May 2019

GOVERNANCE

ICD PHILIPPINES | QUARTERLY

HEAD ON 2019:

Exploring Board Priorities and Regulatory Developments

IN THIS ISSUE

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MESSAGE FROM THE CEO

Dear Reader,

Welcome to this year's first issue of the ICD Philippines Governance Quarterly!

We have themed this issue "Head On 2019" in recognition of the governance challenges companies have to confront in the midst of technological developments and regulatory changes. The recently promulgated Revised Corporation Code takes the center stage as the most significant regulatory development at the start of 2019 – and likely not the last.

This issue features articles written by our members who are sharing their thoughts on a range of corporate governance matters and board priorities. There is also an array of write-ups and photo galleries on the various events and programs of ICD during the past few months.

We invite contributors of articles for our next issue. Our aspiration is to reach a wider audience with more relevant and useful content.

Let us head on to a fruitful and meaningful 2019!

Alfredo E. Pascual, FICD
Chief Executive Officer
Institute of Corporate Directors

2019 Q1 EVENTS HIGHLIGHTS

Breakfast Rountable on Brexit, Global Britain, and Governance | 22 January 2019

(L-R) Mr. Alfredo E. Pascual, FICD, and Mr. David Stringer-Lamarre

A Special International Lecture on Family Business Governance and Stewardship | 22 February 2019

(L-R) Mr. Sisenando U. Bengzon, GICD; Dr. Michael M. Alba; Dr. Lourdes R. Montinola; Mr. Ong Boon Hwee; and Mr. Earl Joseph M. Borgoña

Private Briefing of new AFP Chief Gen. Benjamin Madrigal with AFP MSGC Chair and Members | 07 February 2019

(1st line, L-R) Mrs. Bai Rohaniza Sumndad-Usman; VADM GAUDENCIO C COLLADO JR; Mr. Francis G. Estrada, FICD; GEN BENJAMIN R MADRIGAL JR AFP; Mr. Alfredo E. Pascual, FICD; and Fr. Jose M. Cruz, S.J.
(2nd line, L-R) BGEN REUBEN S BASIAO AFP; BGEN ADRIANO S PEREZ JR AFP; Bishop Noel A. Pantoja; Mr. Antonino T. Aquino; Mr. Rommel C. Gavieta; MGEN ISIDRO L PURISIMA AFP; and BGEN CORNELIO H VALENCIA JR AFP.

Entrepreneurs' Organization Corporate Governance Conference | 23 February 2019

(1st line, L-R) Mr. Rudy Foo; Ms. Bubu Andres; Ms. Ida Tiongson, FICD; Mr. Jason Sze; Ms. Carrie Santos; Mr. David Anderson; and Mr. Paul Meester.
(2nd line, L-R) Mr. Alfredo E. Pascual, FICD; Dr. Jesus P. Estanislao, FICD; Mr. Bob Tassone; Mr. Sharan Valiram; Mr. Peter Fan; Mr. Sanjay Raghunath; Ms. Winnie Hart; Mr. Karly Funke; Ms. Beth Marchessault; Mr. Ong Boon Hwee; and Mr. Francis G. Estrada, FICD.

Signing of Memorandum of Understanding with Stewardship Asia Centre | 21 February 2019

(L-R) Mr. Alfredo E. Pascual, FICD, and Mr. Ong Boon Hwee.

ICD Toastmasters Club Orientation Session | 13 March 2019

Atty. Teodoro Kalaw IV, FICD

2019 Q1 EVENTS HIGHLIGHTS

Joint Forum on the Revised Corporation Code: Changes and Challenges | 26 March 2019

Taken during the Joint Forum presented by the Institute of Corporate Directors (ICD), Shareholders' Association of the Philippines (SharePHIL), Institute of Internal Auditors Philippines (IIAP), Financial Executives Institute of the Philippines (FINEX), Management Association of the Philippines (MAP), Judicial Reform Initiative (JRI), and Makati Business Club (MBC).

Atty. Euney Marie J. Mata-Perez, FICD and FINEX Director, led the invocation.

Ms. Ma. Aurora D. Geotina-Garcia, FICD and ICD Trustee, gave the opening remarks.

MBC President Mr. Edgar O. Chua introduced the keynote speaker.

Senator Franklin M. Drilon, Minority Floor Leader of the Senate of the Philippines, gave his keynote speech during the forum.

2019 Q1 EVENTS HIGHLIGHTS

Joint Forum on the Revised Corporation Code: Changes and Challenges | 26 March 2019

ICD Trustee and MAP CG Committee Chairman Atty. Cesar L. Villanueva, FICD presented the "Changes in the Creation, Formation, Organization and Dissolution of Corporations."

SharePHIL President Atty. Francisco Ed. Lim, FICD discussed the "Changes in Management and Administration of Corporations"

Taken during the panel discussion moderated by ICD Trustee and MAP CG Committee Vice Chair Ms. Ida C. Tiongson, FICD.

ICD Trustee Ms. Ma. Aurora D. Geotina-Garcia, FICD and master of ceremonies, posed for a snapshot with the panel during the closing part of the forum.

(L-R) ICD Trustee Ms. Ma. Aurora D. Geotina-Garcia, FICD; Atty. Alu Dorotan-Tiuseco, Director for Legislation, Senate of the Philippines; ICD CEO Mr. Alfredo E. Pascual, FICD; SEC Chairman Emilio B. Aquino; ICD Trustee and MAP CG Committee Vice Chair Ms. Ida C. Tiongson, FICD and panel moderator; ICD Chairman Mr. Francis G. Estrada, FICD; ICD Trustee and MAP CG Committee Chairman Atty. Cesar L. Villanueva, FICD; and SharePHIL President Atty. Francisco Ed. Lim, FICD

CORPORATE GOVERNANCE PARADIGM UNDER THE CORPORATION CODE OF THE PHILIPPINES

Atty. Cesar L. Villanueva, FICD
Trustee
Institute of Corporate Directors

The Corporation Code contains its own set of "corporate governance (CG) principles," which can be summarized into the following general statements:

a. The size and composition of the Board of Directors can only be based on provisions contained in the Articles of Incorporation or the By-Laws.

b. Other than in those cases specifically provided by law, any qualification or disqualification pertaining to the members of the Board of Directors shall be valid only when expressly provided in the articles or by-laws.

c. Boards of Directors have no power by mere exercise of their Business Judgment, to provide for their own qualifications and disqualifications.

d. Outside of specific statutory empowerment, the power to elect, compensate, discipline, and remove any member of the Board of Directors is vested with the stockholders.

Board composition must be of optimum size

Section 14(6) of the Corporation Code expressly requires to be contained in the articles of incorporation of every corporation a provision that "The number of directors or trustees shall not be less than five (5) nor more than fifteen (15)." This statutory directive ensures that the size of the Board of any stock and for-profit corporation is one that is within "optimum range," so as not to be so small to be ineffective, but not too large to be unwieldy and inefficient. You can evaluate the importance of the CG principle that "the Board must be of optimum size" when you compare the provisions of the Corporation Code with respect to non-stock corporations that are allowed to have board sizes of more than fifteen (15) members.

That the Board of Directors for stock corporations should be within the optimum size of not less than five (5) and not more than fifteen (15) members is a statutory mandate which cannot be overcome even by contrary provisions in the articles of incorporation and/or the by-laws of any stock corporation, much less by formal resolutions of the Board of Directors. It constitutes part of what is considered to be "good governance principle" under the Corporation Code.

Manner of election, qualifications and disqualifications of the Directors must be set out in the by-laws; not within the board's business judgment

Section 47(5) of the Corporation Code provides that, "Subject to the provisions of the Constitution, this Code, other special laws, and the articles of incorporation, a private corporation may provide in its by- laws for …

[t]he qualifications, duties and compensation of directors or trustees, officers and employees." In turn, Section 47(7) allows to be provided in the by-laws "[t]he manner of election or appointment and the term of office of all officers other than directors or trustees." Taken together, the two sections of the Corporation Code cover the principle that the manner of election, qualifications and disqualifications of the members of the Board of Directors can be legally provided only, outside of statutory provisions, in the by-laws of the corporation. Therefore, a key CG principle embodied with the provisions of the Corporation Code is that it is not within the business judgment power of the Board to provide for the composition, manner of election, qualifications or disqualification, outside of what is provided for by law, and the by-laws of the corporation.

Sections 23, 24, and 27 of the Corporation Code provide for the manner of election, term of office, and for the minimum statutory qualifications and disqualifications of directors, as follows:

(a) Members of the Board of Directors of a stock corporation shall "be elected from among the holders of stocks…who shall hold office for one (1) year and until their successors are elected and qualified";

(b) Members of the Board of Directors of every stock corporation are to be elected through cumulative voting;
(c) Every director must own at least one (1) share of the capital stock of the corporation of which he is a director, which share shall stand in his name on the books of the corporation;

(d) Any director who ceases to be the owner of at least one (1) share of the capital stock of the corporation of which he is a director shall thereby cease to be a director; and

(e) No person convicted by final judgment of an offense punishable by imprisonment for a period of exceeding six (6) years, or a violation of this Code, committed within five (5) years prior to the date of his election or appointment, shall qualify as a director of any corporation.

The CG principle of accountability that is embodied in the statutory requirement of an annual election of the members of the Board of Directors of stock corporations is best explained by the Supreme Court in its decision in Valle Verde Country Club, Inc. v. Africa, which held —

The underlying policy of the Corporation Code is that the business and affairs of a corporation must be governed by a board of directors whose members have stood for election, and who have actually been elected by the stockholders, on an annual basis. Only in that way can the directors' continued accountability to the shareholders, and the legitimacy of their decisions that bind the corporation's stockholders, be assured. The shareholder vote is critical to the theory that legitimizes the exercise of power by the directors or officers over properties that they do not own.

It is therefore contrary to the good governance principles under the Corporation Code to have permanent directors in the Board. In Grace Christian High School v. Court of Appeals, our Supreme Court held that a by-law provision or company practice of giving a stockholder a permanent seat in the Board would be against the provisions of the Corporation Code which requires members of the board of corporations to be elected on an annual basis. Therefore, any provision in the articles of incorporation or by-laws which offends against policies found in the Corporation Code would be rendered unlawful and void by our courts. The importance of the annual voting of the members of the Board of Directors can be appreciated when compared with the provisions of the Corporation Code with respect to non-stock corporations that allow them by-law provisions to have staggered terms of three years.

Cumulative voting, which is a mandatory system of voting for directors in all stock corporations, ensures that minority stockholders have a reasonable chance of electing their nominees into the Board. It embodies the "CG principle" that the Board of Directors of every stock corporation, although it speaks and decides through the vote of the majority of its members, should have varied representation that allows the airing of the concerns and interests of the minority stockholders. The mandatory cumulative voting system in the election of the members of the Boards of Directors of companies under the Corporation Code therefore adheres to the current CG principle of "equitable treatment of shareholders." Again, you can appreciate the centrality of the cumulative voting in the governance system for stock corporations, when compared to the provisions of the Corporation Code with respect to non-stock corporation where the default rule is straight voting for the members of the Board of Trustees.

The Corporation Code provisions on the manner of election, the qualifications and disqualifications for members of the Board of Directors ensure that only qualified persons occupy what is clearly a position of trust, and therefore adhere to the CG principle of competence. In Gokongwei, Jr. v. Securities and Exchange Commission, our Supreme Court recognized the principle that it is in the by-laws that the corporation may provide for additional qualifications and disqualifications for directors other than those found in statutory law, such as the power given under the then Section 21 of the Corporation Law (now Section 47 of the Corporation Code), thus:

In this jurisdiction, under section 21 of the Corporation Law, a corporation may prescribe in its by-laws "the qualifications, duties and compensation of directors, officers and employees…." This must necessarily refer to a qualification in addition to that specified by section 30 of the Corporation Law, which provides that "every director must own in his right at least one share of the capital stock of the stock corporation of which he is a director….Section 21 of the Corporation Law expressly gives the power to the corporation to provide in its by-laws for the qualification of directors and is "highly prudent and in conformity with good practice."

Section 16 of the Corporation Code provides that any amendment to the provisions of the articles of incorporation would be valid and effective only upon a resolution by the majority of the Board of Directors and ratified by at least two-thirds (2/3) of the outstanding capital stock, with the amendments to be thereafter approved by the SEC. In turn, Section 48 provides that any amendment of the by-laws would be valid and effective only upon a resolution by the majority of the Board of Directors and ratified by at least a majority of the outstanding capital stock. In essence, outside of statutory provisions on the matter, the composition of the Board of Directors and the qualifications and disqualifications of its members are governed by existing provisions in the articles of incorporation and by-laws, and cannot be changed simply by a formal resolution of the Board of Directors in the exercise of their business judgment.

It is therefore part of good governance paradigm under the Corporation Code that the composition, manner of election, the qualifications and disqualifications, and the compensation of members of the Board of Directors should be clear and transparent to current and future stockholders, and founded upon firm and stable bases (i.e., statutory rules, articles and by-laws provisions), and upon which nomination and election processes can be pursued. The Corporation Code seems to consider as "bad CG" that the Board would have the power to provide on its own business discretion, even by formal board resolutions, for its composition, to adopt additional qualifications and disqualifications, or even to provide for themselves remunerations.

The Corporation Code therefore embodies a bias against giving Boards of Directors the power to influence on who may sit on the board at any given time, by merely adopting resolutions that would qualify only their chosen candidates, or even to adopt new norms of disqualification that would ease out members who are opposed to their views.

To tolerate such state of matters would allow the incumbent majority of the Board to wield greater influence on other members, and the threat of being "disqualified" out of the board, would such minority directors fall under the influence of the majority. Such state of things would be contrary to the public policy behind the cumulative voting system for stock corporations. It would also be contrary to what seems to be the current "CG policy" under the Corporation Code, that directors as individually elected members of the Board must be totally accountable only to the corporation and the stockholders, and not to the Board as the possessor of all corporate powers under the doctrine of centralized management.

The article was published in BusinessWorld on 11 FEB 2019.

A MORE POWERFUL SEC

Atty. Euney Marie J. Mata-Perez, FICD
Managing Partner, MTF Counsel Attorneys at Law
Director, Financial Executives Institute of the Philippines (FINEX)

Republic Act No. 11232 or the Revised Corporation Code (RCC) has expanded the role and increased the powers of the Securities and Exchange Commission (SEC).

Senator Franklin Drilon, the main author of the law, said during the very well-attended joint forum of the RCC, spearheaded by the Institute of Corporate Directors (ICD), held on March 26, 2019, the RCC has four reform clusters: 1) set policies that will enhance the ease of doing business in the Philippines, 2) strengthened stockholder protection and institutionalized good governance, 3) institutionalized provisions that will instill corporate social responsibility and 4) strengthened the country's policy and regulatory corporate framework.

The reforms resulted in granting the SEC expanded powers. In his speech, however, Senator Drilon reminded the SEC not to 'stifle' business in the exercise of its expanded powers. SEC Chairman Emilio B. Aquino, who was also a speaker at the forum, assured the audience they will do what is right and bear in mind the lawmaker's reminder.

Chairman Aquino has confirmed that no consolidated rules will be issued; instead the SEC will issue rules on specific topics, such as rules on the one-person corporation (OPC), the use of electronic data message, as well as participation and voting through remote communication or in absentia of stockholders. So, what do the expanded powers of the SEC under the RCC include?

Power to interpret the RCC – The RCC has given the SEC room to interpret several major provisions of the RCC. For instance, while the RCC has defined what constitutes corporations vested with 'public interest', it provides that the SEC has the power to determine what 'other corporations' may be deemed to be engaged in businesses vested with public interest similar to those identified in the RCC, after taking into account relevant factors which are germane to the objective and purpose of requiring the election of an independent director, such as the extent of minority ownership, type of financial products or securities issued or offered to investors, public interest involved in the nature of business operations and other analogous factors.

Also, the SEC can set the parameters when OPCs, for instance, are required to be 'adequately financed', or what is 'irreparable injury' for purposes of issuing cease and desist orders against fraudulent acts or violations of the RCC.

Removal of directors – The RCC provides that the SEC shall, motu proprio (on its own) or upon verified complaint, and after due notice and hearing, order the removal of a director or trustee elected despite the disqualification, or whose disqualification arose or is discovered subsequent to an election. The SEC may also impose sanctions on the board of directors or trustees who, with knowledge of the disqualifications, failed to remove such director or trustee.

Qualifications/disqualifications of directors – The SEC may also impose additional qualifications or other disqualifications of directors in its promotion of good corporate governance or as a sanction in its administrative proceedings.

Election of directors and trustees – The SEC has the power to call an election of directors and trustees in case no stockholders meeting is held for election of new directors and trustees, and no new date has been designated, or if the rescheduled election is likewise not held. In such cases, the SEC may, upon the application of a stockholder, member, director or trustee, and after verification of the unjustified non-holding of the election, summarily order that an election be held.

Power to prescribe forms – The SEC is empowered to prescribe the form and substance of the financial reporting required by the commission, reports on compensation, and other reports, including contents of minutes of meeting.

Expansive investigative powers and powers to impose sanctions– The RCC has added an entire new section on offenses and penalties, and in relation thereto, the SEC is empowered to investigate an alleged violation of the RCC, rule, or regulation, issue subpoena and subpoena duces tecum, take testimony in any inquiry or investigation, perform other acts necessary to the proceedings or to the investigation, and of course, impose sanctions permitted under the RCC. These sanctions include the imposition of huge penalties, suspension or revocation of certificate of incorporation, imposition of permanent disqualification for directors and officers, and citing in contempt any person who unjustifiably fails or refuses to comply with any subpoena issued or lawful order.

Power to issue cease and desist orders; contempt – Whenever the SEC has reasonable basis to believe that a person has violated, or is about to violate the RCC, a rule or regulation, it may issue cease and desist orders .It may also issue a cease and desist order ex parte to enjoin an act or practice which is fraudulent or can be reasonably expected to cause significant, imminent and irreparable danger or injury to public safety or welfare. Aside from proceeding administratively against the guilty person, the SEC can also transmit evidence to the Department of Justice for preliminary investigation or criminal prosecution for any violation of the RCC, rule or regulation.

The above enumeration is not exhaustive, but the bottom line is that the SEC has been granted more powers to regulate and impose sanctions on corporations, their stockholders, directors and officers. All of these powers are aimed at protecting not just minority shareholders, but also creditors and the public in general. However, as mentioned by Senator Drilon, such powers should be exercised with caution so as not to stifle business. Indeed, the SEC will be playing a very critical role in our country's future business environment.

The article was published in Manila Times on 28 MAR 2019.

REGULATORY UPDATES

Click on the links for the details.

SECURITIES AND EXCHANGE COMMISSION

Revision of the General Information Sheet (GIS) to Include Beneficial Ownership Information

MC No. 17 s.2018
URL: http://www.sec.gov.ph/wp-content/uploads/2018/12/2018MCNo17.pdf

Sustainability Reporting Guidelines for Publicly-Listed Companies

MC No. 04 s.2019
URL: http://www.sec.gov.ph/wp-content/uploads/2019/02/2019MCNo4-1.pdf

BANGKO SENTRAL NG PILIPINAS

Amendments to the Basel III Framework on Liquidity Standards - Net Stable Funding Ratio

Circular No. 1034
URL: http://www.bsp.gov.ph/regulations/regulations.asp?type=1&id=4112

Amendments to the Basel III Liquidity Coverage Ratio Framework and Minimum Liquidity Ratio Framework

Circular No. 1035
URL: http://www.bsp.gov.ph/regulations/regulations.asp?type=1&id=4111

FIRST QUARTER DIRECTOR SURVEY RESULTS

For 2019, ICD started a series of short monthly surveys distributed among its membership which sought to "check the pulse" of board directors, corporate executives, and other professionals on different areas of Corporate Governance (CG). The first quarter involves two areas of CG – regulatory impact on businesses and board performance.

IMPACT OF REGULATIONS ON CORPORATE GOVERNANCE

78% say that Corporate Governance regulations foster and improve innovation in the organization

88% think regulatory reforms have been effective in

- mitigating business risks
- improving quality of CG practices

Regulatory impact on Company Strategy Execution

IMPACT OF CG REGULATIONS ON:

- Director monitoring and accountability
- Policy, practices, and culture
- Contribution to society and environment

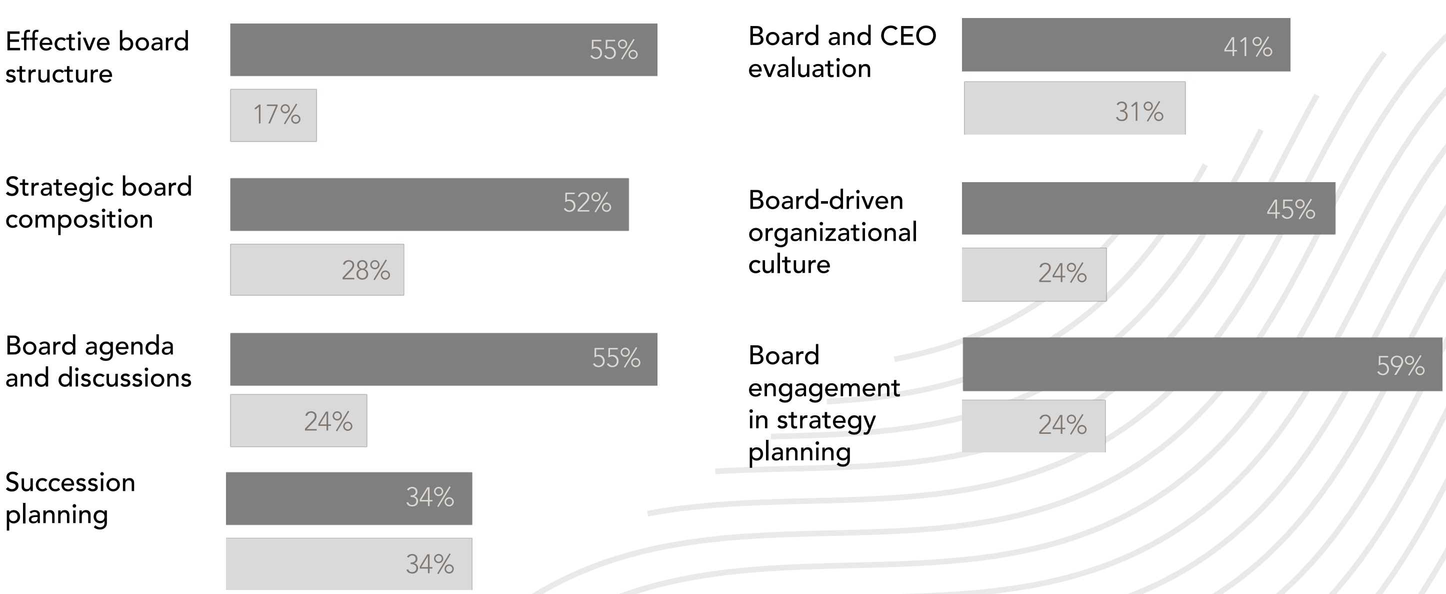
BOARD PERFORMANCE

Top emerging issues and challenges faced by the board

Succession planning	**48%**
Board quality and composition	44%
Regulatory compliance Technological disruption and innovation Political and economic outlook	41%

69% say their companies have strategic plans with clear priorities and measurable goals.

Board performance assessment (high performance and low performance)



ARTICLES ON BOARD PRIORITIES

A 'Twist' On Top Ten Governance Trends For 2019

By Michael Peregrine

Forbes

The annual list of priorities for a corporate board have always included terms such as "regulations", "cybersecurity", "labor and employment" and even "shareholder activism". Forbes contributor and Michael Peregrine offers a so-called "list with a twist" on the new areas board directors must focus on apart from the usual laundry list for the year this 2019.

Read more: http://bit.ly/2TVoezy

2019 Global & Regional Trends in Corporate Governance

By Rusty O'Kelley, Anthony Goodman, and Melissa Martin, Russell Reynolds Associates

Harvard Law School Forum on Corporate Governance and Financial Regulation

Board quality, effectiveness, and accountability to shareholders continue to lead the global trends on board priorities. However, new trends and challenges in corporate governance continue to emerge every year. This article summarizes the findings of a study conducted by Russell Reynolds Associates involving institutional and activist investors, pension fund managers, proxy advisors, and other corporate governance professionals from different countries.

Read more: http://bit.ly/2Oh8xgD

TAKING THE LEAD: Family Firms in the Fourth Industrial Revolution

Distinguished Corporate Governance Speaker Series | 21 February 2019
Makati Diamond Residences

In photo: Mr. Ong Boon Hwee, Chief Executive Officer, Stewardship Asia Centre

In the advent of the fourth industrial revolution (FIRe) and technological advancement, constant changes and improvements can be seen in different parts of the world. Populations are on the rise, the average lifespan of people are lengthening, and economic organizations become more complex and integrated – yet business lifecycles are short and are quickly on the decline. As a country dominated by family firms, there is an immediate need for a change in mindset if family firms are to persist in the era of FIRe.

Below are three key takeaways for family firms discussed in ICD's first quarter Distinguished Corporate Governance Speaker Series (DCGSS) entitled "Family Business Governance in the Fourth Industrial Revolution" with Mr. Ong Boon Hwee from Stewardship Asia Centre and Mr. Boon Chong Na from Aon Hewitt Singapore as keynote speakers.

1. The spirit of stewardship

Stewardship is about growth. From the financial and business points of view, the value stewardship provides a guiding principle in achieving long-term growth. The growth perspective also covers initiatives geared


In photo: Mr. Na Boon Chong, Managing Director and Partner, Aon Hewitt Singapore

promotes growth that would benefit society at large.

One of the identified challenges in line with this principle in family businesses involves the differences in vision and direction between the current generation of business owners and the succeeding generation. In this case, a mandate and charter detailing the purpose and vision of the business must be formulated and agreed upon by the owners. Furthermore, the board, senior management, and pertinent stakeholders must be brought together to discuss and reconcile interests regarding the direction of the firm.

2. Succession planning is a major family firm concern

Philippine family firms have place importance and have varying policies in laying out the succession of the company. Some firms keep the selection of the successor confidential as choosing the next-in-line is considered as the prerogative of the business owner. Other firms completely prohibit the owner's children or relatives from working or having a position in the company.

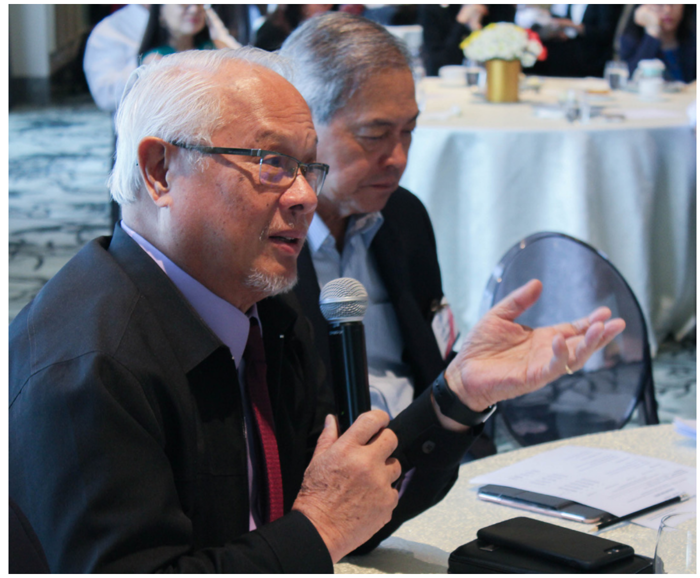
In cases where the children of the owners are allowed to work and become successors of the business, they are required to work in three to five other firms prior to entering the family business. They are also sent to notable universities abroad to obtain their MBA degree. Some firms also assign family members and executives to mentor the prospective successors as part of character and capacity building.

3. Communication and transparency are tantamount to company success

As family firms juggle business and family matters, it is a common struggle for directors and executives to not stay within business or family lines. It is therefore important to constantly communicate and to create an atmosphere of trust within the family business.

One company established a family council composed of the family directors/ executives and the elders. The family council serves as a venue where concerns of individual members are addressed and values are aligned. Another family firm regularly lays out and revisits their 5-year plan. The company also ensures the alignment of direction and values through conducting a corporate board retreat.

Through the appreciation and practice of stewardship, rigorous succession planning, constant communication and transparency, Philippine family firms would become more equipped not only in adapting to constant change but also in taking the lead in the fourth industrial revolution.



In photo (L-R): ICD Vice Chairman Mr. Rex C. Drilon II, FICD and ICD Trustee Atty. Pedro H. Maniego Jr., FICD

On the panel (L-R): Delgado Brothers Group's Mr. Jose Paolo L. Delgado, FICD; Metro Retail Stores Group, Inc.'s Mr. Jonathan Juan D.C. Moreno, FICD; and ICD CEO Mr. Alfredo E. Pascual, FICD

STEWARDSHIP IN FAMILY BUSINESS

Mr. Senen L. Matoto, FICD
Consultant
Capital Markets Specialist

Last week, I attended a seminar organized by the Institute of Corporate Directors on Stewardship in Family Business. The speaker was Ong Boon Hwee, chief executive officer of Stewardship Asia, a non-profit organization supported by Temasek, the giant state-owned investment fund of Singapore, created for the purpose of promoting stewardship and good governance in the region.

What is stewardship? A short answer from Webster's dictionary is: "stewardship is the careful and responsible management of something entrusted to one's care."

But what is being careful and responsible? Is it just to ensure that the value of the entrusted object is maintained?

Most of us are aware of the biblical parable of the different servants who were given the task of looking after tokens left by their master for prudent safekeeping. Upon the master's return, each one was asked what became of the tokens. One after the other responded that they invested the tokens and had earned varying amounts of tokens except for one who, for fear of what might happen to the token he was entrusted with, took the safest option of simply keeping the token under lock and key. We all know, of course, how the story ended.

The master was pleased with the servants who took some risks and earned more tokens but, alas, threw the servant non-risk taker to the dungeons for not having enough gumption to make better use of the tokens!

Or as another saying goes, if you've got it, flaunt it, otherwise you lose it! More so in the context of business, stewardship or good governance is not just being careful and responsible to ensure the value of the enterprise is not eroded, but more critically, value for the owners and the greater community at large is expected to be nurtured and enhanced not just for the short term but sustained for the long term to ensure the survival of the business for the future generations.

The seminar dwelled particularly on stewardship in family business enterprises, because in Asia, as noted by Stewardship Asia in its various research articles, a family business, especially the successful ones, is the main engine of "economic development, knowledge and wealth creation and capacity building of human and social capital to benefit society in the long run."

Come to think of it, just scanning the listed companies in the Philippine Stock Exchange, particularly among the blue chips, I am hard pressed to find a corporation that is not controlled by a dominant family shareholder. But, of course, family businesses are diverse in nature, ranging from the small and medium enterprises to the giant conglomerates that have business interests in the various industries and operate in different countries.

Stewardship Asia concludes, however, that notwithstanding the diversity in scale and nature, as family businesses mature and develop, the common challenges they face can be summed up as follows: complacency and reluctance to adapt to change; how to respond to the disruptive challenges brought about by technology while maintaining the essence of the origins of their success; maintaining coherence and harmony as family ownership becomes fragmented and diluted as demand for capital grows; attracting and retaining non-family professional managers as competitive challenges come to the fore; the orderly transition from a founder dominated leadership to the second generation leadership which is most critical and, finally, upholding high standards of good governance.

Based on my own experiences working as a professional manager and as a consultant with different types of family businesses, I have seen first-hand that indeed these conclusions apply very much to the Philippines. On one end, you have the Ayala Group, a family-owned and professionally managed conglomerate whose centuries-old history is literally intertwined with our country's, across several generations of family members at the helm. To my mind, this is a family that epitomizes the true essence of stewardship and good governance, committed to the sustainability, enhancement of shareholder value and the well-being of future generations of their family and its stakeholders, as well as society in general. The Ayala family has clearly withstood the challenges demanded of good governance and stewardship.
On the other end of the spectrum are family

businesses that do not yet have the benefit of history but nevertheless have been hugely successful through the sheer single mindedness of the founding patriarch and the first generation's adherence to the culture of hard work and perseverance. The Sy Family of the SM Group is a prime example. It will be quite interesting though to see how the challenge of transition will be overcome by the group with the recent passing of the founding patriarch.

During the seminar, Mr. Hwee provided some insights on family business in Asia that I would like to share with you:

Ninety percent of corporations are family-owned, defined broadly as businesses that are driven by owners or management or by both; In a United Nations Business and Sustainable Development Commission report, it concluded that the situation for companies now in general is deeply flawed. As the lifespan of people is getting longer at an average of more than 60 years, the lifespan of companies, on the other hand, is getting shorter at less than 50 years; Capitalism is at its crossroads, wherein the mantra is now for a win-win, more inclusive, community-oriented, long-term approach with a sense of ownership among all stakeholders, instead of a short-term, just-for-profits orientation coupled with an entitlement and zero-sum mindset.

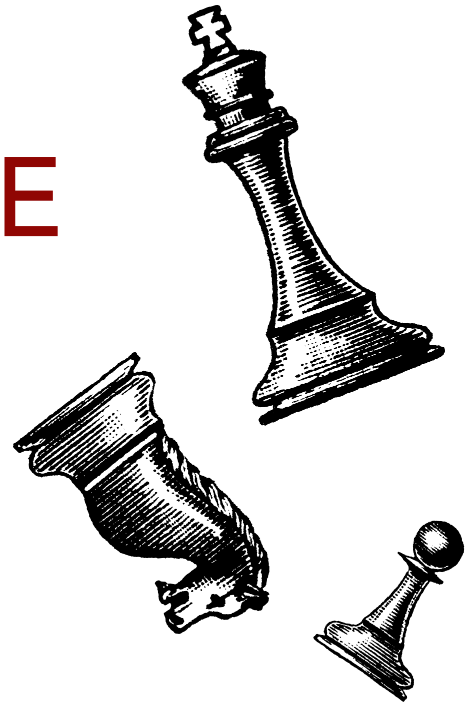
Business is a living organism. It has a life of its own which needs to be nurtured.

As good stewards, one should have the mindset of "hand over, not hang on," and, finally; "Owners should have stewardship mentality, stewards should have ownership mentality."

The article was published in Daily Tribune on 27 FEB 2019.

RISK GOVERNANCE

Dr. Pedro P. Benedicto, Jr., FICD
Philippine Representative, Ultimate Risk Solutions
Chairman, ICD CG Analytics Committee

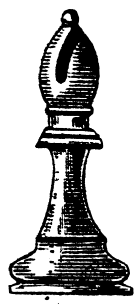


Taking calculated risks is part of any business enterprise. Effective risk management is based on a foundation of good corporate governance and rigorous internal controls. At the same time, each firm needs to have management information systems in place and processes necessary not only to identify the risks associated with its activities but also to effectively measure, monitor, and control them. An effective risk management and control structure is not sufficient; however, if it is not accompanied by an institutional culture that ensures that written policies and procedures are actually translated into practice.

Ultimately, a firm's culture is determined by the board of directors and the senior management it installs. In particular, the actions of senior management and the consistency of their decisions and behavior with the values and principles they articulate are critical to shaping firm culture. It is vital that managers make certain that their commitment to an environment that includes effective risk management and rigorous controls filters fully down the line to all employees in their organization. Authority and responsibility, also, in the implementation process, are relevant.

The literature review on corporate governance showed that very little attention has been given by researchers and scholars to risk governance as an important part of corporate governance. Based on my own experience, when giving lectures on risk management to directors of many top corporations in the Philippines, many of them are not familiar with the concept of risk management and the Board's oversight function. In the light of the recent global financial crisis, the need for risk governance becomes very relevant and paramount.

For example, risks involving human motivations based on fear and greed have continued to baffle many gurus and students of finance and management. We have seen the impact of these risks in the various financial fiascos all over the world but no model has ever been made to mitigate its impact. Maybe it is time for corporate governance scholars to dissect these human elements so we can have a better understanding on how to manage them.



This situation proves that the human perspective is a very important consideration in corporate structures and in creating corporate governance frameworks that respect all human beings and at the same time putting adequate controls that will prevent situations that will allow decision makers from overcoming their fear of being "caught" and thus let greed overcome their humanity.

Therefore, current frameworks in Corporate Governance must recognize the Board's important function on Risk Governance - the oversight of the management of risks that the organization is exposed to.

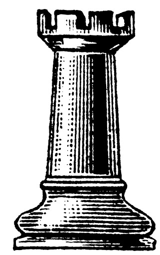
Many directors in Boards fail to see the risks when Management reports profitable outcomes. It is only when companies begin to show poor financial results that they begin to question the reasons for the poor results. The directors can contribute significantly to Management by asking questions on what are the major risks that the organization is exposed to. After identifying the major risks, directors must find out how management is managing these identified risks. What are the potential scenarios brought about by the identified risks? How will these risks impact on the organization's profit target? It is recommended that directors also ask management for the worst scenario from these identified risks. After establishing the major risks that management have to contend with, it is proposed that directors query how management will respond to the identified loss scenarios. What is the risk treatment methodology the Management is putting in place to address the identified risks, especially risks that can lead to the worst financial scenario for the organization.

Risk Governance function for the Board starts with the ability of directors to challenge Management on how they are managing the identified major risks. It is also recommended that a Board Committee for Risk Management Oversight (Risk Governance Committee) be in place separate from Audit and Investment Committees. Members of the Risk Governance Committee should be given the opportunity to update their knowledge on Risk Management (RM)/ Enterprise Risk Management (ERM).
In line with this, it is recommended that the

Institute of Corporate Directors integrate the subject of Risk Management/ Enterprise Risk Management in the current syllabus of the Professional Directors Program (PDP). Enterprise risk management (ERM) is defined by the Committee of Sponsoring Organizations (COSO) as a process, effected by the entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives.

A robust ERM starts from the top – the Board of Directors (the Board). The role of the Board on effective risk management oversight is critical. As management is accountable to the Board, the latter should focus on setting the tone and culture towards effective risk management through strategy setting, approving resources to manage risk and in setting objectives consistent with the strategy.

For example, on an annual basis, the Board must be able to approve key risks identified by Management and to ensure that Management has action plans to mitigate the impact of these risks. It should be aware that risks are continuously evolving so regular updates from Management is critical. The Board also approves the enterprise's risk appetite and determines whether its risk portfolio are still within the risk appetite set. If not, it could be that Management is not able to monitor the risk effectively and mitigate its negative impact to the enterprise. Some companies, such as banks, monitor their risk portfolios on a monthly basis, others on a quarterly basis. Insurance companies, on the other hand, since they are in the business of risk, frequently monitor breaches and operational losses to minimize the potential impact to the business – whether these may lead to financial losses or reputational damage.



As such, we need to ensure that in addition to their ability to understand financial statements and the business of the Enterprise, directors must be aware of the risks that the Enterprise is exposed to and how Management is addressing these risks. As part of the Board's risk governance function, it is tasked to monitor how Management is cascading the culture of risk management to the lowest echelon of the Enterprise.

While enterprise risk management is not the ultimate solution for future losses or challenges the enterprise face, the Board's commitment and engagement help strengthen the enterprise' resilience to risk.

WE WALK THE TALK

Ms. Ma. Aurora D. Geotina-Garcia, FICD
Trustee, Sponsoring Trustee, Board Diversity and Inclusion Committee
Institute of Corporate Directors

Diversity is essential in the Boardroom. Studies show that having diverse skill sets, experience, age, and gender contribute to an effective board and improved financial performance of the company. Globally and locally, there is a move to close the leaking pipeline and to promote more women to become board directors. According to the Wall Street Journal, "growing body of research links a greater number of women in the boardroom with stronger, long-term financial performance while boards with no women tend to suffer more corporate governance-related scandals than average." Further, in a Harvard article entitled Why Diversity Matters: Women on Board of Directors, "companies with women directors on their board also perform better than those without women by specific metrics. For example, when Fortune-500 companies were ranked by the number of women directors on their boards, those in the highest quartile in 2009 reported a 42 percent greater return on sales and a 53 percent higher return on equity than the rest."

Regulators in France, Norway, UK, USA, Australia, and Malaysia, are being proactive by mandating firms to have quotas in placing women in board seats. In the Philippines, to further enhance the board's governance culture and improve decision-making in the boardroom, the Securities and Exchange Commission (SEC) recommended that the Board should have a policy on board diversity as stated in the revised Code of Corporate Governance for publicly-listed companies (PLCs) made effective, 01 January 2017.

The Institute of Corporate Directors (ICD) is an organization dedicated to professionalizing corporate directorship and raising the governance standards in the Philippine corporate sector. ICD is leading by example as it promotes board diversity. To date, there are 5 women (which is 42%) in its board of trustees. ICD has also launched the Board Diversity and Inclusion Committee with the following objectives: (a) develop a network to champion board diversity starting with gender diversity, (b) initiate relevant studies, surveys or dialogue in advancing board gender diversity and inclusion, and (c) develop capacity building courses and programs towards increasing board gender diversity and mentoring women directors.

The Board Diversity and Inclusion Committee chaired by Helen De Guzman and sponsored by Boots Garcia organized the committee and has implemented the following activities:

- Qualitative and Quantitative studies on Women on Boards (the Philippine context) in partnership with Ateneo Graduate School of Business, 2018
- Women on Boards Forum, March 2018
- Forum on Board Diversity: Does it work?, March 2019

We hope that through our initiatives, we are leaving footprints in the sand for others to embody.

In photo (L-R): Makati Business Club's Executive Director Mr. Coco Alcuaz, AICD; Ms. Nina Aguas, Executive Chair of the Board of Insular Life; and Mr. Joe Soberano, FICD and Chairman & CEO of Cebu Landmasters, Inc.

MEETING OF THE MINDS: Discourses on Gender Diversity in the Boardroom

Board Diversity: Does It Work? | 05 March 2019
Tower Club, Philamlife Tower, Makati City

In time for International Women's Day, ICD held its board diversity forum last March 5 at the Tower Club. Entitled "Board Diversity: Does it work?" the panel discussion conducted in partnership with the Makati Business Club (MBC) featured Ms. Nina Aguas, Insular Life Executive Chair of the Board and Mr. Joe Soberano, Cebu Landmasters, Inc. Chairman, President, and CEO. The discussion was moderated by MBC Executive Director Mr. Coco Alcuaz with the opening remarks delivered by ICD Board Diversity and Inclusion Committee Chair Ms. Helen De Guzman.

The following contains various insights and exchanges gleaned from the discussion. The identities (and gender) of who said what have been intentionally removed from the article – but you as a reader are free to guess if the inputs came from a male or female perspective (or even from both). (Note: Some answers are cut for purposes of brevity.)

What are the benefits of having women on boards?

"We were looking for balance in the board. Women gave a lot of constructive output in the company. There is value added from board diversity because women give more push (in board decisions and initiatives)."

"Women approach and solve problems differently and therefore add value to the board."

"Women add color to the board and there should always be a balance (between men and women). But the bottom-line has no gender."

How does the presence of women improve discussions and priorities of the board?

"Men are the aggressive type and women bring the balance because they question and prove more."

"Women are more detailed and more meticulous. They push on compliance and governance matters that men would sometimes leave on the side. They make things more orderly and defined."

"Women are equally capable of running the business and are not only for the compliance work. They have a natural instinct of managing finances and looking after the business as well."

"In the board, men are more careful in decision making. They would rather work it out outside of the boardroom. Women question more and prefer to settle things inside the boardroom."

How do we bring diversity into the boardroom? Is there a need for quota when it comes to board diversity?

"Diversity is not just about gender. It is about a good mix of people who can bring interesting ideas and perspectives in board discussion."

"While I'm against quotas generally, I think this initial effort will support having women on boards."

"Just pick out the best talent for the position."

How do we bring more women on boards?

"Men should champion and encourage women. There is a corporate ladder that needs to have a balance between family and career. Men should encourage women to move that ladder."

"The way to do it is to look at your network (for director candidates) and have potential women directors on the list. Men should embrace this development."

Other reactions

"You should put priority on competence rather than "tokenistic" diversity. If you take the best people, diversity will come automatically. Let's go for competence and performance."

"There seems to be an unconscious assumption here that the skills of men and women are different and limited. The reality for me is that women and men have the same amount of skills and capabilities depending on how they're developed. Women can be as aggressive as men. Men can be as compassionate as women. It's not men versus women but about the individual and how good that individual is."

"We really need to disabuse the idea that there is a difference between men and women. However, there are some cultural barriers which reinforce these differences. There are a lot of psychological and cultural challenges to try and promote gender diversity in the Philippines."

"It shouldn't be about quota or tokenism. It should be about competence and performance. Women should be encouraged to enter the playing field – to assert themselves and show their skills and competence. It's not about gender. It is about what you can do."

In photos (L-R): Ms. Ma. Victoria C. Espano, FICD and Chairperson & CEO of P&A Grant Thornton; Mr. Epifanio Q. Qua Hiansen, GICD and Consultant at Bacardi Martini; and Ms. Corazon P. Guidote, FICD and Chair of ICD CG Conference Committee

Holding discussions on board diversity primarily seeks to be a venue for tackling various topics on diversity and inclusion in the boardroom as well as a springboard for other programs. As stated by Committee Chair Ms. Helen De Guzman,

In photo: Ms. Helen De Guzman, FICD and Chair of ICD Board Diversity and Inclusion Committee

"ICD aims to be an institution of choice in providing independent women directors. A part of our commitment is to develop programs that will further enhance the competencies of our female members that will make them further qualified for directorship positions. As boards navigate the complex issues that companies face today, the members of the board should have a set of competencies and experiences that complement and complete each other for sustainable corporate governance. Effective corporate governance demands a wide range of perspectives from the board and not merely token representation."

- Ms. Helen De Guzman, FICD

STRIKING AGAINST CYBER ATTACKS:

Lessons in Crisis Response with AIG

Crisis Response for Cyber Incidents – Risks, Governance and Engaging the Experts | 05 March 2019
Tower Club, Philamlife Tower, Makati City

With today's rapid increase in the use of digital technologies in the workplace, technology becomes the pillar of business for companies of every size. The amount of information collected and stored on the internet is rapidly increasing. As a result, cyber criminals can attack anywhere to exploit any form of information system vulnerability. Driven by the need for businesses to become more agile and adaptable, the Institute of Corporate Directors and American International Group (AIG) hosted an educational luncheon on addressing cyber risks entitled "Crisis Response for Cyber Incidents – Risks, Governance and Engaging the Experts" last 5 March 2019 at the Tower Club, PhilamLife Tower, Makati City.

The luncheon was participated by a highly

In photo (L-R): Ms. Leilani T. Isidro, Head of Liabilities and Financial Lines of AIG; Atty. Pericles Jose Conrado R. Casuela, Partner at Betita Cabilao Casuela Sarmiento Law; Ms. Patricia Malay, General Manager of FleishmanHillard's Manila; Mr. Kevin McCaffrey, Managing Director of Blackpanda Philippines; and Mr. Liam Pomfret, Cyber and PI Lead, New Zealand & South East Asia - AIG experienced panel on the data privacy law, cyber security and public relations that aims to arm companies with knowledge on the important areas that they should be aware of. The panel is composed of Mr. Liam Pomfret of American International Group, Inc., Mr. Kevin McCaffrey of Blackpanda Philippines, Atty. Pericles Jose Conrado R. Casuela of Betita Cabilao Casuela Sarmiento Law, and Ms. Patricia Malay of FleishmanHillard's Manila. Each of the panel discussants talked about how they are to apply risk management processes in their own fields.

In photo: Mr. Antonio M. Cailao, FICD and Independent Director of Petron Malaysia Refining and Marketing Berhad

Atty. Casuela started the panel discussion by asserting that a data breach occurs once any "Personal information Controller (PIC), or any company/entity fails to comply with its obligations under the Data Privacy Act of 2012 or Republic Act No 10173." He points out that every PIC has a responsibility to report to the National Privacy Commission and notify the affected data subjects on the event of a data breach incident. This was supported by Mr. McCaffrey when he added that any enterprise lagging in cyber security preparedness is an indicator of lack of governance. He stated that all businesses must be prepared from any risks by integrating cyber security related solutions. Some of the tips he mentioned were to invest in end-to-end cybersecurity measures, secure business' existing networks, the use of virtual private network (VPN) and anti-virus software, and more. But most of all, he reminded companies to be a proactive business by staying informed and holding everyone accountable in responding to any cyber risk incident.

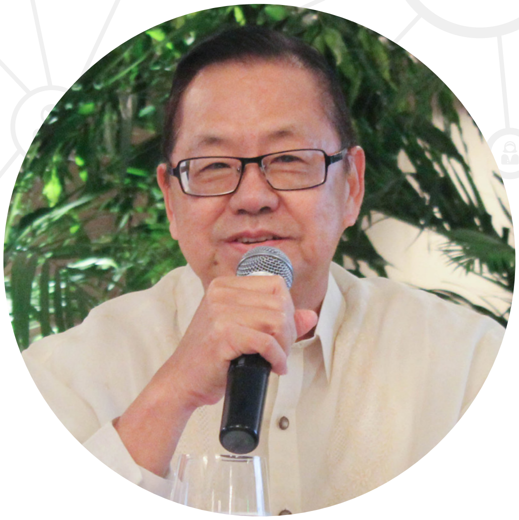
From a communications and public relations standpoint, Ms. Malay discussed the basic crisis management process. She summarized the process to Assess, Resolve and Control. Any company must be able to Assess any crisis by understandably looking at the problem and mobilizing the right team. In addition, companies must be able to Resolve the crisis by designing an effective strategy. Lastly, companies must Control by monitoring and avoiding occurrences of another crisis. To summarize the discussion, Mr. Pomfret pointed out that good governance may be practiced when board members & C-suite executives have a hand in the strategic decision on how to respond to a potential cyberattack.

He concluded by stating that businesses' incident response plan must include forensics. public relations/crisis response, legal advice, managed security, and a business continuity plan.

Truly, the luncheon educated business leaders with solutions to avoid cyber risk incidents. With all the takeaways in mind, businesses can embrace new technologies, take a proactive security approach, and ensure the culture of good corporate governance.

At ICD & AIG's Crisis Response for Cyber Incidents luncheon

MEMBERS' CORNER



The Institute of Corporate Directors would like to congratulate Board Trustee Mr. Roberto G. Manabat, FICD for garnering the prestigious AIM Alumni Achievement Award last January 2019. As the Chairman Emeritus of the KPMG R.G. Manabat and Co., Mr. Manabat has over 40 years of outstanding professional experience in the field of Accountancy.

Congratulations, Bert!

ICD Trustee Ms. Ida C. Tiongson, FICD, inducted the new ICD Fellow and Graduate Members during the ICD Fellows and Members' Breakfast Roundtable last 22 January 2019 at the Tower Club, Makati City. In photo (L-R): ICD CEO Dr. Alfredo E. Pascual, FICD; Motech Automotive's Adviser to the Board, Mr. Roy O. Emata, FICD; Navarro Amper & Co.'s Former Risk Advisory Leader, Mr. Luisito T. Amper, GICD; MGEN Manolito P. Orense (RET), GICD; Chemfields, Incorporated's Director, PCSupt Reuben Theodore C. Sindac (ret.), GICD; and ICD Trustee Ms. Ida C. Tiongson, FICD.

2019 1ST SEMESTER FACULTY SUMMIT

The 2019 1st Semester Faculty Summit was held last January 30 at UP BGC. The Summit was attended by the ICD Teaching Fellows to discuss the 2018 course delivery milestones and evaluation, introduce new ICD policies on Working Committees and Intellectual Property, and comment on upcoming Course Offerings. This year's Faculty Summit also featured a guest speaker who delivered a lecture on Creating Powerful Presentations. The program ended with a teaching demonstration from new teaching fellow applicants.

ICD COO Mr. Sisenando U. Bengzon, GICD, presented the 2018 ICD Faculty milestones and evaluation.

ICD CEO Mr. Alfredo E. Pascual, FICD discussed the ICD policies on intellectual property and the proposed working committees.

ICD Board Diversity and Inclusion Committee Chair Ms. Helen T. de Guzman, FICD, introduced the board diversity modules that will be integrated to ICD public courses.

Mr. Victor Jose R. Africa, FICD and Chairman of ICD Technology Governance Committee, discussed the 4 proposed modules for the new Technology Governance for Directors course.

ICD Teaching Fellow Ms. Corazon P. Guidote, FICD, presented the new Investor Relations course for launching this year.

Mr. Jason de Villa, Director of University of Asia and the Pacific's ICT Office, gave helpful tips to the ICD Teaching Fellows and Members on creating powerful presentations.

In photo (L-R): Mr. Tomas S. Gomez IV, FICD; Atty. Jose Tomas C. Syquia, FICD; Dr. Vaughn F. Montes, FICD; Mr. Ricardo Nicanor N. Jacinto, FICD; and Mr. Geocel D. Olanday, FICD (Rookie of the Year). Not in photo: Mr. Carlos Jose P. Gatmaitan, FICD

After the presentations, the 2018 Top Five Teaching Fellows and the Rookie of the Year received their tokens and smiled for a snapshot.

In photo (L-R): Mr. Conrado B. Roxas, FICD; Ms. Annaliza G. Tan-Cimafranca, GICD; Mr. Roy O. Emata, FICD; and Mr. Serafin Jesus N. Juliano, FICD.

Three of the 2018 Top Teaching Fellows evaluated the demonstration of the new Teaching Fellows.

In photo (L-R): Mr. Ricardo Nicanor N. Jacinto, FICD; Atty. Jose Tomas C. Syquia, FICD; and Mr. Tomas S. Gomez, FICD.

HAPPY BIRTHDAY TO THIS QUARTER'S CELEBRANTS!

JANUARY


JAN 1
Jovito Gertes


JAN 2
Denis Cabucos


JAN 3
Reginald Tiu


JAN 4
Carlos Jose Gatmaitan


JAN 6
Helen De Guzman


JAN 6
Clarissa Isabelle Delgado


JAN 6
Rowena Nieves Tan


JAN 7
Mary Ann Judith Morante


JAN 11
Edilberto Adan


JAN 11
Paolo Luis Francisco


JAN 12
Domingo Diaz


JAN 12
Gladys Sta. Rita


JAN 14
Imelda Manguiat


JAN 15
Francisco Eizmendi, Jr.


JAN 16
Stanley Go


JAN 17
Eireene Xina Acosta


JAN 17
Ma. Celeste Ramos


JAN 18
Roberto Manabat


JAN 18
Maria Cecilia Ortiz


JAN 19
Oliver Butalid


JAN 19
Ronald Chua


JAN 19
Alfredo Jose Reyes


JAN 21
Floriencia Tarriela


JAN 23
Rabboni Francis Arjonillo


JAN 24
Rodel Mauro Alarcon


JAN 24
Alfredo Parungao


JAN 26
Mickel Borigas


JAN 26
Romeo David


JAN 27
Jesulito Cornejo


JAN 30
Frank David Numann


JAN 31
Luis Cañete

HAPPY BIRTHDAY TO THIS QUARTER'S CELEBRANTS!

FEBRUARY


FEB 1
Manuel Fong, Jr.


FEB 2
Cesar Aris Kintanar


FEB 3
Imee Daguman


FEB 6
Kristine Mari Nolasco


FEB 7
Joseph Hodreal, Jr.


FEB 7
Dennis Montecillo


FEB 7
Fidel Posadas


FEB 9
Crispiniano Acosta


FEB 9
Eduardo David


FEB 9
Francisco Lim


FEB 10
Karen Batungbacal-De Venecia


FEB 11
Robin King


FEB 11
Jose Jesus Laurel


FEB 12
Jones Castro, Jr.


FEB 14
Valentino Bagatsing


FEB 16
Julie Reyes


FEB 17
Anthony Decoste


FEB 19
Ma. Angela Ignacio


FEB 19
Rebecca Sarmenta


FEB 21
Jaime Ramon Ortigas


FEB 22
George Aliño


FEB 23
Dante Briones


FEB 23
Rossana Javier


FEB 25
Regino Magno


FEB 25
Vaughn Montes


FEB 28
Belinda Dugan

HAPPY BIRTHDAY TO THIS QUARTER'S CELEBRANTS!

MARCH


MAR 2
Simplicio Umali, Jr.


MAR 4
Ernestine Carmen Jo Fernando


MAR 4
Generosa Pio de Roda


MAR 5
Arnold Andales


MAR 9
Erwin Orocio


MAR 11
Eduardo Francisco

MAR 12
Genando De Leon


MAR 13
Fe Barin


MAR 14
Jose Ejercito


MAR 15
Epifanio Qua Hiansen


MAR 17
Ma. Emeren Vallente


MAR 18
Mario Demarillas


MAR 18
Ramon Gonzalez


MAR 18
Ricardo Jesus Gutierrez

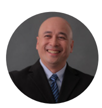

MAR 18
Jose Victor Lobrigo

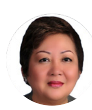

MAR 19
Arthur Aguilar


MAR 20
Edna Bernales


MAR 20
Alexander Genil


MAR 21
Eric Uchida


MAR 25
Jonathan Juan Moreno


MAR 26
Ma. Dolores Yuvienco


MAR 26
Edward Dennis Zshornack


MAR 27
Carmelo Alcala


MAR 27
Arturo Manuel, Jr.


MAR 27
Gladys Abegail Siñel


MAR 28
Ramon Monzon


MAR 30
Johannes Hauri


MAR 30
Alexander Patricio


MAR 30
Paulino Servado, Jr.


MAR 31
Arturo Lopez