Oscar M. Lopez, Chairman, Lopez Group, Inc., Philippines

Session 1: Corporate governance reform in the Philippines: progress and challenges
CORPORATE GOVERNANCE IN THE PHILIPPINES: Past, Present and Future

Oscar M. Lopez
for the 10th OECD Asian Roundtable Forum
Makati City, 09 September 2009
Corporate Governance is a collaborative effort by the private and public sectors.
The Lopez family has been in Philippine business across two centuries.

The roots of our corporate governance practice stems from our VALUES.
The Lopez Group has institutionalized its Performance Excellence Initiatives

Many of our companies have been recipients of the various recognition programs that espouse business and performance excellence.
The Corporate Governance circle is continuously growing

(In alphabetical order)

<table>
<thead>
<tr>
<th>Gold Awardees (95 - 100%)</th>
<th>Silver Awardees (90 - 94%)</th>
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<tbody>
<tr>
<td>Ayala Corporation</td>
<td>Aboitiz Equity Ventures</td>
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<td>Ayala Land, Inc.</td>
<td>ABS-CBN Broadcasting Corp. &amp; Subs.</td>
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<td>Bank of the Philippine Islands</td>
<td>Cebu Holdings, Inc.</td>
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<td>Cebu Property Ventures and Devt. Corp.</td>
<td>Centro Escolar University</td>
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<td>First Philippine Holdings Corporation</td>
<td>Energy Development Corp.</td>
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<td>Globe Telecom</td>
<td>Petron Corporation</td>
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<td>Phil. Long Distance Telephone Company</td>
<td>Semirara Mining Corporation</td>
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<td>Manila Water Company, Inc.</td>
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Through the guidance of the regulators and institutions, we have strengthened our Corporate Governance practices

- Corp. Governance Manual
- Amendment to Corporate by-laws
- Manual of anti-money laundering
- Corporate code of conduct
- Full set of standing board committees
- Five independent directors
- An independent board observer
- Board retreat / strategic planning session
Moving forward, Corporate Governance can and will be further strengthened.

- Corporate governance charter
- Corporate strategy map
- Governance scorecard
- Governance culture
...it’s not easy to adopt a strong governance system, but it is in our best interest to stay the course.
End of Presentation