (Chair), Audit and Risk Oversight Committees
- **Maybank Kim Eng Capital Partners Inc** – 2020 to present
 - Independent director
 - Chairman, Member of the Audit Committee
- **Maybank Kim Eng Securities Inc** – 2020 to present
 - Independent director

- **Maybank Securities (Thailand) Public Co. Ltd – 2021 to present**
- **SBS Holdings Corporation – Philippines – Holding Firm – 2017 to present**
 - Non-executive
- **Metro Retail Stores Group, Inc. – Philippines – Retail – 2015- present**
 - Independent Director
 - NomRem, Corporate Governance, Audit, Investment Committees
- **Etiqa Life and General Assurance - Philippines – Insurance – 2019 present**
 - Lead Independent Director
 - Corporate Governance (Chair), Audit Committee
- **Torre Lorenzo Development Corporation – Philippines – Property – 2020 to present**
 - Executive Director

PAST DIRECTORSHIPS

- **Manila Water Co - Philippines – Electricity/Energy/Power/Water Services – 2011 to 2014**
 - Independent
 - Audit Committee
- **Social Housing Finance Corporation- Philippines – GOCC – 2011 to 2012**
 - Independent (Independent, Executive, Non-Executive)
- **Nicanor P Jacinto Jr Foundation, Inc – Philippines – nonprofit – 2006 to 2014**
 - Executive
 - Chairman
- **Judicial Reform Initiative - Philippines – Non-profit/NGO – 2015 to June 2022**
 - Trustee
- **Institute of Corporate Directors (ICD) - Philippines – Non-profit/NGO – 2019 to June 2022**
 - Trustee
 - Risk (chair), Fellows, Audit Committees

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Manila Golf Club, sports club

EXPERTISE AND INDUSTRY EXPERIENCE

Expertise

- Banking and Finance
- Business Development
- Corporate Strategy
- Governance
- Negotiation
- Real Estate
- Retail & Distribution

Industry Experience

- Banking and Finance
- Management Consulting
- Education
- Electricity/Energy/Power/Water Services
- Holding Firm
- Non-Government Organization
- Property
- Retail

PUBLICATIONS

"Corporate Governance in Practice: A Case Book" – editor and contributor

"Value Line, Inc." and "Merrill Lynch Asset Management" – Harvard Business School cases, case writer

ICD Board of Trustees**Tomasa "Tammy" H. Lipana, FICD****CONTRIBUTING TO CORPORATE BOARDS**

- With the breadth of knowledge, expertise and skills I gained in my almost forty years stint with Isla Lipana/PwC in such fields as strategic planning, general and people management, audit, accounting, tax consultancy and business advisory services, and dealing with regulatory agencies, as well as my extensive experience as an Independent Director and chair/member of Audit and other Board Committees, of various companies in different industries, I believe I am able to:
 - contribute significant inputs during board deliberations and decision making on practically all disciplines/aspects of business operations and thus enable the Board to properly exercise its power and effectively carry out its roles and responsibilities;
 - help Board committees (especially Audit, Risk Management and Corporate Governance) perform their mandated roles/functions;
 - add value to the Board and the company in terms of enhancing integrity and reputation.
- As a female director, I can improve the corporate governance scorecard of a publicly listed company in the index of diversity; I can also share my experience on development of female leaders/managers in the company

EXPERTISE

- Accounting
- Audit and Risk Management
- Taxation
- General management and corporate strategy
- Corporate governance
- Business advisory
- Due diligence reviews

INDUSTRY EXPERIENCE

- Manufacturing
- Insurance
- Banking
- Construction and allied services
- Trading/Distribution
- Advertising and media
- Government
- Export
- Mining and quarrying
- Holding company
- Non-profit organizations

DIRECTORSHIPS

- SM Investments Corporation
- Flexo Manufacturing Corporation
- Canadian Chamber of Commerce of the Philippines (Governor)
- Sikat Solar Challenge Foundation (Trustee/Treasurer)
- Shareholders Association of the Philippines (Trustee)

PROFESSIONAL EXPERIENCE

- Isla Lipana & Co./PricewaterhouseCoopers Philippines (PwC)
 - Chairman and Senior Partner (2006-2009)
 - Managing Partner, Tax Department (1995-2006)
 - Partner, Audit/Tax (1985-1995)
 - Junior Auditor to Senior Manager (1969-1985)
- Trustee, Canadian Chamber of Commerce (2009-2021)
- Appointive Director, Trade and Investments Development Corporation/Phil Guarantee (2015-2021)
- Independent Director, Inter-Asia Development Bank (2011-2015)
- Independent Director, QBE Seaboard Insurance Philippines (2012-2019)
- Independent Director, Goldilocks Bakeshop Inc. (2012-2018)

- Consultant, TAO Corporation (2016)
- Governor/VP/Secretary, Management Association of the Philippines (2013-2014)
- President, Isla Lipana & Co. Foundation (2007-2012)
- Trustee, Philippine Business for Social Progress (2006-2009)
- National Treasurer/Director, Philippine Institute of Certified Public Accountants (1994-95)
- President, Tax Management Association of the Philippines (1990)

EDUCATION

- University of the East Manila, Cum Laude, 1969
 - Bachelor of Science in Business Administration
- Institute of Corporate Directors, 2009
 - Professional Directors Program
- Harvard Business School, Massachusetts, 2002
 - Executive Education Program
- Asian Institute of Management (AIM), 1998
 - Top Management Program
- University of Western Ontario, Canada, 1997
 - Executive Business Program
- AIM, 1982
 - Management Development Program, Outstanding Participant
- PriceWaterhouse New York, 1980
 - Management International Development Program
- Academy of Banking, 1980
 - Technical Study on Commercial Banking Operations
- Certified Public Accountant Board Examination (18th place)

ICD Board of Trustees



Pedro H. Maniego Jr, FICD, PIE

CONTRIBUTING TO CORPORATE BOARDS

Being trained and anchored in ICD's good corporate governance foundation since 2007, I can contribute best practices to boards. Having been a corporate secretary, I could also provide guidance on board agenda, organization and protocol. As a recognized expert in energy laws and technologies, I could help companies in the energy sector in project evaluation, development and management. Companies need to put sustainable/regenerative development and climate change mitigation/adaptation front and center in their strategic plans.

Combined with my command of strategic planning and execution tools, I can expedite the development of sustainable plans and programs. With my experience and wide network in government and private sectors here and abroad, I could open many opportunities for the companies that I am connected with. My degrees in engineering, law, economics, and business administration, experience in varied sectors, and training in the balanced scorecard, renewable energy, and green financing among others immediately add diversity to the board's experience and capability.

CURRENT DIRECTORSHIPS

- Chairman & Executive Director, Secure Arms Guns & Ammo Corporation – Philippines
- Independent Director, Armscor Global Defense Inc. - Tuason Group – Philippines
- Independent Director, RASLAG Corp. – Philippines

PAST DIRECTORSHIPS

- President/CEO/ Director, Secure Arms Guns & Ammo Corporation – Philippines - 1994-2004
- Director, Arms Corporation of the Philippines– Philippines – 1987-1994
- Director, Squires Bingham Corporation – Philippines – 1987-1994
- Director, Armscor Precision Inc. – USA – 1987-1994

PROFESSIONAL EXPERIENCE

- Senior Policy Advisor, Institute for Climate & Sustainable Cities – Philippines – 2016-Present
- Professorial Lecturer, Ateneo School of Government
- Energy Policy Adviser, Climate Change Commission – Philippines – 2017-2020
- Co-Champion for the Private Sector, Power & Energy Working Group, National Competitiveness Council – Philippines – 2017-2018

- National Renewable Energy Board – Philippines - 2010-2016
 - Chairman – 2010-2016
 - Adviser – 2009-2010
- Consultant, Asian Development Bank - Philippines – 2009-2010
- Consultant, ESB International Limited - Ireland – 2009-2010
- Consultant, Quadran International – France – 2009-2010
- Consultant, International Labor Organization - Philippines – 2009-2010
- PNOC Renewables Corporation - Philippines – 2005-2010
 - President & Chief Executive Officer – 2008-2010
- Legal and Management Consultant/ Of Counsel – 2005-Present
- Arms Corporation of the Philippines – 1986-2006
 - Executive Vice President & COO, Director – 2005-2006
 - Executive Vice-President & General Manager, Director – 1998-1994
 - Vice President for Finance, Director – 1986-1987
- Product Manager & concurrently Marketing Support Manager, TTX Inc - USA – 1984-1985
- Assistant-the Chairman of the Board, Pacific Capital Fund - USA – 1984-1985
- Executive Vice President & General Manager, Teletex Communications Corporation - Philippines – 1983-1984
- Secure Arms Guns & Ammo Inc. - Philippines – 1994-2004; 2018-Present

- Chairman – 2018-Present
- Founding President and Chief Executive Officer – 1994-2004
- Vice President, MESCO, Inc. - Philippines – 1994-1996
- Bancom Philippine Holdings, Inc. - Philippines – 1980-1982
 - Vice President – 1981-1982
 - Assistant Vice President – 1980-1981
- Executive Vice President & Director, ASEAN Fabricators Inc. (a Bancom subsidiary). - Philippines – 1981-1982
- The Coca-Cola Export Corporation) - PH – 1976-1980
 - Market Development Manager – 1980
 - Area Marketing Manager – 1978-1979
 - Sprite Brand Manager – 1979-1979
 - Distribution Manager – 1977-1979
 - Operations Research Engineer – 1976-1977
- University of the Philippines, College of Engineering – 1970-1978
 - Professorial Lecturer in M.S. Industrial Engineering Program – 1974-1978
 - Instructor in Engineering Sciences – 1970-1971
- Metal Industry Research and Development Center – Philippines – 1971-1976
 - Head, Production Planning & Control – 1972-1976
 - Planning and Scheduling Engineer – 1971-1972
 - Industrial Engineering Consultant – 1971-1971
- Product Engineer, Stanford Associates, Inc. – Philippines – 1970

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Institute of Corporate Directors, Fellow & Trustee
- Energy Lawyers Association of the Philippines, Chairman
- Confederation of Solar Developers of the Philippines, Adviser
- Management Association of the Philippines, Member
- Judicial Reform Initiative, Trustee
- Integrated Bar of the Philippines, Member
- UP Engineering Research and Development Foundation Inc., Past Chairman, Adviser
- UP BARKADA, Inc., Past Chairman & Trustee

EDUCATION

- University of the Philippines
 - Bachelor of Laws
- Asian Institute of Management – Philippines
 - Top Management Program
- University of Asia & the Pacific – Philippines
 - Senior Business Economics Program
- University of the Philippines – Philippines
 - Candidate, Master in Business Administration
- Carl Duisberg Gesellschaft – Germany
 - Post Graduate in Industrial Engineering
- University of the Philippines – Philippines
 - Bachelor of Science in Industrial Engineering
- Palladium Group Inc. – Australia
 - Kaplan-Norton Balanced Scorecard Certified
- Federation of Korean Industries – South Korea
 - International Management Exchange Program
- Renewable Energy of Berlin- Germany
 - Certificates in renewable energy fundamentals, project development and management, management aspects of grid integration, climate finance, green banking, and energy transition

PUBLICATIONS

- Coal vs. Renewable Energy from a Cost Perspective, with Dennis Posadas, February 13, 2012, Inquirer
- Renewable Energy can sustain PH Industrialization, October 01, 2016, Inquirer
- Dealing with China's energy card, October 21, 2016, Inquirer
- Towards industrialization powered by renewable energy, February 22, 2017, Inquirer
- A Struggle between Coal and Renewable Energy in the Philippines – June 17, 2016, Heinrich Böll Stiftung
- Towards a Just Transition in the Philippine Energy Sector, with Viking Logarta and Roberto Verzola, September 2017, Friedrich Ebert Stiftung
- CCC Energy Policy Review Inception Report, with GIZ, May 2018
- Covid-19: Lessons for the Philippine Power Sector, with Sara Jane Ahmed, Alberto Dalusung, Viking Logarta, June 8, 2020, Business Mirror

ICD Board of Trustees

- Owning the Sun, September 19, 2020, Business Mirror
- Power Scarcity During Times of Low Demand, May 13, 2021, Business Mirror
- Profiting from Outages, March 22, 2022, Business Mirror

RECOGNITIONS

- UP Alumni Engineers Achievement Award for Service to Industry – November 12, 2011
- Pillar of IE, UP IE Association – October 5, 2013
- Dean's Medal of Excellence, UP College of Law – April 26, 2004
- Certificate of Recognition, 2003 Philip C. Jessup International Law Moot Court Competition, UP College of Law, April 26, 2004
- Certificate of Appreciation, as President of the Law Student Government, April 26, 2004

EXPERTISE

- Business Development
- Compliance
- Corporate Strategy
- Governance
- Legal/Law
- Manufacturing
- Marketing
- Operations Management
- Planning & Strategy Mgt
- Policy & Procedures
- Project Mgt & Development
- Sustainable Development

INDUSTRY EXPERIENCE

- Advertising/Marketing/PR
- Banking and Finance
- Construction Infra & Allied Services
- Management Consulting
- Education
- Electricity/Energy/Power/Water Services
- Government
- Holding Firm
- Information Technology
- Legal Services
- Management Consulting
- Manufacturing/Distribution
- Trading
- Non-Government Organization
- Industrial Marketing, Firearms and Ammunition, Venture Capital



Senen "Bing" L. Matoto, FICD

CONTRIBUTING TO CORPORATE BOARDS

My primary valued-added to corporate boards would be my extensive experience in the financial services industry and exposure to different industries because of my management consultancy activities. Also have fairly good network due to my active involvement in various professional and civic organisations.

EXPERTISE

- Corporate Finance
- Mergers & Acquisitions
- Corporate Banking
- Trust and Fund Management
- Stock Brokerage
- Fund raising: IPO's, Private Equity, Bank Loans, Private Placements
- Advise on Corporate Restructuring/Rehabilitation

INDUSTRY EXPERIENCE

- Financial Services and Management Consultancy

CURRENT PROFESSIONAL DIRECTORSHIPS AND CONSULTANCY ENGAGEMENTS

- Yuanta Savings Bank, Independent Director and Audit Committee Chairman
- AgriNurture Inc., Director (PSE-listed)
- Greenergy Holdings Inc., Director (PSE-listed)
- Scholars' Dormitory Inc., Director (Student dormitory developer, UP Los Banos)
- Cirtek Holdings Philippines Inc., Senior Advisor to the Chairman, (PSE-listed)
- Clean and Green Energy Solutions Inc., Board Advisor (R/E developer)

PAST DIRECTORSHIPS

- Phil. Dealing & Exchange Corp. (PDEX), Phil. Depository & Trust Corp. (PDTC), Phil. Securities. & Settlement Corp. (PSSC)
- Holcim Mining and Development Corporation and Subsidiaries
- President/Director, Investment House Association of the Philippines (IHAP)
- Trustee/Treasurer, Makati Rotary Club Foundation, Inc.
- EVP/Director, FINEX Financial Executives Institute of the Philippines
- Chairman/Treasurer, Alabang Country Club, Inc. (ACCI)
- President, Philippine Association of Securities Brokers & Dealers, Inc. (PSBDI)
- Cebu Holdings Inc. (CHI)/Cebu Property Ventures & Development Corp. (CPVDC)
- Ayala Properties Ltd. (HK)
- Mabuhay Vinyl Corporation (MVC)
- COO, Prudential Bank/President, Prudential Investments Corp.
- Batangas Asset Corp.
- Tosoh Polyvinyl Corp

ICD Board of Trustees**PROFESSIONAL EXPERIENCE**

- President and Director, AB Capital and Investment Corporation
- President and Director, VSec. Com, Inc.
- Director, Vicsal (SPV-AMC), Inc.
- ADB/DOF Consultant for Package IV
 - President and Director, Vicsal Investment, Inc. 2007-2017
- Bank of the Philippine Islands (BPI) 1978-2007
 - SVP, Head, Unibank Asset Recovery and Management Group, (2003-2007)
 - President and Chairman of the Board, BPI Securities Corp. (1999-2003)
 - Vice Chairman & Director, BPI Capital Corp. (2002-2003)
 - Executive Director, BPI Capital Corporation, (1995-2002)
- SVP Corporate Banking, Relationship Management Division, (1992-1995)
- VP Merchant Banking Division, (1986-1992)
- Executive Director P.T. Indo Ayala Leasing Corporation (Jakarta, Indonesia), (1984-1986)
- VP, Trade Banking Unit 1983-1984
- Executive Director BPI International Finance Ltd. (HK), (formerly Ayala Finance (HK) Ltd.), (1978-1983)
- Executive Director Corporate Planning & Development, Ayala International (HK) 1982
- Filcapital Development Corporation
 - Senior Vice President, Head Corporate Finance, (1975-1977)

EDUCATION

- MBA, Dean's List: Asian Institute of Management, 1973
- Bachelor of Science in Business Administration, University of the Philippines, 1969



Vaughn F. Montes, FICD

CURRENT DIRECTORSHIPS

- Independent Director Rizal Commercial Bank Corporation (RCBC) – Philippines – 2016-Present
- Founding Fellow and Trustee, Foundation for Economic Freedom – Philippines
- Trustee, Parents for Education Foundation (PAREF) – Philippines
- Chairman and President, PAREF Southridge School for Boys – Philippines
- Director, Center for Excellence in Governance – Philippines

PROFESSIONAL EXPERIENCE

- ADB National Consultant, ADB – Philippines
- Director, Development Bank of the Philippines – Philippines
- Director and Head of Philippine Public Sector, Citibank N.A. – Philippines
- Lecturer, Strategic Business Economics Program and Advanced Management Program, University of Asia and the Pacific – Philippines
- Adjunct Faculty Member, Asian Institute of Management
- President, Philippine Economic Society
- Associate Economist, Wharton Econometrics Forecasting Associates – USA

EDUCATION

- Wharton Doctoral Programs, University of Pennsylvania
 - PhD Business Economics
- Center for Research and Communication (now University of Asia and the Pacific) – Philippines
 - MS Industrial Economics
- Ateneo De Manila University – Philippines
 - AB Economics

RECOGNITIONS

- TOYM Awardee for Economics 1992

PUBLICATIONS

- Co-Author, "Philippines: Management of contingent liabilities arising from Public Private Partnerships", 2016
- Contributor, chapter on "Long Term Economic Transformation" in Dr. Jesus P. Estanislao, *Governance of the Philippines as a Republic 1946-2021*.

ICD Board of Trustees



Jonathan Juan "JJ" DC Moreno, FICD

CONTRIBUTING TO CORPORATE BOARDS

JJ is an entrepreneurial and driven senior executive who has over 20 years of experience in leading and advising organizations both domestically and internationally. Known as a strategy execution expert who "gets things done the right way", he has successfully led and managed organizations (with full P&L responsibility) and complex projects involving multiple shareholders and stakeholders.

A "transformation expert" who takes a values-centered, customer-focused and results-driven approach; JJ has hands-on experience in working closely with boards, founder-entrepreneurs and CEOs in building and implementing strategies and transformational programs for various organizations ranging from not-for-profit; advisory; mining; banking; capital markets; FMCG; public sector; travel & hospitality; manufacturing; retail; property; engineering; telecommunications; logistics; health care; and transportation.

JJ's ability to quickly understand the "logic" of a business and working in complex & challenging environments, have enabled him to succeed and excel in undertakings even those new to him. Through the years, he has built an extensive network of leaders and influencers in the business, government, and civil society sectors, including multilateral agencies and regulatory bodies both domestically and internationally. This network has enabled him to more effective in the various roles he played.

EXPERTISE

- Strategy design
- Strategy execution
- Business model innovation
- Enterprise Reform
- Digital transformation

INDUSTRY EXPERIENCE

- Retail
- Fintech
- E-Commerce
- Banking
- Capital Markets
- Management Consulting

DIRECTORSHIPS AND CONSULTANCIES

- Trustee, Institute of Corporate Directors (ICD)
- Strategy Consultant, Chong Hua Hospital, 2017 – 2019
- Marsh Philippines, 2012 – Present
 - Independent Director
 - Chair, Audit, Risk and Compliance Committee
- Independent Management Consultant, 2014 – present

- Director, ZMG Ward Howell, 2010 – 2017
- Short-term Consultant (UPI No. 241725), International Finance Corporation, 2010 – 2016
- Committee on Finance, Philippine Senate, 2010 – 2011
- World Bank Global Corporate Forum, 2010 – 2012
- Integrated Engineering Solutions, Inc. (IES, Inc.), 2009 – 2011
 - Independent Director
 - Chair, Audit Committee
- Organizational Development and Management Advisor, World Bank – Manila Office, 2012
- Consultant for Corporate Governance and Performance Management, Druk Holding Investments (Bhutan)

PROFESSIONAL EXPERIENCE

- Present President & CEO, AF Payments Inc., 2022
- Chief Strategy Officer, Metro Retail Stores Group Inc. (MRSGI), 2014 – 2021
- Palladium Group, Asia Pacific
 - Principal, 2011 – 2014
 - Fellow, 2014 – 2015
- President & CEO, Institute of Corporate Directors, 2010 – 2011

- Philippine Stock Exchange, 2007 - 2010
 - Vice President – Head, Corporate Governance Office
 - Chief Risk Officer
- Program Director and Treasurer, Institute for Solidarity in Asia (ISA)
- Executive Director (Presidential Appointee), Governance Advisory Council, Office of the President, Republic of the Philippines
- Commissioned Officer (Retired to the rank of Navy Commander), Philippine Navy – Armed Forces of the Philippines (AFP)

AFFILIATIONS

Professional Affiliation:

- Vice Chairman, Governance Committee, Management Association of the Philippines (MAP)
- Member, Rotary Club of Manila Bay, District 3810
- Fellow, Institute of Corporate Directors (ICD)
- Member, IESE Business School Alumni Association
- Member, British Alumni Association of the Philippines
- Associate, Institute for Solidarity in Asia (ISA)

International CG involvements (2001-2010):

- Member, OECD-Asia Task Force on Privatization and Corporate Governance for State-Owned Enterprises
- Member, Advisory Team, OECD Asian Roundtable on Corporate Governance
- Member, OECD-Asia Task Force on Related Party Transactions
- Member, OECD Global Network on Privatization and Corporate Governance of State-owned Enterprises
- Co-chair, Asian & Oceanian Stock Exchange Federation Task Force on Corporate Governance (co-chaired with the Tokyo Stock Exchange) - 2009 to 2010

EDUCATION

- Advance Management Program, IESE BUSINESS SCHOOL, UNIVERSITY OF NAVARRA, BARCELONA, SPAIN
- Asian Institute of Management (AIM), Graduate School of Business, 1998 – 2000
 - Master in Business Administration
 - Completed final term in Melbourne Business School, University of Melbourne, Australia under the AIM International Student Exchange Program (ISEP)
- Master in Shipping Business Management (No-Thesis), Philippine Merchant Marine Academy, Graduate School
- Bachelor of Science, Philippine Military Academy

Special Trainings:

- Kaplan – Norton Balanced Scorecard Certified Graduate™, Kaplan-Norton Balanced Scorecard Certification Boot Camp Training, Palladium Group, Inc., 2011
- Responsible Business Course (under the Chevening Fellowship Program), International Center for Corporate Social Responsibility (ICCSR), Nottingham University, United Kingdom, 2008
- Company Directors Course, Australian Institute of Company Directors (AICD), Sydney, Australia, 2001
- Corporate Governance Course, Yale School of Management, Yale University, New Haven, CT-2001

ICD Board of Trustees



Alfredo E. Pascual, FICD

EXECUTIVE SUMMARY

Alfredo E. Pascual is an accomplished professional who has made distinguished contributions to society as a corporate governance advocate, academic leader, international development banker, and management educator. Over the past four decades, he established an exemplary record of leadership and service at four national and international institutions: the Institute of Corporate Directors (ICD), University of the Philippines (UP) System, Asian Development Bank (ADB), and Asian Institute of Management (AIM). As an advocate of good corporate governance, he now serves as an independent director at four publicly listed companies. He is also on the board of several nonprofit organizations. Earlier on, he represented ADB on the board of financial institutions and manufacturing companies in China, India, and the Philippines.

CONTRIBUTING TO CORPORATE BOARDS

Mr. Pascual brings his vast and varied experience to help corporate boards deal with the multifaceted challenges confronting businesses and other organizations, particularly in this era of rapid changes. His having both local and international perspectives is useful in understanding the implications of new developments. He has domain expertise in corporate governance, human capital development, finance, and risk management. He can thrive in a multicultural setting and deal with private businesses, government policymakers, and regulatory agencies.

CURRENT DIRECTORSHIPS

- Lead Independent Director, SM Investments Corporation – Philippines – 2017–Present
- Independent Director, Megawide Construction Corporation – Philippines – 2018–Present
- Independent Director, Concepcion Industrial Corporation – Philippines – 2019–Present
- Independent Director, Asiabest Group International Inc., – Philippines – 2019–Present
- Non-Executive Director, Enderun Colleges, Inc., – Philippines – 2017–Present
- Board Trustee, U.P. Foundation, Inc. – Philippines – 2018–Present
- Board Advisor, Philippine Institute for Development Studies – Philippines – 2019–Present
- Board Trustee, Institute of Corporate Directors – Philippines – 2019–Present
- Board Trustee, Institute for Solidarity in Asia – Philippines – 2018–Present
- Board Trustee, FINEX Academy – Philippines – 2021

PAST DIRECTORSHIPS

- Board Trustee, International Rice Research Institute (IRRI) – Philippines – 2011–2017
- Board Trustee, Philippine Institute for Development Studies – Philippines – 2016–2018
- Ex Officio Chairman or Trustee position on Institutional Boards as UP President – 2011–2017
- Board Chairman, U.P. Foundation, Inc. (UPFI) – Philippines
- Board Chairman, U.P. Provident Fund, Inc. (UPFI) – Philippines
- Board Chairman, Friends of UP Foundation in America (FUPFA) – Philippines
- Board Chairman, NEC Foundation, Inc., – Philippines
- Board Trustee, Philippine Center for Economic Development (PCED) – Philippines
- Board Trustee, Philippine Science High School (PSHS) – Philippines
- Board Trustee, Small Enterprises Research & Development Foundation (SERDEF)
- Council Member, Scientific Career Council – Philippines
- Board Member, Foreign Service Institute Board – Philippines

Asian Development Bank's Nominee Director on the Board – 1993–2004

- Non-Executive Director, Infrastructure Development Finance Company Ltd., – India
- Non-Executive Director, Everbright Bank of China – China
- Non-Executive Director, AIG India Sectoral Fund – India
- Non-Executive Director, Andhra Petrochemicals Ltd., – India
- Non-Executive Director, Creditcapital Venture Fund Ltd., – India
- Non-Executive Director, DCL Polyesters Ltd., – India
- Non-Executive Director, Global Trust Bank Ltd., – India
- Non-Executive Director, Indian Acrylics Ltd., – India
- Board Trustee, SARA Fund Trustee Company Ltd., – India
- Non-Executive Director, Twentieth Century Finance Corporation – India
- Board Trustee, ShoreCap International Ltd. – Netherlands
- Non-Executive Director, Mutual Fund Company of the Philippines – Philippines

PROFESSIONAL EXPERIENCE

- President and CEO, Institute of Corporate Directors (ICD) – 2018-2019
- University of the Philippines (UP) System – 2009-2017
 - President, CEO, Board Co-Chair
 - Alumni Regent on the Board
- Asian Development Bank (ADB) – 1989-2008
 - Advisor for Public-Private Partnership in Infrastructure Development
 - Director for Capital Market & Financial Sector
 - Director for Infrastructure Finance/Head of Project Finance
 - Senior Investment Officer/Investment Officer
- Asian Institute of Management (AIM) – 1980-1989
 - Finance Professor
 - Director of Advanced Bank Management Program

AFFILIATIONS/MEMBERSHIP IN ORGANIZATIONS

- Association of Former Employees of the Asian Development Bank (AFE-ADB), President
- Management Association of the Philippines (MAP), Regular Member, Governor
- Financial Executives Institute of the Philippines (FINEX), Life Member

- Shareholders Association of the Philippines, Regular Member, Vice Chairman
- Rotary Club of Makati, Regular Member, Past President
- US-Philippines Society (USPHS), Director
- Philippine Council for Foreign Relations (PCFR), Regular Member

EDUCATION

- Euro-Asia Centre, Campus INSEAD - Fontainebleau, France,
 - EC-ASEAN Trainer Program on Management of Strategic & Organizational Change
- University of the Philippines
 - Master of Business Administration (MBA)
 - Bachelor of Science in Chemistry

PUBLICATIONS

- *Knowledge-Based Development and Governance: Challenges and Recommendations to the Duterte Administration, 2016-2022* (Co-Author). International Journal of Philippine Science and Technology, Vol. 9, no. 1, pp 1-9, 2016.
- *How are universities working with private industry to teach the skills demanded by the labour market?* (Interview). The Report: The Philippines 2014. London: Oxford Business Group, 2014.
- *Internationalizing the National University: The UP President Speaks*. (Interview). University of the Philippines Forum. Vol. 15, No. 3. Quezon City: University of the Philippines, May-June 2014. pp 1-3, 10.
- *Public-Private Partnership in Infrastructure Development: the role of Asian Development Bank and the case of North Luzon Expressway*. Routes. No. 332. Paris: Mondiale de la Route, October 2006. pp. 52-61.
- *Private Sector Participation in Infrastructure: Experience in Asia*. The Transnational Lawyer (Pacific McGeorge Global Business & Development Law Journal), 2004.
- *Risk and the Multinational Enterprise*. The Asian Manager, June 1988.
- *Financial Institutions and Markets in the Philippines*. A chapter in Financial Institutions and Markets in Southeast Asia: A Study of Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand, edited by Michael T. Skully, 1984.

ICD Board of Trustees**RECOGNITIONS**

- Doctor of Laws (honoris causa), University of the Philippines, 2020
- CEO EXCEL Award, Intl. Association of Business Communicators (IABC) Phils., 2020
- Asia Circle of Excellence for Global Filipino Executives Award, Asia CEO Awards, 2018
- Lifetime Distinguished Achievement Award, U.P. Alumni Association, 2017
- Upsilonian Noble & Outstanding (UNO) Award, Upsilon Sigma Phi, 2016
- Ph.D. in Social Science (honoris causa), Shu-Te University, Taiwan, 2016
- Doctor of Humanities (honoris causa), Partido State University, 2016
- Doctor of Science (honoris causa), Pamantasan ng Lungsod ng Maynila, 2015
- Oblation Award, U.P. Vanguard, 2015
- The Presidential Lingkod Bayan (Public Servant) Award, Malacañan Palace, 2014
- The Rotary Golden Wheel Award for Higher Education, 2013
- Doctor of Pedagogy (honoris causa), Angeles University Foundation, 2012
- Distinguished Alumnus Award, U.P. College of Business Administration, 2009

EXPERTISE

- Audit & Risk Management
- Banking & Finance
- Change Management
- Corporate Strategy
- Governance
- Negotiation
- Planning & Strategy Management

INDUSTRY EXPERIENCE

- Banking & Finance
- Construction Infra & Allied Services
- Higher Education
- Holding Firm
- Property Development
- Manufacturing
- Non-Government

COMMITTEES AND MEMBERS

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 Mr. Joe Jay T. Doctora
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 Dr. Conchita L. Manabat
 Ms. Sherisa P. Nuesa
 Mr. Javier Perez De Las Peñas

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 Atty. Angelica H. Lavares
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 Mr. Roberto G. Manabat
 Mr. Geocel D. Olanday
 Ms. Imelda C. Tiongson

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 Mr. William Wayne T. Quesang, Vice-Chair
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 Mr. Ace Devino A. Custodio
 Mr. Gerardo F. Dela Paz
 Ms. Catherine L. Hufana-Ang
 Mr. Serafin Jesus Juliano
 Ms. Zaida Angelita P. Lazaro
 Ms. Rebecca G. Sarmenta
 Ms. Jocelyn C. Villar-Altamira

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 Mr. Rogelio Q. Lim
 Mr. Jose Soberano III
 Mr. Philip N. Tan

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 Ms. Ma. Victoria C. España, Supervising Trustee
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 Ms. Maria Carmina E. Cruz
 Mr. Leonardo D. Cuaresma
 Mr. Domingo C. Go
 Mr. Vaughn F. Montes
 Mr. Erwin R. Orocio
 Mr. Teodoro B. Padilla
 Mr. Alfredo Jose B. Reyes
 Mr. Jeremias C. Zapata, Jr.

National Governance Committee Members

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 Mr. Edilberto C. de Jesus
 Atty. Benedicta Du-Baladad
 Mr. Rex C. Drilon II
 Mr. Francis G. Estrada
 Mr. Mario R. Gatus
 Ms. Sherisa P. Nuesa
 Mr. Alfredo E. Pascual

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 Mr. Romeo Fernando J. Aquino, Jr.

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 Mr. Carlos Jose P. Gatmaitan
 Mr. Tomas S. Gomez IV
 Mr. Ricardo Nicanor N. Jacinto
 Atty. Teodoro Alejandro Y. Kalaw IV
 Dr. Donald Patrick L. Lim
 Mr. Geocel D. Olanday
 Dr. Alfredo E. Pascual
 Mr. Paulino M. Servado, Jr.
 Ms. Imelda C. Tiongson

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 Mr. Romeo Fernando J. Aquino, Jr.
 Mr. Carmelo R. Alcala
 Mr. Dante M. Briones
 Mr. Mario Demarillas
 Mr. Francis G. Estrada
 Mr. Cris P. Gamboa
 Mr. Ricardo Nicanor N. Jacinto
 Mr. Manuel Antonio G. Lisbona
 Mr. Roberto G. Manabat
 Mr. Richard E. Moya
 Ms. Julie W. Reyes, Chair
 Ms. Imelda C. Tiongson

Thought Leadership Committee Members

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 Mr. Romeo Fernando J. Aquino, Jr.
 Atty. Fe B. Barin
 Mr. Leonardo Jose M. Berba
 Mr. Cris S. Cabalatungan
 Mr. Rex C. Drilon II
 Atty. Benedicta Du-Baladad
 Mr. Francis G. Estrada
 Mr. Ramoncito S. Fernandez
 Mr. Ricardo Nicanor N. Jacinto
 Mr. Roy Eduardo T. Lucero
 Dr. Vaughn F. Montes
 Ms. Sherisa P. Nuesa
 Mr. Frank D. Numann
 Mr. Alfredo E. Pascual
 Mr. Roberto S. Vergara
 Mr. Edwin B. Villanueva

ICD EVALUATORS

Checkers

1. Ms. Carmelita R. Araneta
2. Mr. Wilfrido A. Atienza
3. Atty. Fe B. Barin
4. Mr. Bienvenido S. Bautista
5. Atty. Simeon Ken R. Ferrer
6. Mr. Eduardo V. Francisco
7. Ms. Catherine L. Hufana-Ang
8. Ms. Angelica H. Lavares
9. Atty. Pedro H. Maniego, Jr.
10. Mr. Vicente T. Mills, Jr.
11. Mr. Edward Dennis J. Zshornack
12. Ms. Ma. Gladys C. Sta. Rita

Interviewers

1. Mr. Crispiniano G. Acosta
2. Mr. Wilfrido A. Atienza
3. Atty. Fe B. Barin
4. Mr. Bienvenido S. Bautista
5. Mr. Cris S. Cabalatungan
6. Mr. Dennis D. Decena
7. Atty. Simeon Ken R. Ferrer
8. Mr. Eduardo V. Francisco
9. Ms. Corazon P. Guidote
10. Ms. Catherine L. Hufana-Ang
11. Mr. Gordon Alan P. Joseph
12. Ms. Angelica H. Lavares
13. Atty. Pedro H. Maniego, Jr.
14. Mr. Vicente T. Mills, Jr.
15. Dr. Vaughn F. Montes
16. Ms. Imelda C. Tiongson
17. Mr. Jeremias C. Zapata, Jr.
18. Ms. Ma. Gladys C. Sta. Rita
19. Atty. Cesar L. Villanueva
20. Mr. Ricardo Nicanor N. Jacinto
21. Ms. Ma. Aurora D. Geotina-Garcia
22. Mr. Jonathan Juan D.C. Moreno
23. Atty. Benedicta Du-Baladad
24. Ms. Ma. Victoria C. Español

ICD FACULTY

Mr. Victor Jose R. Africa
 Mr. Carmelo R. Alcala
 Mr. John V. Alcordo
 Mr. Romeo Fernando J. Aquino, Jr.
 Ms. Carmelita R. Araneta
 Mr. Wilfrido A. Atienza
 Ms. Fe B. Barin
 Mr. Roberto T. Bascon
 Mr. Pedro P. Benedicto, Jr.
 Mr. Jose A.R. U. Bengzon III
 Mr. Mickel M. Borigas
 Mr. Dante M. Briones
 Mr. Cris S. Cabalatungan
 Mr. Antonio M. Cailao
 Mr. Jessie C. Carpio
 Ms. Maria Regina D. Cruz
 Mr. Romeo G. David
 Ms. Helen T. De Guzman
 Mr. Ferdinand M. Dela Cruz
 Mr. Mario Demarillas
 Atty. Carla J. Domingo
 Mr. Rex C. Drilon II
 Mr. Roy O. Emata
 Ma. Victoria C. España
 Dr. Jesus P. Estanislao
 Atty. Simeon Ken R. Ferrer
 Mr. Cris P. Gamboa
 Dr. Carlos Jose P. Gatmaitan
 Ms. Ma. Aurora D. Geotina-Garcia
 Mr. Tomas S. Gomez IV
 Mr. Dominador T. Gregorio III
 Ms. Corazon P. Guidote
 Atty. Ricardo Jesus E. Gutierrez
 Ms. Catherine L. Hufana-Ang
 Mr. Ricardo Nicanor N. Jacinto
 Ms. Rossana S. Javier
 Atty. Jose Vicente E. Jimenez
 Mr. Serafin Jesus N. Juliano
 Mr. Teodoro Alejandro Y. Kalaw IV

Atty. Jose Jesus G. Laurel
 Ms. Angelica H. Lavares
 Ms. Zaida Angelita P. Lazaro
 Mr. Donald Patrick L. Lim
 Mr. Manuel Antonio G. Lisbona
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 Mr. Florentino D. Mabasa, Jr.
 Mr. Regino V. Magno
 Ms. Lourdes D. Magno
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 Mr. Geocel D. Olanday
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 Mr. Rolando J. Paulino, Jr.
 Mr. Conrado S. Perreras
 Mr. Paul T. Puthenpurekal
 Mr. William Wayne T. Quesang
 Mr. Alfredo Jose B. Reyes
 Ms. Julie W. Reyes
 Mr. Conrad B. Roxas
 Ms. Rebecca G. Sarmenta
 Mr. Paulino M. Servado, Jr.
 Ms. Mercedes B. Suleik
 Atty. Jose Tomas C. Syquia
 Ms. Annaliza G. Tan-Cimafranca
 Ms. Imelda C. Tiongson
 Mr. Reginald H. Tiu
 Mr. Roberto S. Vergara
 Atty. Cesar L. Villanueva
 Mr. Edward Dennis J. Zshornack

ICD TEAM

2021 ICD Employees

Management Team



**DR. CARLOS
JOSE P. GATMAITAN**
Chief Executive Officer



**MS. MERRIAM JOYCE P.
LUGTU-DELIM**
Chief Finance Officer and
Director for HR, Admin & IT



**MS. REGINE
MARIE E. CINCO**
Director - Members Relations,
Board Services, and Research
& Development



**MS. CARLA ANGELI A.
RONQUILLO-SOLIS**
Senior Manager - Programs,
Sales & Marketing



MS. CATHYRINE P. PEREZ
Senior Manager for
Corporate Governance
Advocacy

Corporate Support Services



**MS. MERRIAM JOYCE P.
LUGTU-DELIM**
Chief Finance Officer and
Director for HR, Admin & IT

Finance



**MR. MARCIAL G.
CALASAN JR.**
Team Lead – Accounting



MS. LULU L. BAYSA
Senior Accounting
Coordinator

Admin



**MR. ROGER JOSEPH
R. MARCELO**
EA to the Chairman
Emeritus



**MR. MARVIN JOSHUA
C. PINEDA**
Board Support Lead



MR. GERALD L. ABAYA
I.T. Support Engineer
(Outsourced)

HR & Admin



**MS. FRANCESCA PAULINE
V. ORTEGA**
Senior HR & Admin Assistant



MR. JESUS S. SULTAN JR.
Office Assistant



**MS. MARIA
SALOME MERZA**
Office Housekeeper
(Outsourced)

Members Relations, Board Services, and Research & Development



**MS. REGINE
MARIE E. CINCO**
Director — Members
Relations, Board Services, and
Research & Development

Members Relations



MS. AISEAH JOIS F. LUTU
Team Lead - Members
Relations



MS. ZYRILLE B. MENDOZA
Senior Members
Relations Coordinator



**MS. THEA ANGELIE O.
ANGARA**
Senior Members Relations
Coordinator

Board Services



**MR. RAYENAN
MIGUEL A. ORTIZ**
Assistant Manager –
Board Services



**MR. CARLOS C. DEL
ROSARIO**
Board Services – Team Lead

Programs, Sales & Marketing



**MS. CARLA ANGELI A.
RONQUILLO-SOLIS**
Senior Manager —
Programs, Sales & Marketing

Programs



MS. JANINE V. ILEJAY
Programs Lead



**MS. AMENAH R.
NATANGCOP**
Programs Delivery
Coordinator

Partnerships



MS. SORAYA O. MAGNO
Partnerships Lead

Engagement & Communications



**MS. JASZHA BLANCHE
TRICIA B. ESTRADA**
Engagements And
Communications Lead



**MS. ROLYN MAY R.
GALVEZ**
Engagements &
Communications
Coordinator

ICD Team

Corporate Governance Analytics



MS. CATHYRINE P. PEREZ
Director for Corporate
Governance Analytics



**MS. MARIELLA
RAXINE RAMINTAS**
CG Analyst



**MR. SEAN MICHAEL S.
CHINGKAW**
CG Analyst



**MS. DANNAH FENELLAH
A. VICTORIA**
CG Analyst

LIST OF BENEFACTORS, ASSOCIATION PARTNERS, DONORS, AND SPONSORS

Governance Partners

Security Bank

DG3 Idocs Inc.

Sponsors

Ayala Corporation

Angkas

ACDI Multipurpose Cooperative

Cebu LandMasters Incorporated

Converge ICT Solutions Incorporated

Gothong Southern

Liwayway Marketing Corporation

Megawide Construction Corporation

PLDT

Association Partners

Institute of Internal Auditors of the Philippines (IIAP)

Institute for Climate and Sustainable Cities (ICSC)

Finance Executives Association of the Philippines (FINEX)

Fintech Alliance

Fintech Philippines (FPh)

Makati Business Club (MBC)

Management Association of the Philippines (MAP)

Philippine Business Coalition for Women Empowerment (PBCWE)

Rural Banks Association of the Philippines (RBAP)

Shareholders' Association of the Philippines Inc. (SharePHIL)

International Partners

Center for Asia Leadership Initiatives (CALI)

Hanson Robotics

Institute of Corporate Directors Malaysia (ICDM)

Singapore Institute of Directors (SID)

Institute of Corporate Directors Zimbabwe (ICDZ)

FINANCIAL STATEMENTS

As at and for the years ended December 31, 2021 and 2020



Isla Lipana & Co.

Independent Auditor's Report

To the Board of Trustees and Members of
Institute of Corporate Directors, Inc.
 14th Floor, Trident Tower Condominium
 H.V. Dela Costa Street, Salcedo Village, Makati City

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Institute of Corporate Directors, Inc. (the "Association") as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small Entities (PFRS for Small Entities).

What We Have Audited

The financial statements of the Association comprise:

- the statements of assets, liabilities and fund balances as at December 31, 2021 and 2020;
- the statements of income for the years ended December 31, 2021 and 2020;
- the statements of changes in fund balances for the years ended December 31, 2021 and 2020;
- the statements of cash flows for the years ended December 31, 2021 and 2020; and
- the notes to financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for Small Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Isla Lipana & Co., 29th Floor, Philamlife Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
 T: +63 (2) 8845 2728, F: +63 (2) 8845 2806, www.pwc.com/ph

Isla Lipana & Co. is the Philippine member firm of the PwC network. PwC refers to the Philippine member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Bureau of Internal Revenue (BIR) Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under BIR Revenue Regulations Nos. 15-2010 and 34-2020 in Note 19 to the financial statements is presented for purposes of filing with the BIR and is not a required part of the basic financial statements. Such information is the responsibility of management of the Association. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.



Carlos Federico C. de Guzman

Partner

CPA Cert. No. 110973

P.T.R. No. 0011285, issued on January 6, 2022, Makati City SEC A.N. (individual) as general auditors 110973-SEC, Category A; valid to audit 2021 to 2025 financial statements SEC A.N. (firm) as general auditors 0142-SEC, Category A; valid to audit 2020 to 2024 financial statements TIN 229-481-265

BIR A.N. 08-000745-141-2020, issued on November 4, 2020; effective until November 3, 2023 BOA/PRC Reg. No. 0142, effective until January 21, 2023

Makati City
March 9, 2022

Financial Statements

Institute of Corporate Directors, Inc.

(A non-stock, non-profit association)

Statements of Assets, Liabilities and Fund Balances

As at December 31, 2021 and 2020

(All amounts in Philippine Peso)

| | Notes | 2021 | 2020 |
|--|-------|-------------------|-------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash | 3 | 14,598,269 | 7,850,862 |
| Trade and other receivables | 4 | 2,675,499 | 2,652,731 |
| Prepayments and other current assets | 5 | 1,656,666 | 1,836,831 |
| Total current assets | | 18,930,434 | 12,340,424 |
| Non-current assets | | | |
| Property and equipment, net | 6 | 13,824,807 | 15,264,697 |
| Deferred income tax assets, net | 18 | 641,210 | — |
| Other non-current assets | 5 | 2,268,849 | 2,451,236 |
| Total non-current assets | | 16,734,866 | 17,715,933 |
| Total assets | | 35,665,300 | 30,056,357 |
| LIABILITIES AND FUND BALANCES | | | |
| Current liabilities | | | |
| Payables and accrued expenses | 7 | 4,847,830 | 5,284,340 |
| Deferred revenues | 8 | 5,030,030 | 2,427,442 |
| Loans payable | 9 | — | 1,300,000 |
| Total current liabilities | | 9,877,860 | 9,011,782 |
| Non-current liabilities | | | |
| Loans payable - net of current portion | 9 | 2,694,887 | 4,044,887 |
| Retirement benefit obligation | 11 | 1,887,879 | 1,076,412 |
| Total non-current liabilities | | 4,582,766 | 5,121,299 |
| Total liabilities | | 14,460,626 | 14,133,081 |
| Fund balances | | | |
| Members' contributions | | 65,000 | 65,000 |
| General fund | | 21,139,674 | 15,858,276 |
| Total fund balances | | 21,204,674 | 15,923,276 |
| Total liabilities and fund balances | | 35,665,300 | 30,056,357 |

The notes on pages 1 to 16 are an integral part of these financial statements.

Institute of Corporate Directors, Inc.

(A non-stock, non-profit association)

Statements of Income

For the years ended December 31, 2021 and 2020

(All amounts in Philippine Peso)

| | Notes | 2021 | 2020 |
|--|-------|--------------|--------------|
| Revenues | | | |
| Programs | 12 | 27,878,028 | 15,940,458 |
| Membership dues and contributions | 13 | 6,238,178 | 5,982,789 |
| Sponsorships | 15 | 973,214 | 780,357 |
| Donations | | 135,000 | — |
| Grants | 14 | — | 1,000,000 |
| | | 35,224,420 | 23,703,604 |
| Other income (loss), net | | | |
| Unrealized foreign exchange gain (loss) | 3 | 56,108 | (71,775) |
| Interest income | 3 | 7,844 | 4,923 |
| | | 63,952 | (66,852) |
| Expenses | | | |
| Program costs | 16 | (20,697,176) | (15,827,345) |
| General and administrative expenses | 17 | (8,925,680) | (6,920,602) |
| Interest expense | 9 | (189,967) | (301,035) |
| | | (29,812,823) | (23,048,982) |
| Excess of revenues over expenses before tax | | 5,475,549 | 587,770 |
| Income tax expense | 18 | (194,151) | (22,354) |
| Excess of revenues over expenses for the year | | 5,281,398 | 565,416 |

The notes on pages 1 to 16 are an integral part of these financial statements.

Financial Statements

Institute of Corporate Directors, Inc.

(A non-stock, non-profit association)

Statements of Changes in Fund Balances

For the years ended December 31, 2021 and 2020

(All amounts in Philippine Peso)

| Members' Contributions | | General Fund | Total |
|---|--------|--------------|------------|
| Balances at January 1, 2020 | 65,000 | 15,292,860 | 15,357,860 |
| Excess of revenues over expenses for the year | — | 565,416 | 565,416 |
| Balances at December 31, 2020 | 65,000 | 15,858,276 | 15,923,276 |
| Excess of revenues over expenses for the year | — | 5,281,398 | 5,281,398 |
| Balances at December 31, 2021 | 65,000 | 21,139,674 | 21,204,674 |

The notes on pages 1 to 16 are an integral part of these financial statements.

Institute of Corporate Directors, Inc.

(A non-stock, non-profit association)

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(All amounts in Philippine Peso)

| | Notes | 2021 | 2020 |
|---|-------|-------------|-------------|
| Cash flows from operating activities | | | |
| Excess of revenues over expenses before income tax | | 5,475,549 | 587,770 |
| Adjustments for: | | | |
| Interest income | 3 | (7,844) | (4,923) |
| Unrealized foreign exchange (gain) loss | 3 | (56,108) | 71,775 |
| Depreciation | 6 | 1,672,926 | 1,662,814 |
| Interest expense | 9 | 189,967 | 301,035 |
| Write-off of CWT | 17 | — | 28,000 |
| Operating cash flows before working capital changes | | 7,274,490 | 2,646,471 |
| (Increase) decrease in: | | | |
| Trade and other receivables | 4 | (22,768) | 3,280,413 |
| Prepayments and other current assets | 5 | 180,165 | (690,365) |
| Other non-current assets | 5 | 646,866 | (512,830) |
| Increase (decrease) in: | | | |
| Payables and accrued expenses | 7 | (436,510) | (1,322,569) |
| Deferred revenues | 8 | 2,602,588 | 165,313 |
| Due to a related party | 10 | — | (707,340) |
| Retirement benefit obligation | 11 | 811,467 | 642,921 |
| Cash generated from operations | | 11,056,298 | 3,502,014 |
| Income tax paid | | (1,299,840) | — |
| Interest received | 3 | 7,844 | 4,923 |
| Net cash provided by operating activities | | 9,764,302 | 3,506,937 |
| Cash flows from investing activity | | | |
| Acquisitions of property and equipment | 6 | (233,036) | (53,428) |
| Cash flows from financing activities | | | |
| Interest paid on loans | 9 | (189,967) | (301,035) |
| Repayments of loans | 9 | (2,650,000) | (173,255) |
| Net cash used in financing activities | | (2,839,967) | (474,290) |
| Net increase in cash | | 6,691,299 | 2,979,219 |
| Cash, January 1 | | 7,850,862 | 4,943,418 |
| Effect of exchange rate changes on cash | 3 | 56,108 | (71,775) |
| Cash, December 31 | 3 | 14,598,269 | 7,850,862 |

The notes on pages 1 to 16 are an integral part of these financial statements.

Institute of Corporate Directors, Inc.

(A non-stock, non-profit association)

NOTES TO THE FINANCIAL STATEMENTS

As at and for the years ended December 31, 2021 and 2020

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

Note 1 - Business Information

1.1 General Information

Institute of Corporate Directors, Inc. (the "Association") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 15, 2004 as a non-stock, non-profit association.

The Association's primary purpose, among others, is to design, develop and foster a common and substantive corporate governance reform agenda that is grounded on professionalism, good governance, corporate ethics, and responsible citizenship; to inculcate, nurture, promote and foster this agenda in business, government, and other institutions in the Asia-Pacific region in service of the broad and common developmental interests of civil society.

The Association is exempt from the payment of income tax on income related to its operations or activities pursuant to Section 30 (F) of the National Internal Revenue Code (NIRC). No part of the excess of revenue over expenses or assets of the Association shall belong to or inure to the benefit of any member, officer or any specific person. However, any income of whatever kind and character from any of the Association's properties, real or personal, or from any activity conducted for profit, regardless of the disposition, shall be subject to income tax.

On May 17, 2018, the Association received a certificate of tax exemption under certificate no. 820-2018 stating that it has proven by its actual operation that its primary purpose falls under Section 30 (F) of the NIRC of 1997, as amended, and is exempt from income tax only on the revenues or receipts on the Grants, Donations and Contributions, and Membership Dues, subject to the Terms and Conditions attached to the certificate provided. The Association is liable, however, to all other taxes other than those not mentioned in the certificate. The Association's tax exemption was issued and approved by the BIR on October 14, 2021, which will be valid until three (3) years.

The Association has its principal and registered office address at 14th Floor, Trident Tower Condominium, H.V. Dela Costa Street, Salcedo Village, Makati City.

1.2 Impact of COVID-19 Pandemic

Due to the impact of COVID-19 pandemic and the government's declaration of lockdown starting March 15, 2020, the Association immediately adopted a work-from-home arrangement for its employees. To sustain the Association's advocacies and presence in the market, free virtual trainings, were launched in April 2020. Starting August 2020, the Association offered paid and free virtual trainings and continues to provide these as at reporting date.

Beginning April 2020, all training programs of the Association were conducted virtually. On January 19, 2021, the Association launched the "Re-engage with Us" program that will run until March 31, 2021 to help members who are affected by the pandemic by giving discounts on their 2018 to 2021 unpaid contributions. As a result, members' contributions were collected and some even advanced for 2021 and 2022.

In 2022, the Association will continue to offer its virtual/online public and exclusive trainings until the Philippine Government allows face-to-face or in-person mass gatherings. The Association will also continue with its membership recruitment and target more on Associates.

The Association continues to assess the overall impact of the situation on the Association's activities and takes appropriate and timely actions to minimize any adverse financial impacts arising from the COVID-19 pandemic.

1.3 Approval of the Financial Statements

The financial statements of the Association were approved and authorized for issuance by the Board of Trustees on March 9, 2022.

Note 2 - Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of Preparation

The financial statements of the Association have been prepared on a historical cost basis and in accordance with the Philippine Financial Reporting Standards for Small Entities (PFRS for SE) as approved by the Financial Reporting Standards Council, Board of Accountancy and SEC.

2.2 Functional and Presentation Currency

The financial statements are presented in Philippine Peso, the Association's functional and presentation currency.

2.3 Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognized when the entity becomes a party to its contractual provisions.

As at each reporting period, the Association has basic financial instruments, consisting of cash, trade receivables, refundable deposits, payables and accrued expenses (except payable to government agencies) and loans payable. The Association has no complex financial instruments as at each reporting period.

Initial Measurement

On initial recognition, a basic financial instrument is measured at transaction price (including transaction costs), unless the arrangement is in effect a financing transaction. In this case, it is measured at present value of the future payment discounted using a market rate of interest for a similar debt instrument.

Subsequent Measurement

Basic financial instruments are subsequently measured at amortized cost using the effective interest rate method.

Impairment of Financial Instruments Measured at Cost or Amortized Cost

At each reporting date, the Association assesses whether there is objective evidence of impairment on any financial assets that are measured at cost or amortized cost. Where there is any objective evidence of impairment, an impairment loss is recognized immediately in profit or loss.

The impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Derecognition of Financial Assets

The Association derecognizes a financial asset when the contractual rights to the cash flows from the assets have expired or are settled, or it has transferred to another party substantially all the risks and rewards of ownership relating to the financial asset.

Derecognition of Financial Liabilities

The Association derecognizes financial liabilities when these are extinguished - that is, when the obligation is discharged or, cancelled or has expired.

2.4 Cash

Cash represents cash on hand and cash in banks deposits held at call with banks. These are carried in the statements of assets, liabilities and fund balances at face amount or at nominal amount. Deposits held at call with banks earn interest at the prevailing bank deposit rates.

2.5 Trade and Other Receivables

Trade receivables are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of the receivables. Trade receivables are classified in the statements of assets, liabilities and fund balances as current asset when the receivables are expected to be collected within one year of the Association's normal operating cycle, whichever is longer. Otherwise, receivables are classified as non-current assets. Refer to Note 2.3 for relevant accounting policies on trade receivables.

2.6 Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit as they are consumed in operations or expire with the passage of time. Prepayments are classified in the statements of

Notes to the Financial Statements

assets, liabilities and fund balances as current asset when the costs of services related to the prepayments are expected to be incurred within one year or the Association's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

2.7 Property and Equipment

Property and equipment are initially measured and recognized at acquisition cost which comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. After initial measurement, property and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property and equipment is charged to allocate cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives of the Association's depreciable assets are as follows:

| | |
|------------------------|---------------|
| Office equipment | 3 to 5 years |
| Furniture and fixtures | 3 years |
| Office improvements | 3 to 15 years |
| Office building | 25 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time the cost and their accumulated depreciation are written-off from the financial statements.

2.8 Impairment of Non-financial Assets

Property and equipment are assessed at each reporting date to determine whether there is any indication that the assets are impaired. When an impairment indicator is identified, the carrying value of the asset is tested for impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. If the recoverable amount cannot be estimated for an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are independent of the cash flows from other assets within the Association.

If an impairment indicator no longer exists or the recoverable amount has increased subsequently, the Association will determine the amount of impairment loss that can be reversed to the extent that the reversal should not result in a carrying amount of the asset that is higher had no impairment loss was recognized in the prior years.

2.9 Borrowings (or Loans Payable) and Borrowing Costs

Borrowings are recognized initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortized cost. Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Refer to Note 2.3 for relevant accounting policies on borrowings.

All borrowing costs are expensed as incurred.

2.10 Trade and Other Payables

Trade and other payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method. Refer to Note 2.3 for relevant accounting policies on trade and other payables.

2.11 Fund Balances

To ensure the observance of limitations and restrictions placed on the use of resources available to the Association, the accounts are maintained in accordance with the principles of fund accounting. Under this procedure, resources are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund. Accordingly, all financial transactions have been recorded and reported by fund group.

The fund balances of the Association are reported as follows:

- Members' contributions which represents contributions of members who are incorporators and trustees of the Association; and
- General fund which represents unallocated and unrestricted resources available for the Association's operations.

2.12 Revenue Recognition

Revenue is recognized when it is probable that the economic benefit associated with the transaction will flow to the Association and the amount of revenue can be measured reliably.

Revenues from Programs

Revenues from programs which arise from various people or organizations for seminars and conferences conducted are recognized and measured in the period the services are provided.

Membership Dues and Contributions

Membership dues and contributions are recognized when earned.

Sponsorships and Grants

Sponsorships and grants received from various funding agencies are recognized in the period when received.

Interest and Other Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable. Other income is recognized when earned or when received.

2.13 Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss: on the basis of a direct association between the costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of assets, liabilities and fund balances as an asset.

Expenses in the statement of income are presented using function of expense method. Program costs refer to costs incurred in the pursuit of the core activities of the Association. General and administrative expenses are expenses incurred in relation to the management and administration of the Association.

Fund Expenses Recognition

Expenses are recognized when intended project costs and expenses are incurred.

2.14 Employee Benefits

Retirement Benefit Obligation

The Association is yet to establish a formal retirement plan for its employees. Thus, the Association's retirement benefit obligation is measured using the accrual approach based on the minimum retirement benefits required under Republic Act (RA) No. 7641, otherwise known as the Retirement Pay Law. Accrual approach is applied by calculating the expected liability as at reporting date using the current salary of the entitled employees and the employees' years of service, without consideration of future changes in salary rates and service periods.

Retirement benefit expense/income is equivalent to the change in the calculated retirement benefit assets/obligation using the accrual approach during the period and is recognized immediately in the statements of income within general and administrative expenses.

Notes to the Financial Statements

Short-term Benefits

The Association recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Association to its employees include mandatory benefits such as social security contributions, short-term compensated absences, bonuses and non-monetary benefits.

Employee Bonus

The Association recognized a provision for employee bonuses and an expense for the year based on the performance of the employees during the accounting period. The employee bonus given by the Association will be distributed in the next accounting period.

2.15 Related Party Transactions and Balances

A related party transaction is a transfer of resources, services or obligations between the Association and the related party, regardless of whether a price is charged.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. The key management personnel of the Association are also considered to be related parties.

2.16 Provisions

Provisions are recognized when the Association has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably measured. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized in profit or loss.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized from the statements of assets, liabilities and fund balances.

2.17 Taxation

Current Income Tax

The current income tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statements of income because it excludes items of income or expense that are never taxable or deductible.

The Association's current income tax expense is calculated using regular corporate income tax rate (RCIT) or minimum corporate income tax (MCIT) rate, whichever is higher.

Deferred Income Tax

Deferred income tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred Income Tax Liabilities

Deferred income tax liabilities are generally recognized for all taxable temporary differences.

Deferred Income Tax Assets

Deferred income tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of a deferred income tax asset shall be reviewed at the end of each reporting period. It is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that recognized deferred income tax asset to be utilized.

At the end of each reporting period, the Association reassesses any unrecognized deferred income tax assets. The Association recognizes a previously unrecognized deferred income tax asset to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered.

Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred income tax assets and liabilities are not discounted. Deferred income tax assets and liabilities are presented under non-current assets and liabilities, respectively.

Current income tax assets and current income tax liabilities, or deferred income tax assets and deferred income tax liabilities are offset if, and only if, the Association has a legally enforceable right to set off the amounts and the entity can demonstrate without undue cost or effort that it plans either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Note 3 - Cash

Cash as at December 31 consists of:

| | 2021 | 2020 |
|---------------|------------|-----------|
| Cash in banks | 14,578,269 | 7,830,862 |
| Cash on hand | 20,000 | 20,000 |
| | 14,598,269 | 7,850,862 |

Cash in banks earn interest at the bank deposit rates ranging from 0.0275% to 0.10% per annum for the year ended December 31, 2021 (2020 - 0.10%).

Interest income earned from cash in banks for the year ended December 31, 2021 amounted to P7,844 (2020 - P4,923).

2.18 Events After the Reporting Date

Post-year end events that provide additional information about the Association's assets, liabilities and fund balances at reporting date (adjusting events) are reflected in the financial statements. Post-year end events that are not adjusting events are disclosed in the notes to the financial statements when material.

As at December 31, 2020 and 2021, the Association has foreign currency denominated cash in banks. Unrealized foreign exchange gain for the year ended December 31, 2021 amounted to P56,108 (2020 - P71,775 loss).

Note 4 - Trade and Other Receivables

Trade and other receivables as at December 31 consist of:

| | 2021 | 2020 |
|---|-----------|-----------|
| Trade receivables | 2,197,861 | 2,503,038 |
| Advances to Center for Excellence in Governance, Inc. (CEG) | 253,600 | — |
| Advances to Institute for Solidarity in Asia, Inc. (ISA) | 162,158 | 52,211 |
| Other receivables | 61,880 | 97,482 |
| | 2,675,499 | 2,652,731 |

Trade receivables comprise amounts due from the Association's clients and others relative to carrying out activities for the programs, seminars and conferences conducted by the Association.

In 2021, advances to CEG pertain to advances for working capital purposes.

Notes to the Financial Statements

Note 5 - Prepayments and Other Current Assets; Other Non-current Assets

a. Prepayments and other current assets as at December 31 consist of:

| | 2021 | 2020 |
|--------------------------------------|-----------|-----------|
| Prepaid expenses | | |
| Subscriptions | 812,429 | 534,432 |
| Employees' health insurance coverage | 388,886 | 332,292 |
| Membership dues | 207,894 | 145,242 |
| Advance payments | 192,583 | 574,789 |
| Creditable VAT | 54,874 | 54,575 |
| Office supplies | — | 113,434 |
| Input value-added tax (VAT) | — | 82,067 |
| | 1,656,666 | 1,836,831 |

Advance payments mainly relate to the CG Conference that was postponed in 2020 due to the ongoing pandemic. As at reporting date, the CG Conference is expected to be held in 2022.

Subscriptions mainly pertain to the down payment for the Xscribe software subscriptions amounting to P741,000 as at December 31, 2021 (2020 - P441,000).

b. Other non-current assets as at December 31 consist of:

| | 2021 | 2020 |
|----------------------------|-----------|-----------|
| Creditable withholding tax | 1,997,877 | 2,347,264 |
| Investment in CEG | 167,000 | — |
| Refundable deposits | 103,972 | 103,972 |
| | 2,268,849 | 2,451,236 |

Note 6 - Property and Equipment, Net

Property and equipment, net as at and for the years ended December 31 are as follows:

| | Office Improvements | Office Equipment | Furniture and Fixtures | Office Building | Total |
|---|---------------------|------------------|------------------------|-----------------|--------------|
| At January 1, 2020 | | | | | |
| Cost | 5,521,316 | 3,549,056 | 909,112 | 18,500,000 | 28,479,484 |
| Accumulated depreciation | (2,918,058) | (2,416,090) | (906,254) | (5,364,999) | (11,605,401) |
| Net carrying value | 2,603,258 | 1,132,966 | 2,858 | 13,135,001 | 16,874,083 |
| For the year ended December 31, 2020 | | | | | |
| Opening net carrying value | 2,603,258 | 1,132,966 | 2,858 | 13,135,001 | 16,874,083 |
| Additions | 17,858 | 35,570 | — | — | 53,428 |
| Depreciation | (423,440) | (496,515) | (2,858) | (740,001) | (1,662,814) |
| Closing net carrying value | 2,197,676 | 672,021 | — | 12,395,000 | 15,264,697 |
| At December 31, 2020 | | | | | |
| Cost | 5,539,174 | 3,584,626 | 909,112 | 18,500,000 | 28,532,912 |
| Accumulated depreciation | (3,341,498) | (2,912,605) | (909,112) | (6,105,000) | (13,268,215) |
| Net carrying value | 2,197,676 | 672,021 | — | 12,395,000 | 15,264,697 |
| For the year ended December 31, 2021 | | | | | |
| Opening net carrying value | 2,197,676 | 672,021 | — | 12,395,000 | 15,264,697 |
| Additions | — | 233,036 | — | — | 233,036 |
| Depreciation | (468,892) | (464,034) | — | (740,000) | (1,672,926) |
| Closing net carrying value | 1,728,784 | 441,023 | — | 11,655,000 | 13,824,807 |

Notes to the Financial Statements

| | Office Improvements | Office Equipment | Furniture and Fixtures | Office Building | Total |
|-----------------------------|------------------------|---------------------|---------------------------|-----------------|--------------|
| At December 31, 2021 | | | | | |
| Cost | 5,539,174 | 3,817,662 | 909,112 | 18,500,000 | 28,765,948 |
| Accumulated depreciation | (3,810,390) | (3,376,639) | (909,112) | (6,845,000) | (14,941,141) |
| Net carrying value | 1,728,784 | 441,023 | — | 11,655,000 | 13,824,807 |

Depreciation expense for the years ended December 31 are charged to program costs and general and administrative expenses as follows:

| | Notes | 2021 | 2020 |
|-------------------------------------|-------|-----------|-----------|
| Program costs | 16 | 1,177,619 | 1,330,251 |
| General and administrative expenses | 17 | 495,307 | 332,563 |
| | | 1,672,926 | 1,662,814 |

Management believes that there are no impairment indicators identified over property and equipment as at December 31, 2021 and 2020.

Note 7 - Payables and Accrued Expenses

The Association's payables and accrued expenses as at December 31 consist of:

| | 2021 | 2020 |
|--------------------------------|-----------|-----------|
| Provision for employee bonuses | 2,450,694 | 403,813 |
| Accrued expenses | 1,471,052 | 3,744,750 |
| Deferred output VAT | 699,062 | 731,351 |
| Payable to government agencies | 227,022 | 404,426 |
| | 4,847,830 | 5,284,340 |

Provision for employee bonuses pertain to the bonuses and incentives given to the employees as rewards for boosting the Association's performance and reaching milestones.

Accrued expenses mainly pertain to amounts owed for professional fees, seminar venues and materials, utilities, and travel.

Deferred output VAT represents the VAT portion of the uncollected invoices.

Payable to government agencies consist of withholding taxes and payroll contributions.

Note 8 - Deferred Revenues

Deferred revenues as at December 31 consist of:

| | 2021 | 2020 |
|-----------------|-----------|-----------|
| Membership dues | 3,553,481 | 2,427,442 |
| Programs | 1,476,549 | — |
| | 5,030,030 | 2,427,442 |

Membership dues for 2021 amounted to P3,553,481 (2020 - P2,427,442) which pertains to advance payment of members for their 2022 and 2023 membership dues (2020 - 2021 and 2022 membership dues). The Association offers 5% early bird discount for membership dues to attract members to pay their dues in advance.

Programs pertain to advance payments for Sustainability Strategy and Reporting, Professional Directors Program and Corporate Governance Orientation Program. As at reporting date, these programs are expected to be held in 2022.

Notes to the Financial Statements

Note 9 - Loans Payable

Loans payable as at December 31 consist of:

| | 2021 | 2020 |
|-------------|-----------|-----------|
| Current | — | 1,300,000 |
| Non-current | 2,694,887 | 4,044,887 |
| | 2,694,887 | 5,344,887 |

In March 2012, the Association entered into an agreement (Contract to Sell) with Union Bank of the Philippines (UBP) to buy the present office condominium unit containing an area of 521.12 square meters for a purchase price of P37,000,000.

The total reservation fee and down payment paid amounted to P3,700,000. The balance of P33,300,000 is payable over 15 years, with a fixed interest rate of 11% per annum, in equal monthly installments of P378,487 starting June 16, 2012.

In October 2013, the Contract to Sell was amended to include the Institute for Solidarity in Asia, Inc. (ISA) as buyer. Under the agreement, UBP reserves its ownership of the condominium unit, title to which will remain in the name of the seller and shall not pass to the buyer until after full payment of the purchase price and full performance by the buyer of its obligation under the agreement.

Ownership of the above office will be split equally between the Association and ISA (the "Associations"). Likewise, the Associations will share equally in all costs and expenses related to the office building, including, but not limited to, amortizations of the purchase price, interest, capital expenditures, association dues, utilities and real estate property taxes.

On July 2, 2020, the following amendments on the Associations' agreement with UBP were approved:

1. Unpaid principal payments from March 2020 to February 2021 to be paid on best-efforts basis on or before February 16, 2021.
2. Monthly interest payments of P20,000 on the 16th of each month starting March 2021 up to May 2027; with any and all unpaid monthly interest due computed at 5.50% to be accumulated and paid one-time together with the principal on maturity date, May 2027.

For the year ended December 31, 2021, the interest rate was 5.5% (2020 - 5.50% to 7.29%) and interest expense amounted to P189,967 (2020 - P301,035).

As at December 31, 2021, the outstanding balance of loans payable amounted to P8,039,774 (2020 - P10,689,774), of which P2,694,887 (2020 - P5,344,887), represents the Association's share.

The movements in loans payable presented in the statements of assets, liabilities and fund balances and statements of cash flows for the years ended December 31 are as follows:

| | 2021 | 2020 |
|---------------------------|-------------|-----------|
| Beginning of year | 5,344,887 | 5,518,142 |
| Repayment during the year | (2,650,000) | (173,255) |
| End of year | 2,694,887 | 5,344,887 |

Note 10 - Related Party Transactions

Remuneration of Key Management Personnel

For the year ended December 31, 2021, key management compensation amounted to P2,918,155 (2020 - P2,717,262).

For the years ended December 31, 2021 and 2020, the Association has no short-term benefits of key management personnel. There are no outstanding balances due from or due to key management personnel as at each reporting period.

Note 11 - Retirement Benefit Obligation

The Association provides for the estimated retirement benefits required to be paid under Republic Act (RA) No. 7641, the Retirement Pay Law. Under the said Law, the retirement benefit obligation is computed as one-half of monthly salary for every year of service, a fraction of six months being considered as one whole year. The term one-half of monthly salary shall mean 15 days plus the one-twelfth of the 13th month and the cash equivalent of not more than five days service incentive leaves.

Retirement benefit obligation recognized in the statements of assets, liabilities and fund balances as at December 31, 2021 amounts to P1,887,879 (2020 - P1,076,412).

The retirement benefit expense recognized in the statements of income under general and administrative expenses for the year ended December 31, 2021 amounted to P811,467 (2020 - P642,921) (Note 17).

Note 12 - Programs

Program revenues for the year ended December 31, 2021 amounting to P27,878,028 (2020 - P15,940,458) are earned from public and exclusive courses, as well as written reports, rendered by the Association.

Note 13 - Membership Dues and Contributions

Membership dues and contributions for the year ended December 31, 2021 amounting to P6,238,178 (2020 - P5,982,789) are payments made by Fellows, Graduates and Associates members.

Note 14 - Grants

For the year ended December 31, 2021, the Association did not receive any grant (2020 - P1,000,000).

Note 15 - Sponsorships

In 2021, the Association received various sponsorships amounting to P973,214 (2020 - P780,357).

Note 16 - Program Costs

The components of program costs for the years ended December 31 are as follows:

| | Note | 2021 | 2020 |
|---|------|------------|------------|
| Salaries and wages | | 8,421,119 | 5,313,094 |
| Professional fees | | 7,890,315 | 5,255,674 |
| Corporate governance scorecard expenses | | 1,648,023 | 1,452,418 |
| Depreciation | 6 | 1,177,619 | 1,330,251 |
| Seminars, conferences and exhibits | | 434,434 | 1,219,500 |
| Marketing | | 391,596 | 132,322 |
| Utilities | | 178,989 | 483,597 |
| Training and development | | 153,703 | 36,402 |
| Membership dues and subscription | | 147,277 | 513,730 |
| Office supplies | | 74,188 | 81,265 |
| Transportation and travel | | — | 2,970 |
| Miscellaneous | | 179,913 | 6,122 |
| | | 20,697,176 | 15,827,345 |

Notes to the Financial Statements

Note 17 - General and Administrative Expenses

The components of general and administrative expenses for the years ended December 31 are as follows:

| | Notes | 2021 | 2020 |
|----------------------------------|-------|-----------|-----------|
| Salaries and wages | | 4,728,808 | 4,373,899 |
| Professional fees | | 1,002,083 | 501,668 |
| Retirement benefit expense | 11 | 811,467 | 642,921 |
| Utilities | | 554,542 | 139,504 |
| Membership dues and subscription | | 388,667 | 102,494 |
| Depreciation | 6 | 495,307 | 332,563 |
| Transportation and travel | | 192,322 | 51,865 |
| Repairs and maintenance | | 174,340 | 520,356 |
| Outside services | | 127,548 | 121,881 |
| Office supplies | | 82,102 | 18,563 |
| Taxes and licenses | | 78,509 | 72,722 |
| Training and development | | 68,824 | — |
| Written-off assets | | — | 28,000 |
| Miscellaneous | | 221,161 | 14,166 |
| | | 8,925,680 | 6,920,602 |

Note 18 - Income Taxes

The details of income tax expense in the statement of income for the years ended December 31 are as follows:

| | 2021 | 2020 |
|-----------------------------|-------------|----------|
| Current income tax expense | 1,299,840 | 44,212 |
| Deferred income tax benefit | (1,105,689) | (21,858) |
| | 194,151 | 22,354 |

Deferred Income Tax (DIT)

The components of DIT asset for the year ended December 31, 2021 (2020 - nil) are as follows:

| | |
|----------------------------------|----------|
| Provision for employee bonuses | 490,139 |
| Retirement benefit obligation | 162,293 |
| Unrealized foreign exchange gain | (11,222) |
| | 641,210 |

As disclosed in Note 1.1, the Association is subject to normal tax for activities not mentioned in the certificate of tax exemption. Consequently, as provided under the Act, the Association shall pay the MCIT or the normal tax, whichever is higher, for the taxable income derived from the taxable activities. Any excess of MCIT over the normal

income tax shall be carried forward on an annual basis and credited against the normal income tax for the next three succeeding taxable years. MCIT shall be imposed beginning on the fourth taxable year immediately following the taxable year in which such corporation started its business operations.

Notes to the Financial Statements

Details of MCIT as at December 31 follow:

| Year of incurrence | Year of expiry | 2021 | 2020 |
|------------------------|----------------|-----------|---------|
| 2018 | 2021 | 239,256 | 239,256 |
| 2019 | 2022 | 181,011 | 181,011 |
| 2020 | 2023 | 44,212 | 44,212 |
| | | 464,479 | 464,479 |
| Application of MCIT | | (464,479) | — |
| Unrecognized DIT asset | | — | 464,479 |

Based on management's assessment, the tax benefit of DIT assets and liabilities as at December 31, 2021 (2020 - nil) are expected to be realized from the financial reporting date as follows:

| | |
|------------------------------------|---------|
| DIT assets, net | |
| • To be recovered within 12 months | 478,917 |
| • To be recovered after 12 months | 162,293 |
| | 641,210 |

The movements in the DIT assets for the year ended December 31, 2021 (2020 - nil) are as follows:

| | |
|--------------------------------------|----------|
| Beginning of year | — |
| (Charged) credited to profit or loss | |
| Provision for employee bonus | 490,139 |
| Retirement benefit obligation | 162,293 |
| Unrealized foreign exchange gain | (11,222) |
| End of year | 641,210 |

Realization of future tax benefit related to DIT assets is dependent on the Association's ability to generate future taxable income during the periods in which these are expected to be recovered. The Association has considered these factors in reaching a conclusion as to the amount of DIT assets recognized as at December 31, 2021 (2020 - unrecognized). Management regularly reviews the recoverability of the DIT assets recognized.

Current Income Tax

On March 26, 2021, Republic Act No.11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE), was signed into law. Among the salient provisions of CREATE include changes to the Corporate Income Tax (CIT) as follows:

- RCIT rate of 20% (from 30%) shall be applicable to domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million (excluding land on which the business entity's office, plant and equipment are situated);
- RCIT rate of 25% (from 30%) shall be applicable to all other domestic and foreign corporations; and
- For the period beginning July 1, 2020 until June 30, 2023, the MCIT rate shall be 1%, instead of 2%.

A reconciliation of the provision for income tax applicable to income before tax computed at the statutory tax rate to the income tax expense at the Association's effective tax rate for the years ended December 31 is summarized below:

| | 2021 | 2020 |
|---|-----------|-----------|
| Income tax at statutory rate at 20%/30% | 1,095,110 | 176,331 |
| Adjustments for: | | |
| Non-deductible expenses | 113,062 | 9,016 |
| Interest income subjected to final tax | (1,569) | (1,477) |
| Recognition of previously unrecognized MCIT | (464,479) | — |
| Net income from exempt activities | (547,973) | (902,876) |
| Unrecognized DTA | — | 741,360 |
| Income tax expense | 194,151 | 22,354 |

Notes to the Financial Statements

Note 19 - Supplementary Information Required by the Bureau of Internal Revenue (BIR)

The following supplementary information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

Revenue Regulations (RR) 15-2010

(i) Output Value-added Tax (VAT)

Details of Association's output VAT declared in 2021 are as follows:

| | VAT taxable | VAT-exempt | Total |
|---------------------|-------------|------------|------------|
| Vatable receipts | 23,414,952 | — | 23,414,952 |
| Sales to government | 3,580,022 | — | 3,580,022 |
| VAT-exempt | — | 135,714 | 135,714 |
| | 26,994,974 | 135,714 | 27,130,688 |
| Output VAT rate | 12% | 0% | |
| Total Output VAT | 3,239,397 | — | 3,239,397 |

In 2021, the Association paid output VAT amounting to P2,089,236.

(ii) Input VAT

Details of the Association's input VAT claimed during 2021 are as follows:

| | |
|--|-------------|
| Balance at January 1 | 82,067 |
| Add: Current year's domestic purchases/payments for: | |
| Goods other than for resale or manufacture | 105,723 |
| Services lodged under other accounts | 629,658 |
| Tax credit | 402,388 |
| Total available input VAT | 1,219,836 |
| Less: Claims for output VAT | (1,219,836) |
| Balance, December 31 | — |

(iii) Importations

The Association did not import any goods in 2021, hence did not pay any custom duties and tariff fees.

(iv) Excise Tax

The Association is not engaged in the manufacture or production of certain specified goods or articles subject to excise tax for domestic sale or consumption or for any other disposition.

(v) Documentary Stamp Tax

The Association has no transactions for the year ended December 31, 2021 pertaining to acceptance, assignment, sale or transfer of an obligation, right, or property requiring payment of documentary stamp tax.

(vi) All Other Taxes and Licenses

All other local and national taxes paid for the year ended December 31, 2021 consist of:

| | |
|---------------------|--------|
| Business permits | 77,909 |
| Annual registration | 500 |
| Others | 100 |
| | 78,509 |

(vii) Withholding Taxes

Details of the Association's withholding taxes paid and accrued in 2021 are as follows:

| | Paid | Accrued | Total |
|---------------------------------|-----------|---------|-----------|
| Withholding tax on compensation | 852,472 | 53,903 | 906,375 |
| Expanded withholding tax | 729,752 | 49,641 | 779,393 |
| | 1,582,224 | 103,544 | 1,685,768 |

(viii) Tax Assessments/Cases

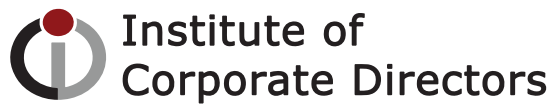
There are no outstanding tax assessments with the BIR and/or tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR as at December 31, 2021.

RR 34-2021

On December 18, 2021, BIR issued RR No. 34-2021, Prescribing the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of RR Nos. 19-2021 and 21-2002, as

amended by RR No. 15-2010, to streamline the guidelines and procedures for the submission of BIR Form No. 1709, TPD and other supporting documents by providing safe harbors and materiality thresholds. Section 2 of the RR provides the list of taxpayers that are required to file and submit the RPT Form, together with the Annual Income Tax Return.

The Association is not covered by the requirements and procedures for related party transactions provided under this RR as it does not meet any criteria of taxpayers prescribed in Section 2 of the RR.



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