

Questionnaire

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Question	Description	Score	Remarks
<p>Part I. The Rights of Shareholders 20%</p> <p><u>Rights Defined</u></p> <p>1. Does the company offer other ownership rights beyond voting?</p>	<p>Examples of additional rights are equitable shares of the profits and/or dividends, equal treatment for share repurchases and the right to mortgage and sell , etc. Adequate:None Better:Either one of the rights Best:All</p>	Best	<p>The declaration of stockholders' rights embody EDC's commitment to good corporate governance; as such, in addition to the rights granted by the law, the Energy Development Corporation (EDC) expressly declares its commitment to Promote Stockholders' Rights in its Corporate Governance Manual and its website</p>
<p>2. Is the policy on the directors' remuneration disclosed to the shareholders?</p>	<p>Policy and criteria for director remuneration should be presented to shareholders. (Remuneration is defined as the total emoluments other than per diems.) ADEQUATE: NO; BETTER: BLANK; BEST: YES</p>	Yes	<p>The current remuneration system of the Directors was approved by the SH in its meeting in 2007. Pls see EDC's 2009 20-IS, Part 1: Information required in information statement, (Item 6, page 17)</p>
<p>3. How is the directors' remuneration disclosed to the shareholders?</p>	<p>Directors compensation should be determined according to the company's stated criteria & policy, with approval by the shareholders. ADEQUATE:Directors remuneration available only as total/summation - Please choose NO; BETTER:Blank; BEST:Details of remuneration policy available- Please choose YES</p>	Yes	<p>The director's remuneration has been presented on a 3-year matrix together with those of other members of key management personnel by benefit type (short-term employee benefits and post-employment benefits)</p> <p>Re the AGM Minutes, since the director's remuneration policy was approved in 2007, there has been no change in the same up to the present. That resolution of the Board and stockholders was disclosed to the SEC and PSE in EDC's disclosure in July 2007.</p> <p>The 2009 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports.</p> <p>Online/Web Sources are the 2009 Annual and Sustainability Report and the 2010 20-IS:</p> <ul style="list-style-type: none"> 2009 Integrated Annual and Sustainability Report, Sec1:136, item e, Remuneration of Key Management Personnel. URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-

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			<p>version1.pdf</p> <ul style="list-style-type: none"> 20-IS 2010, Part 1: Information required in information statement, (Item 6, pages 20 - 21)
<p>4. Does the company allow shareholders to elect board members individually?</p>	<p>Shareholders should have an opportunity to consider and elect each board member individually. ADEQUATE:NO BETTER: BEST:Yes</p>	Best	<p>Shareholders are given the option to vote such number of shares for as many persons as there are directors to be elected or he may cumulate his shares and give one (1) candidate as many votes as the number of directors to be elected, provided that the total number of vote cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.</p> <p>The following are the information source:</p> <ul style="list-style-type: none"> AGM Agenda (Included in the pages of the online copy of the 20-IS of EDC 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf Company By-Laws, URL:http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf 20-IS 2010: Item B, Control and Compensation Information, page 4 <p>The 2010 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports. URL or the page: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf</p>
<p><u>Rights Disclosed</u></p> <p>5. Quality of Notice to call Shareholders' Meeting in the past year. Notice should include:</p> <p>5. 1. Nomination of directors providing their names and background.</p>	<p>Background refers to individual profile of new directors and returning directors. For returning directors, must include board meeting attendance and performance. ADEQUATE: None; BETTER: Includes individual profile of new directors and returning directors; BEST: Includes individual profile of new directors and returning directors and board meeting attendance and performance</p>	Best	<p>Information sources show individual profiles of new and returning directors including Board Meeting Attendance record</p> <ul style="list-style-type: none"> 20-IS 2010, Part 1: Information required in information statement, Item 5, pages 6-16 <p>The 2010 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports. URL or the page: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf</p> <p>The Board Attendance record can also be viewed at the EDC website</p>

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			at URL: http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-0708_EDC.pdf
5.2 Is there adequate information on the external auditor? Are their name(s), profile, detail of fees and other engagements with the company (tax, consulting, etc.) provided?	Information Statement, AGM Minutes, Agenda ADEQUATE:None BETTER:Inadequate information mentioned BEST:All information presented	Best	- 20-IS 2010, Part 1: Information required in information statement (Item 7 page 21 "Independent Public Accountants") - The 2010 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports. URL or the page: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-info-Statement-2009-29July2010-ASM-PSE.pdf
5.3 Dividend policy, in providing the amount and explanation.	Notice to call Shareholders; Meeting, Information Statement, AGM Minutes, Agenda ADEQUATE:Both items missing BETTER:Includes only one item BEST:Includes both items	Best	Both amount and explanation of dividend policy of EDC are provided - AGM Minutes, pages are properly tagged in submitted documents - AGM Agenda, with tagged pages - 20-IS 2008, Management Report, Item "F. Market Price of And Dividends on the Registrant's Common Equity" page 43-45 - The 2008 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports. URL or the page: http://www.energy.com.ph/wp-content/uploads/2009/07/Definitive-Info-Statement-May-14-2008-Final-PSE.pdf . The information is in pages 68-70 of 177 of the electronic file
5.4 Does the information statement have an executive summary?	There should be a summary and/or a simple presentation of the company's financial, operational and legal highlights. This is to allow the ordinary shareholder or stakeholder to be fully aware of the company status. ADEQUATE:No BETTER: BETT:Yes	Yes	The Management Report and the Management Discussion and Analysis of Financial Condition and Results of Operations (MD & A) indicated in the 20-IS 2008 covers the information required under an Executive Summary, giving an overview of the company's financial, operational, and legal highlights. - 20-IS 2008, Management Report - The 2008 Information Statement can also be downloaded from the EDC website at Investor Relations, PSE/SEC Structured Reports. URL or the page: http://www.energy.com.ph/wp-content/uploads/2009/07/Definitive-Info-Statement-May-14-2008-Final-PSE.pdf . The information is in the Management Report Section
6. Quality of Minutes of Shareholders' Meeting 6.1 Voting method and vote counting system	Voting method and vote counting system should be declared before the meeting begins. ADEQUATE: Not included; BETTER: ; BEST: Included	Yes	As indicated in the submitted documents, voting method and vote counting system are declared before the official start of the meeting - AGM Minutes - Notice to call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - Company By-Laws, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-

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			Meeting-with-Amended-AOI-and-By-Laws.pdf - 20-IS 2010, Part 1: Information required in information statement, (Page 4, Item 4. "Voting Securities and Principal Holders Thereof"), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf <u>Also, the minutes of the 2009 ASM shows the actual voting and the voting results. We have attached a copy of the 2009 Annual Stockholders' Meeting</u>
6.2 Issues and Motions	The minutes should indicate the issues and motions raised during the meeting. Minutes of Shareholders Meeting ADEQUATE: Not Included BETTER: BEST: Included	Best	The Approved 2009 Annual Stockholders' Meeting Minutes indicate all the issues and motions raised during the meeting. - 2009 AGM Minutes
6.3 Agreements arrived at during the meeting;	The minutes should indicate the agreements arrived at during the meeting Minutes of Shareholders Meeting ADEQUATE: Not Included BETTER: BEST: Included	Best	The approved 2009 Annual Stockholders' Meeting Minutes show agreements arrived at, i.e.; Approval of Previous Minutes, Annual Report, etc. A copy of the 2009 Annual Stockholders' Meeting Minutes is hereby attached for reference.
6.4 Corporate acts which were approved or disapproved by the stockholders.	The minutes should indicate Corporate acts which were approved or disapproved by the stockholders. ADEQUATE: Not Included BETTER: BEST: Included	Best	The approved 2009 Annual Stockholders' Meeting Minutes indicates the Ratification of Corporate Acts starting from page. The copy of the signed 2009 Annual Stockholders' Meeting Minutes is attached for reference.
Participation in AGM 7. Did the Chairman of the Board attend the last two AGMs?	Shareholders should have an opportunity to address the Chairman of the Board.AGM Minutes, Reports to PSE/SEC/BSP, Certification of Attendance. ADEQUATE: Failure to attend both AGMs due to justifiable reasons ; BETTER:One absent due to justifiable reason	Best	For the 2008 and 2009 Annual Stockholders' Meetings, Chairman Oscar M. Lopez was present. - AGM Minutes of 2008, page 5 and 2009, page 11 - SEC & PSE Disclosure under SEC Form 17-C on matters decided in the 2009 AGM - Certificate of Directors' Attendance in Board Meetings for 2008, URL: http://s75445.gridserver.com/wp-content/uploads/2009/03/Attendance-during-board-meetings-in-2008.pdf and 2009, URL: http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-0708_EDC.pdf
8 Did the CEO/Managing Director attend at least one	Shareholders should have an opportunity to address the CEO and MD.AGM Minutes,	Best	AGM Minutes of 2008, page 5 and 2009, page 11Then President Paul A. Aquino attended the last two (2) Annual Stockholders' Meeting

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of the last two AGMs?	Reports to PSE/SEC/BSP, Certification of Attendance. ADEQUATE:Zero; did not attend either of the two AGMs ; BETTER:One; attended one AGM ; BEST:Two; attended both of the last two AGMS		The incoming President, Mr. Richard B. Tantoco, was also present during the 2008 and 2009 Annual Stockholders' Meeting. At the time, he was Deputy President, then President and COO. - SEC & PSE Disclosure under SEC Form 17-C on matters decided in the 2009 AGM - Certificate of Directors' Attendance in Board Meetings for 2008, URL: http://s75445.ordserver.com/wp-content/uploads/2009/03/Attendance-during-board-meetings-in-2008.pdf and 2009, URL: http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-0708_EDC.pdf
9 Is a name list of board members attending the AGM available?	Name list of board and committee members in attendance should be recorded in the minutes. AGM Minutes, Reports to PSE/BSP ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	As a matter of Corporate practice, the attendance of the Members of the Board in the Annual Stockholders' Meetings are indicated in the following: <ul style="list-style-type: none"> • AGM Minutes of 2009, page 11 • Reports to the SEC & PSE Also, the stockholders and other investors are apprised of their attendance in the 20-IS which is issued preparatory to the Annual Stockholders' Meetings, and the 17-A.
10. Do AGM minutes record that there was an opportunity allowing shareholders to ask questions/raise issues in the past year?	Shareholder participation is guaranteed if the logistics of meetings allow this. Agenda time should be allocated for questions. AGM Minutes, Reports to PSE/BSP		yes, the minutes of the Annual stockholders' Meetings show this. Copies of the minutes of the meetings are attached in our response to questions under Items 6, etc.
10.1 Is there a record of answers and questions?	Firms which record shareholder questions and the corresponding answers from directors/managers earn a "good" score, while firms with no record are judged "poor". AGM Minutes. ADEQUATE:No ; BETTER: ; BEST: Yes.	Yes	See the Minutes of the 2009 Annual Stockholders' Meeting Information source - AGM Minutes of 2009
10.2 Is there a record of resolutions in the minutes?	Firms which note any resolution earned a "good" score, while firms with no record are judged as "poor". AGM Minutes,	Yes	- AGM Minutes of 2009

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	Information Statement, Agenda. ADEQUATE:No ; BETTER: ; BEST:Yes		
11 Attendance of the Board Committee Chairs	Shareholders should have an opportunity to address the Chairs of each Sub-Committee.		The Chairpersons of the different Board Committees of the Energy Development Corporation (Audit and Governance Committee, Nomination and Compensation Committee, Risk Management Committee, CSR Committee and the Operations Committee) are always present in the Annual Stockholders' Meetings. Proof of this are the attendance reports for 2008 and 2009 which are posted in the PSE website and the EDC website, in the disclosures pages.
11.1 Did the Chairman of the Audit Committee attend the last two AGMs?	Shareholders should have an opportunity to address the Chairman of the Audit Committee. Zero; did not attend either of the two AGMs. ADEQUATE:Zero; did not attend either of the two AGMs ; BETTER: One; attended one AGM ; BEST:Two; attended both of the	Best	The Audit Committee Chairman V.S. Perez, Jr. attended the last two (2) Annual Stockholders' Meetings - AGM Minutes of 2008, page 6 and 2009, page 11 - Certificate of attendance of Committee members - EDC Website: URL: http://www.energy.com.ph/corporate-governance/board-committees/
11.2 Did the Chairman of the Compensation / Remuneration / Governance Committee attend the last two AGMs?	Shareholders should have an opportunity to address the Chairman of the Compensation / Remuneration / Governance Committee. AGM Minutes, Reports to PSE/BSP. ADEQUATE: Zero; did not attend either of the two AGMs ; BETTER:One; attended one AGM ; BEST:Two;	Best	The Compensation function has been merged with that of Nomination in EDC, and as such, it is called the Nomination & Compensation Committee. Thus, the two successive year's attendance of the NCC Chairman in the AGM must also be credited for item 11.3 in the 2010 CG Scorecard - AGM Minutes of 2008, page 5 and 2009, page 11 - Certificate of attendance of Committee members - EDC Website: URL: http://www.energy.com.ph/corporate-governance/board-committees/
11.3 Did the Chairman of the Nomination Committee attend the last two AGMs?	Shareholders should have an opportunity to address the Chairman of the Nomination Committee. AGM Minutes, Reports to PSE/BSP. ADEQUATE:Zero; did not attend either of the two AGMs ;	Best	The Compensation function has been merged with that of Nomination in EDC, and as such, it is called the Nomination & Compensation Committee. Thus, the two successive year's attendance of the NCC Chairman in the AGM must also be credited for item 11.2 in the 2010 CG Scorecard

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	BETTER:One; attended one AGM ; BEST:Two; attended both of the last two		- AGM Minutes of 2008 and 2009 - Certificate of attendance of Committee members - EDC Website: URL: http://www.energy.com.ph/corporate-governance/board-committees/
Takeover Rules 12. Does the company have anti-takeover defenses?	A commonly observed takeover defense is the significant size of the board members' shareholdings in the company. Other observed defenses are cross-shareholding and pyramid holdings. The fewer defenses, the better.		In addition to the matters covered by 12.1 and 12.2, EDC has several other anti-takeover defenses, such as, but not limited to the preferred share structure of the Company (Articles of Incorporation, SEVENTH Article) and By-Laws (Article IV, Section 2) http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf
12.1 Do Board members collectively own more than 25% of outstanding shares?	Information Statement, Company Website, SEC Forms 17-A, 18-A, 23-A, 23-B. ADEQUATE:Yes ; BETTER: ; BEST:No	Yes	- 20-IS 2010, Part 1: Information required in information statement (page 14, "Nominees for Directors") URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - SEC and PSE Report on beneficial ownership of shares - EDC Website, Disclosures pages - PSE Website, EDC Disclosure pages
12.2 What is the proportion of outstanding shares that are considered "free float"?	The bigger the float, the better. Annual Report, Information Statement, company website, Quarterly Disclosures to PSE/BSP (re: computation). ADEQUATE: 0 - 20% ; BETTER: 20 - 30% ; BEST:over 30%	Best	EDC's free float at the end of 2009 is 39.94% as per public ownership report as of December 31, 2009 submitted to the PSE. - PSE Website: http://www.pse.com.ph/ (on EDC) - 20-IS 2010, Part 1: Information required in information statement (page 14, "Nominees for Directors") URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - EDC Website, Disclosures pages
Part II. Equitable Treatment of Shareholders 20% Voting Rights for Shareholders	Annual Report, Information Statement, Articles of Incorporation. ADEQUATE:No ; BETTER: ; BEST:Yes	Yes	The principle of one share, one vote applies to both existing classes of EDC shares – common and preferred – regardless of the value of each class of shares. - 20-IS 2010, Part 1: Information required in information statement (page 6, Item 4, "Voting Securities and Principal Holders thereof") URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - Articles of Incorporation, URL: http://www.energy.com.ph/wp-content/uploads/2009/10/Increase-in-Authorized-Capital-Stock-and-Stock-Dividend.pdf

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13. For the same class of shares, does the principle of one share one vote apply?			content/uploads/2009/10/Increase-in-Authorized-Capital-Stock-and-Stock-Dividend.pdf - Company By-Laws, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf - Information Statement
14. Does the company have any mechanism that allows minority shareholders to influence board composition?	The company should describe the process in its annual report. Some examples are 1) cumulative voting, and 2) explicitly allowing minority shareholders to influence the nomination of independent directors. nnuual Report, AGM Notice to Shareholders, Company Governance Guidelines and/or Articles of Incorporation, Information Statement. ADEQUATE:No BETTER: BEST: Has mechanism to allow minority shareholder to influence board composition.	Yes	Cumulative voting is allowed for the election of Directors. With such scheme, minority shareholders may combine their votes in favor of one director, or distribute them to their directors of choice. Further, the Company's Corporate Governance Manual also includes provisions adopting the SEC rule and the pertinent provisions in the Securities Regulation Code on the process for electing independent directors, whereby the minority is given the option to nominate. - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - AGM Notice to Call Shareholders' Meeting - EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ - Articles of Incorporation, URL: http://www.energy.com.ph/wp-content/uploads/2009/10/Increase-in-Authorized-Capital-Stock-and-Stock-Dividend.pdf - Company By-Laws (Article II, par. 6), pages 25-26, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf
Shareholders Conflict 15. Has there been any case of insider trading involving company directors and management in the past two years?	Directors and management should act in the best interest of shareholders and thus should not be involved in any case of insider trading. Annual Report, Information Statement, SEC and/or PSE records . - ADEQUATE: Yes ; BETTER: ; BEST:No	No	There is no such case involving company directors and management, based on the SEC & PSE Records. - SEC & PSE Records
16. Has the company established a system to	The company should establish a policy regarding the use of material inside	Yes	The Company's policies on Trading Rules and Restrictions strictly adhere to the requirements of the PSE and the SEC

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prevent the use of material inside information and inform all employees, management, and board members of this system?	information and make sure that all parties concerned are aware of the policy. Information Statement, Annual Report, CG Policy, Company Website. ADEQUATE: No ; BETTER: ; BEST: Yes		- EDC Website: Corporate Governance pages: CG-Related policies->Guidelines on Trading Rules and Restrictions
17. Has there been any complaint/dispute/problem regarding related-party transaction in the past two years?	Existence of complaints may be an evidence of conflict of interest. EC and/or PSE Records, SEC Form 17-A, Information Statement Additional information source: court records. ADEQUATE: Yes ; BETTER: ; BEST: No	No	There is no such complaint / dispute / problem concerning related party transactions in the past two years - SEC & PSE Records

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18. Does the company have a policy that requires management to disclose related-party transaction?	Applicable when the company is involved in related-party transactions that require shareholders' approval. Annual Report, CG Manual, Code of Ethics, Company Website, Information Statement. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	EDC strictly adheres to the requirements set forth under the SRC and the Disclosure Rules of the PSE, as well as the Accounting and auditing rules concerning disclosure of related party-transactions - 20-IS 2010, Part 1: Information required in information statement, pages 18-20, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
19. Are the nature and extent of transactions with affiliated and related parties communicated to shareholders annually?	There might be cases where company may be involved in related party transactions, but it should adequately articulate the rationale for such transactions. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	These are all clearly indicated - 20-IS 2010, Part 1: Information required in information statement, pages 18-20 "Certain Relationships and Related Transactions" URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-info-Statement-2009-29July2010-ASM-PSE.pdf - 2008 Annual Report, page 109
20. Is the company a part of an economic group where the parent / controlling shareholder also controls key suppliers, customers, and/or similar businesses?	Key customer/ supplier defined as sales/ purchases exceeding 20%, transfer pricing at non-market levels could lead to value being eroded. ADEQUATE: Yes ; BETTER: ; BEST: No	No	EDC's controlling shareholder is in a similar business but it does not control key suppliers and customers. Also, the selection of key suppliers is subject to the Company's Procurement guidelines. <ul style="list-style-type: none"> • EDC Procurement Guidelines (same as the one submitted to in the 2009 CG Scorecard) • Related customers, suppliers, are published in the Annual Report and SEC Form 17-A. • Notes to the Audited Financial Statement of the Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-info-Statement-2009-29July2010-ASM-PSE.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
Proxy Voting 21. Does the company facilitate voting by proxy?	Facilitate means sending out proxy voting forms. Notice to call Shareholders' Meeting, Information Statement. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	Shareholders are properly advised they could submit their proxies. Proxy forms are indicated in the Information Statement, and can be downloaded from the company website <ul style="list-style-type: none"> • Notice to Call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf • 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf • Proxy Forms
22. Does the notice to shareholders specify the documents required to give proxy	This is to provide sufficient information for shareholders, in order to facilitate the use of proxy voting. Firms earning top marks clearly spelled out the documents required. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<ul style="list-style-type: none"> • Notice to Call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf • 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
23. Is there any requirement for a proxy appointment to be notarized?	This is to provide sufficient information for shareholders, in order to facilitate the use of proxy voting. Firms earning top marks clearly spelled out the documents required. ADEQUATE: Yes ; BETTER: Notice is silent ; BEST: Notarization not required	Best	Notarization is NOT required. <ul style="list-style-type: none"> • Notice to Call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf • Company Bylaws, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf • 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf

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AGM Procedures 24. How many days in advance does the company send out notice of general shareholder meetings?	Corporate Law: 2 weeks. Notice to call Shareholders; Meeting, AGM minutes, post-mail dates, Company Website, Information Statement, By-laws and Articles of Incorporation. ADEQUATE: Less than 2 weeks; BETTER: 2 weeks ; BEST: More than 2 weeks	Best	Notice is given four (4) weeks in advance. Please refer to our response in the scorecard question nos. 24.1 and 24.2 <ul style="list-style-type: none"> • Notice to Call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf • AGM Minutes • EDC Website • Articles of Incorporation, URL: http://www.energy.com.ph/wp-content/uploads/2009/10/Increase-in-Authorized-Capital-Stock-and-Stock-Dividend.pdf • Company Bylaws, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf • 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
24.1 Date of Notice	(dd/mm/yy)		The Notice was dated June 29, 2010, or four (4) weeks prior to the date of the Annual Stockholders' Meeting. <ul style="list-style-type: none"> • Notice to call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
24.2 Date of Actual Meeting	(dd/mm/yy/		The actual meeting date is July 29, 2010 <ul style="list-style-type: none"> • Notice to call Shareholders' Meeting, 20-IS 2010, page 2, http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
Part III. The Role of Stakeholders in Corporate Governance	The company has specific policies and programs implemented to address the safety and welfare of its employees consistent with its obligations to its	Yes	The Safety and welfare program in the company is well defined, specific, and properly disseminated to all employees. This can be easily accessed by shareholders in the company website and Annual Reports

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<p>10%</p> <p><u>Rights Recognition</u></p> <p>25. Does the company explicitly mention the safety and welfare of its employees?</p>	<p>employees. For holding companies, this should apply to the companies they hold.ADEQUATE: No coverage ; BETTER: Only superficial coverage; BEST: Yes, comprehensive</p>		<ul style="list-style-type: none"> • 2009 Annual Report, Sec1:43 - Sec1:45, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf • EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ • Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ • SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf • Management Report accompanying the Information Statement • Department of Energy Revised Geothermal Safety and Health Rules and Regulations and Code of Practice • EDC Safety Manual
<p>26. Does the company provide an ESOP (Employee Share Option Program), or other long-term employee incentive plan linked to shareholder value creation to employees?</p>	<p>The company has specific policies and programs on ESOP or other long-term employee incentive plan consistent to its obligation to its employees. For holding companies, this should apply to the companies they hold.- ADEQUATE: No ; BETTER: ; BEST:Yes</p>	<p>Yes</p>	<ul style="list-style-type: none"> • EDC Website: http://s75445.gridserver.com/wp-content/uploads/2009/01/Amendment-to-Share-Buy-Back-Program.pdf • 20-IS 2009, Part 1: Information required in information statement (page 18, Item 10 "Amendment of the SEVENTH Article of the Articles of Incorporation to Allow the Issuance and/or Reissuance of Common Shares Pursuant to the Company's Executive/Employee Ownership Plan")
<p>27. Does the company provide a retirement plan/fund or its equivalent for its employees?</p>	<p>The company should provide a provident fund or an equivalent fund for its employees.For holding companies, this should apply to the companies they hold.Annual Report, CG Framework or Policy,Code of Ethics,Information Statement.ADEQUATE:No ;BETTER:; BEST: Yes</p>	<p>Yes</p>	<ul style="list-style-type: none"> • EDC Personnel Manual, Section 5, Subject 26 (Hard copy of the personnel manual has been submitted to for the CG Scorecards for 2007, 2008 and 2009) • 2009 Annual Report, Sec1:141 - Sec1:143, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			<p>reduced-version1.pdf</p> <ul style="list-style-type: none"> • Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ • 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
<p>28. Does the company provide a continuing training program for its employees?</p>	<p>The company has specific policies and programs on training and development consistent with its obligations to its employees. For holding companies, this should apply to the companies they hold.ADEQUATE:No coverage;BETTER:Only superficial coverage;BEST:Yes</p>	<p>Yes</p>	<p>Employees develop experience, technical proficiency, and professional advancement through training modules at EDC, traditional classroom study at the worlds leading geothermal institutions, and other international and local training providers</p> <ul style="list-style-type: none"> • Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ • 2009 Annual Report, Sec1:45, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf • EDC Personnel Manual, Section 7, Subjects 1 to 3
<p>29. Does the company explicitly mention its obligations to customers?</p>	<p>The companys obligations to customers (providing useful products that are valued by customers, etc.) should be mentioned in the company;s public communications.ADEQUATE:No coverage; BETTER:Only superficial coverage; BEST:Yes comprehensive</p>	<p>Yes</p>	<ul style="list-style-type: none"> - Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ - Sustainable Development Report - SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
<p>30. Does the company explicitly mention the role of suppliers/business partners?</p>	<p>The role of suppliers (providing raw materials; honor of business agreements; timely payment; cooperative efforts) should be mentioned in the company's public communications.ADEQUATE: No coverage;BETTER:Only superficial coverage;BEST:Yes, comprehensive coverage</p>	<p>Yes</p>	<ul style="list-style-type: none"> - Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ - Sustainable Development Report - SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			29July2010-ASM-PSE.pdf
31. Does the company explicitly mention its obligations to shareholders?	The company's obligations to shareholders (creation and growth in value; stability and long-term competitiveness) should be outlined in the company's public communications ADEQUATE:No coverage; BETTER:Only superficial coverage; BEST:Yes, comprehensive coverage	Yes	- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ - 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/
32. Does the company explicitly mention its obligations to creditors?	The company's obligations to creditors including honoring debt agreement(s) and timely payment of debt obligations. ADEQUATE:No coverage ; BETTER:Only superficial coverage ; BEST:Yes, comprehensive coverage	Yes	Yes, especially in its first ever Integrated Annual and Sustainability Report for 2009 - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ - 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
33. Does the company explicitly mention environmental issues in its public communication?	Companies earning the top score thoroughly describe their environmental activities and the standard to which they measure their performance (such as international standards like ISO 14000). ADEQUATE:No ; BETTER: Mentioned only as required by law ; BEST:Comprehensive mention of environmental issues & provides standards adhered to with explanations. (E.g. ISO 14000) or company discloses its policy/practices or projects which reflect the company's concerns for the environment.	Yes	Environmental concern is a major strength of EDC, as can be clearly seen in the Company's first Integrated Annual and Sustainability Report, the Message from the Chairman of the Board, and the President/CEO <ul style="list-style-type: none"> • 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf • Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/-2009 EDC Integrated Annual and Sustainability Report • SEC Form 20-IS 2010, URL:http://www.energy.com.ph/wp-

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
34. Does the company explicitly mention its broader obligations to society and / or the community?	Community activities, awareness, and involvement should be in addition to other stakeholder activities described in separate sections. ADEQUATE:No coverage; BETTER:Only superficial coverage; BEST:Yes, comprehensive coverage	Yes	- 2009 Annual Report, Sec1:46 - Sec1:51, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/ - SEC Form 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
35. Does the company disclose pending legal and tax proceedings, tax assessment notices and voluntary assessment program availments that it considers to be potentially material to its business?	Part of full disclosure. Annual Report, Information Statement, SEC Form 17-C ADEQUATE: No BETTER: BEST: Yes	Yes	- 20-IS 2010, Part 1: Information required in information statement (pages 17-18, "Involvement in Certain Legal Proceedings") URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, Sec1:123 - Sec1:124 (Claims for VAT Refund & Arbitral Issues with NPC), URL : http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
Part IV. Disclosure and Transparency 25% Material Information	There should be adequate public info on the company's ownership structure. The following items evaluate specific items surrounding ownership:		Yes. -top 100 Stockholders of EDC at the PSE and EDC websites -Public Ownership Report submitted to the PSE
36. Does the company have a transparent ownership structure			
36.1 Breakdown of shareholdings	Check for most updated information. Annual Report, Information Statement, SEC Form 17-C ADEQUATE:No ; BETTER: ; BEST:Yes	Yes	Please refer to the attached List of Top 100 Stockholders (Common Shares) and the Public Ownership Report that EDC submits to the PSE quarterly. These reports are also posted in the EDC website under "Investor Relations: SEC/PSE Structured Reports".

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			<p>- 20-IS 2010, Part 1: Information required in information statement (pages 4-6, "Security Ownership of Certain Record & Beneficial Owners and Management") URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Company Website: http://www.energy.com.ph/investor-relations/disclosures/</p>
36.2 Is it easy to identify beneficial ownership?	Annual Report, Company Website. (Check for most updated information.) SEC Form 18-A / 18-AS. SEC Form 23A/B. ADEQUATE: Shares owned by nominees, holding companies, PDTC, PSE total more than 15% ; BETTER: Shares owned by nominees, holding companies, PDTC, PSE less than or equal to 15% ; BEST: Yes	Best	<p>Yes. The List of Top 100 Stockholders (Common Shares) also includes a list of the beneficial owners of the PCN Nominee accounts.</p> <p>- 20-IS 2010, Part 1: Information required in information statement (pages 4-6, "Security Ownership of Certain Record & Beneficial Owners and Management") URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Company Website: http://www.energy.com.ph/investor-relations/disclosures/ - SEC Forms 23-A and 23-B - List of Top 100 Stockholders filed with the PSE & SEC, Sept. 30, 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Top-100-Stockholders-as-of-Sept.-30-2010.pdf</p>
36.3 Are directors' shareholdings disclosed?	Annual Report, Company Website, Information Statement, SEC Form 18-A / 18-AS. SEC Form 23A/B. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<p>- 20-IS 2010, Part 1: Information required in information statement (pages 4-6, "Security Ownership of Certain Record & Beneficial Owners and Management") URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Company Website: http://www.energy.com.ph/investor-relations/disclosures/ - SEC Forms 23-A and 23-B</p>

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

36.4 Are management's shareholdings disclosed?	Annual Report, Company Website, Information Statement, SEC Form 18-A / 18-AS. SEC Form 23A/B. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<p>- 20-IS 2010, Part 1: Information required in information statement (pages 4-6, "Security Ownership of Certain Record & Beneficial Owners and Management") URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - Company Website: http://www.energy.com.ph/investor-relations/disclosures/ - SEC Forms 23-A and 23-B</p>
37. Does the company have a dispersed ownership structure	Normally the more dispersed ownership structure, the better protection minority shareholders get. It is also important to understand the affiliation amongst core shareholders, and any possible commercial arrangement between the company and affiliates/ third parties that may act against the interest of minority shareholders and creditors. Annual Report, Company Website, Information Statement, SEC Forms 18-A / 18-AS SEC Form 23A/B. ADEQUATE: Less than 40% BETTER: >10% <40% BEST: <10%	Best	<p>Majority of the common stocks are owned by funds representing a big number of investors</p> <p>- Public Ownership Report 2009, URL:http://www.energy.com.ph/wp-content/uploads/2010/01/Public-Ownership-Report-December-2009-PSE.pdf and 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/Public-Ownership-Report-September-30-2010-PSE.pdf - Top 100 SH for 2009, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/List-of-Top-100-Stockholders-as-of-December-31-2009.pdf and 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Top-100-Stockholders-as-of-Sept.-30-2010.pdf</p>
38 Assess the quality of the Annual Report, in particular, the following:	The reports on each topic should be clear, comprehensive, and informative.		The 2009 Annual Report is the first Integrated Annual and Sustainability Report for EDC, where it gives focus not only on the leaps and bounds on the business side, but also addresses the considerations on the issue of sustainability.
38.1. Financial performance	Annual Report (including the annual report prepared for the media/ general dissemination) ADEQUATE: Not available; BETTER: Only superficial ; BEST: Reports are clear, comprehensive, and informative.	Best	<p>Reports are clear, comprehensive, and informative</p> <p>- 2009 Annual Report in Management Discussion & Analysis Section, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), on the Audited Financial Statement, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p>

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			<p>content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- 20-IS 2010 on the Audited Financial Statement, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf</p>
38.2 Business operations, competitive position, and other non-financial matters	Annual Report (including the annual report prepared for the media/ general dissemination) ADEQUATE: Not available; BETTER: Only superficial; BEST: Reports are clear & comprehensive and include mention of market share(s).	Best	<p>Reports are clear, comprehensive and include mention of market shares</p> <p>- 2009 Annual Report, Audited Financial Statements, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- 20-IS 2010, Audited Financial Statements, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf</p> <p>- SEC Form 17-A (2009), on the Audited Financial Statement, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- SEC Form 17-C</p>
38.3 Board member background	Annual Report (including the annual report prepared for the media/ general dissemination). ADEQUATE: Not available; BETTER: Board information limited to only a few items; BEST: Full coverage, showing name, position, education, experience, & shareholding.	Best	<p>The 2009 Annual Report is by far, the best annual reporting that EDC has published, integrating it with its Sustainability Report. Entitled "Sustain via Renew".</p> <p>In addition to handing out copies of the Annual Report to its stockholders and investors, the 2009 Annual Report is also available for downloading at the EDC website: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p>

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

Questionnaire

Question	Description	Score	Remarks
38.4 Basis of the Board remuneration	It is best practice to disclose in the annual report the basis of the boards remuneration. ADEQUATE: Not available; BETTER: Only superficial disclosure or only aggregate amount shown; BEST: Show compensation by type, by positions, & by duties performed.	Best	<p>The Board's remuneration and remuneration policy has been approved by the Stockholders of record in the 2007 Annual Stockholders' Meeting, and disclosed to the SEC and PSE in EDC's July 2007 disclosure. Since its approval, there has been no change in this remuneration policy.</p> <p>In the 2009 Annual Report, it was presented in a multi-year matrix which includes also the remuneration received by key company officers.</p> <p>Information source is the 2009 Annual Report and the 17-A Report of EDC. Both are available in the EDC website:</p> <ul style="list-style-type: none"> http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf
38.5 Operating risks	Annual Report (including the annual report prepared for the media/ general dissemination). ADEQUATE: Not available; BETTER: Only superficial; BEST: Reports are clear & comprehensive and include mention of market share(s).	Best	<p>As the focus on EDC's 2009 Annual Report pertains to SUSTAINABILITY, the 2009 Annual Report covers a report on the company's operating risk. This is also presented in EDC's 17-A filed with the SEC this 2010.</p> <ul style="list-style-type: none"> 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			<ul style="list-style-type: none"> 2009 Annual Report, Sec1:147 - Sec1:162, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf SEC Form 17-A for 2010
38.6 Identification of Independent Directors	Annual Report (including the annual report prepared for the media/ general dissemination) ADEQUATE:No ; BETTER: ; BEST:Yes	Yes	<p>Independent directors are identified and their qualifications are well-stated</p> <ul style="list-style-type: none"> 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf 2009 Annual Report, Sec1:29 - Sec1:32, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf SEC Form 17-A (2009), on the Audited Financial Statement, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf
38.7 Board meeting attendance of individual directors	Individual director attendance should be disclosed.ADEQUATE:Not Available, BETTER: BEST: Available	Best	<p>The report on Director's attendance is made via a matrix on individual attendance in Board Meetings. Also, the attendance report is for Board Committee Meetings is likewise presented for a full disclosure on Board attendance.</p> <ul style="list-style-type: none"> 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf 2009 Annual Report, Sec1:40 - Sec1:41, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
38.8 Does the company have a policy requiring full disclosure of details of related-party	As required by the SEC. Annual Report (including the annual report prepared for the media/ general dissemination). ADEQUATE: No BETTER: Only Superficial disclosure BEST: No related-party	Best	<ul style="list-style-type: none"> 20-IS 2010, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

transactions in public communications?	transaction(s) observed, or, if observed, company provides (1) name, (2) relationship, (3) policy, and (4) value and (5) rationale		<ul style="list-style-type: none"> SEC Form 17-A (2009), on the Audited Financial Statement, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf 2008 Annual Report, p. 109, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf EDC Website: http://www.energy.com.ph/corporate-governance/cg-related-policies/
39. Is there any statements requesting directors to report their transactions of the company shares?	This is to monitor and ensure a proper relationship between directors and the company. This is to monitor and ensure a proper relationship between directors and the company. ADEQUATE: No BETTER: BEST: Yes	Yes	<ul style="list-style-type: none"> - Full business interest disclosure Statement - SEC Form 23-A / 23-B - EDC Website: http://www.energy.com.ph/corporate-governance/cg-related-policies/
Audit Process 40. Does the company have an internal audit operation established as a separate unit in the company?	Best practice requires internal audit operation to be established as a separate unit in the company. CG Manual, Annual Report ADEQUATE: No; BETTER: ; BEST:Yes.	Yes	<p>The Compliance Officer's Report on Corporate Governance for EDC shown on the website elucidates further the independence of Audit Group as a separate unit from Management of the company.</p> <ul style="list-style-type: none"> EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ The internal Audit Charter EDC Website>AGC Charter (http://s75445.gridserver.com/wp-content/uploads/2009/09/1-Charter.pdf)
41. Does the internal auditor report to the board audit committee?	Audit Committee Charter ADEQUATE:No BETTER: BEST: Yes	Yes	<ul style="list-style-type: none"> Charter of the Audit and Governance Committee, URL:http://s75445.gridserver.com/wp-content/uploads/2009/09/1-Charter.pdf EDC Website: EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ Quarterly and Annual Reports to the Audit and Governance Committee
42. Does the internal audit function provide an independent evaluation	Independent evaluation of the internal control processes of the company should be included in the functions of the Audit Committee. Annual report,	Yes	<ul style="list-style-type: none"> - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

of the internal control processes of the company?	CG Manual, Code of Ethics, company website, Board Committee Charters (only if publicly available) ADEQUATE: No ; BETTER: ; BEST:Yes		<ul style="list-style-type: none"> Annual Report of the Internal Audit Department to the AGC EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ Code of Conduct and Business Ethics, URL:http://www.energy.com.ph/corporate-governance/cg-related-policies/
43. Does the company perform an annual audit using SEC accredited external auditors?	The external auditors should be accredited by SEC.Check publicly available info on audit contract, audit committee process, and audit reports, Information Statement, Annual Report ADEQUATE: No ; BETTER: ; BEST:Yes	Yes	<ul style="list-style-type: none"> 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf Disclosures to the SEC and PSE
44. Is the financial report disclosed in a timely manner during the past year?	Common practice: 105 days after end of fiscal year, and 45 days after end of quarter. Annual Report, SEC and/or PSE records, Audited Financial Statements. Quarterly Reports, Information Statement, SEC Form 17C ADEQUATE:Disclosed 105 days after end of fiscal year, and 45 days after end of quarter; BETTER: ; BEST:Disclosed earlier than common practice.	Best	<p>The submission is very timely</p> <ul style="list-style-type: none"> 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf EDC Website: http://www.energy.com.ph/investor-relations/psesec-structured-reports/ SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf Sec Form 17-Q 2nd Quarter 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/SEC-Form-17-Q-June-2010-PSE.pdf SEC Form 20-IS, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
45. Are there any accounting qualifications in the audited financial	Qualifications will be determined based on material disagreements in accounting between auditor and management.Auditor Report (financial	No	<ul style="list-style-type: none"> 2009 Annual Report: Auditor's Report (Financial Statement Section) No qualified or adverse opinion, Sec1:74, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

statements apart from the Qualification on Uncertainty of Situation?	statements section), Information Statement ADEQUATE: Yes; BETTER:some reservations drawing attention to certain time ; BEST:No		<ul style="list-style-type: none"> version1.pdf SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf SEC Form 20-IS, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
46. Does the company website disclose up-to-date information on:			The Company website (www.energy.com.ph) is frequently updated.
46.1. Business operation	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff. Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	<p>Date the website was last examined: November 15, 2010</p> <p>Company website: URL</p> <ul style="list-style-type: none"> http://www.energy.com.ph/our-expertise/exploration/ http://www.energy.com.ph/our-expertise/drilling/ http://www.energy.com.ph/our-expertise/reservoir-management/ http://www.energy.com.ph/our-expertise/frcs/ http://www.energy.com.ph/our-expertise/environmental-management/ http://www.energy.com.ph/our-expertise/energy-research-and-development/ http://www.energy.com.ph/our-expertise/project-planning-and-construction/ http://www.energy.com.ph/our-expertise/engineering-design-construction/ http://www.energy.com.ph/our-projects/geothermal/ http://www.energy.com.ph/our-projects/hydro/ http://www.energy.com.ph/our-projects/wind/
46.2. Financial statements	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff. Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	<p>Date website was examined: November 15, 2010</p> <p>Company Website: URL</p> <ul style="list-style-type: none"> http://www.energy.com.ph/investor-relations/financial-reports/
46.3 Press release	Website must contain up-to-date corporate information for each of these items. e.g., financial	Yes	<p>Date website was last visited: November 15, 2010</p> <p>Company Website: URL</p>

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	statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes		<ul style="list-style-type: none"> http://www.energy.com.ph/c/news/
46.4 Shareholding structure	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	Date website was last visited: November 15, 2010 Company Website: URL <ul style="list-style-type: none"> http://www.energy.com.ph/investor-relations/psesec-structured-reports/
46.5 Organization structure	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	Date website was last visited: November 15, 2010 Company Website: URL - http://www.energy.com.ph
46.6 Corporate group structure (N/A for a company that does not belong to corporate grouping)	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	Date website was last visited: November 15, 2010 Company Website: URL http://www.energy.com.ph/about-edc/milestones/
46.7 Downloadable annual report	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	Date website was last visited: November 15, 2010 Company Website: URL URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

46.8 Notice to call shareholders' meeting	Website must contain up-to-date corporate information for each of these items. e.g., financial statements and annual reports must be the most recent ones. Record the date the website was examined: ____/____/____ or write the date on the ff: Company Website ADEQUATE: No BETTER: BEST:Yes	Yes	Date website was last visited: November 15, 2010 <ul style="list-style-type: none"> SEC Form 20-IS 2010, page 2, URL:http://www.energy.com.ph/wp-content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
47. Does the company provide contact details for a specific Investor Relations person or unit that is easily accessible to outside investors?	Best Practice recommends that the board should consider establishing an IR function to communicate with shareholders / potential investors. CG Manual, Annual Report, Company Website. ADEQUATE ;Not available BETTER:IR person specified with contact information made known to public ; BEST:IR person specified with contact information made known to public	Best	EDC has a very active Investor Relations Officers who communicate directly with shareholders/investors, and conduct regular Investor/press/Analyst Briefings. <ul style="list-style-type: none"> Company Website: http://www.energy.com.ph/investor-relations/disclosures/ Annual Reports, Sec1:176, (2009) URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
48. Does the company offer multiple channels of access to information? Multiple channels include:	The company should establish effective channels to communicate with shareholders / investors to ensure that material information is disclosed to interested parties equally.		The Company utilizes media briefings, press releases in print and television, the Company website, website of regulators (SEC and PSE), among others.
48.1 Annual report	Company Website, Annual Report, Disclosures to PSE/SEC/BSP. ADEQUATE: No ; BETTER: ; BEST:Yes	Yes	<ul style="list-style-type: none"> 2009 Annual report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf SEC Form 17-A (URL previously cited)
48.2 Company website	Must contain relevant & up-to-date corporate information. Company Website, Annual Report, Disclosures to PSE/SEC/BSP. ADEQUATE: No ; BETTER: ; BEST:Yes	Yes	Company Website: http://www.energy.com.ph
48.3 Analyst briefing(s)	Company Website, Annual Report, Disclosures to PSE/SEC/BSP. ADEQUATE: No ; BETTER: ; BEST:Yes	Yes	This is also the material used in the media briefing. This material is posted in the EDC website under "Investor Relations: Presentations". Company Website: URL <ul style="list-style-type: none"> http://www.energy.com.ph/investor-relations/stock-watch/

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

48.4 Press conference (s) / press briefing(s)	Public information disseminated about the company's financial performance. Company Website, Annual Report, Disclosures to PSE/SEC/BSP. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	This is also the material used in the media briefing. This material is posted in the EDC website under "Investor Relations: Presentations". Company Website: <ul style="list-style-type: none"> http://www.energy.com.ph/investor-relations/stock-watch/ http://www.energy.com.ph/investor-relations/presentations/
V. Board Responsibility 25% Monitoring and Control 49. Does the company have its own written Corporate Governance Manual that clearly describes its value system and board responsibilities?	The corporate governance rules should reflect a value-oriented management of the company which takes the interest of the shareholders into account. The corporate governance rules should also reflect the vision and responsibilities of the board. This question is evaluated with two criteria: firstly, board responsibilities are clearly stated and secondly, the corporate governance policy is clearly disclosed, meaning the policy is written by the firm itself, distributed to employees, or approved by the board. CG Manual, Company Website, Annual Report, CG Policy. ADEQUATE: No company-specific written rules mentioned. BETTER: Rules exist, but not formally approved by the board BEST: Rules approved by the board and fully disclosed	Best	EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ The disclosure on the latest updated Corporate Governance Manual of EDC is also available at: http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-6369_EDC.pdf
50. Does the Board of Directors provide code of ethics or statement of business conduct for all directors and employees?	The company should set up a policy on the business code of ethics and encourage the directors, management, and employees to adhere to. Annual Report, CG Manual, Code of Ethics, Company Website ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	EDC Code of Conduct and Business Ethics (CCBE), URL: http://www.energy.com.ph/corporate-governance/cg-related-policies/
51. Does the company have corporate vision/mission/values?	Annual Report, Company Website. ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	- EDC Code of Conduct and Business Ethics, URL: http://www.energy.com.ph/corporate-governance/cg-related-policies/ - EDC Website: http://www.energy.com.ph

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

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Question	Description	Score	Remarks
52. Does the PSE have any evidence of non-compliance of the company with PSE rules and regulations in the last year?	Examples of non-compliance may include delay in publishing financial reports, retroactive approval by shareholders, non-compliance with rules regarding related-party transactions, directors owning shares without reporting. ADEQUATE: 2 case or more; BETTER: One case BEST: None	Best	EDC has not been declared to be non-compliant by the PSE. <ul style="list-style-type: none"> PSE Records
53. Assess the quality of the Audit Committee Report in the Annual Report:	A full and complete audit committee report will contain information described in the six topics listed in 54.1 to 54.6.		The Audit Committee Report in the 2009 Annual Report is comprehensive.
53.1 Attendance	Audit Committee Report ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<ul style="list-style-type: none"> 2009 Annual Report, Sec1:72, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf Board Committee Reports: http://www.energy.com.ph/corporate-governance/board-committees/annual-activity-report/
53.2 Internal Control	Audit Committee Report ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<ul style="list-style-type: none"> 2009 Annual Report, Sec1:72, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf http://www.energy.com.ph/corporate-governance/board-committees/annual-activity-report/
53.3 Proposed auditors	Audit Committee Report ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	<ul style="list-style-type: none"> 2009 Annual Report, Sec1:72, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
53.4 Financial report review	Audit Committee Report ADEQUATE: No ; BETTER: ; BEST: Yes	Yes	- 2009 Annual Report, Sec1:72, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

53.5 Legal compliance	Audit Committee Report ADEQUATE: No ; BETTER: ; BEST:Yes	Yes	- 2009 Annual Report, Sec1:72, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
54. Have board members participated in the training on Corporate Governance.	For an effective CG system, directors are encouraged to participate in director training to fully understand their duties and responsibilities.ADEQUATE:Less than 25%; BETTER:Between 25%-75%; BEST:More than 75%	Best	All Directors as of end of 2009 have accomplished 100% attendance in a CG Training Program. <ul style="list-style-type: none"> • EDC Website: http://www.energy.com.ph/corporate-governance/measures-to-comply/sec-reports-on-corporate-governance/ • ICD Records • Certificates of Attendance issued by recognized Institutions
55. Have senior management executives attended training on Corporate Governance?	It is best that senior executives also undergo training on corporate governance as they too, play a very important role in implementing CG in the company.ADEQUATE:Less than 25% ; BETTER:Between 25%-75%; BEST:More than 75%	Best	Majority of Management executives have attended the one-day CG seminar conducted by the IFC last July 2, 2007 at the Hotel Intercontinental, Makati, as well as the in-house seminar conducted by EDC's HR Organizational Dev't. Department in 2007. <ul style="list-style-type: none"> - EDC Website: http://www.energy.com.ph/corporate-governance/measures-to-comply/sec-reports-on-corporate-governance/ - ICD Records - Certificates of Attendance
56. What is the attendance performance of the board members during the past 12 months?	Board members have a responsibility to attend board meetings. Adequate: 70% Average attendance Better:70 - 80% Best: 80% Average attendance.	Best	Excellent record of Attendance. More than 80%. <ul style="list-style-type: none"> - Certificate of Board Attendance 2009, URL:http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-0708_EDC.pdf - 2009 Annual Report, Sec1:40, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC and PSE Records
57. Does the company provide a risk management policy?	The board has the duty to ensure that effective risk management system(s) are in place. Adequate: No Better: Best:Yes	Yes	- EDC Website: Corporate Governance pages: Risk Management Committee Charter - Risk Management Manual
58. Does the company clearly distinguish the roles and responsibilities of the board and management?	There should be a clear separation of roles, duties, and responsibilities between the board and management. Adequate: No Better: Best:Yes (Have Both Board and MGT roles & responsibilities)	Yes	Both Board and Management's roles are clear <ul style="list-style-type: none"> - EDC Website: CG Manual: http://www.energy.com.ph/corporate-governance/cg-manual/executive-officers/specific-duties-and-functions/ - EDC Website: CG Manual: http://www.energy.com.ph/corporate-governance/cg-manual/board-of-directors/general-responsibilities-specific-duties-and-responsibilities-of-a-director-board-meetings-trainingorientation

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			process/ - Company By-Laws, URL: http://s75445.gridserver.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf
59. Does the board conduct an annual self-assessment?	The board should set up formal criteria to assess its performance.Adequate:No (Or just have a description of the Board's duties written without evidence of actual activity) Better: Best:Yes (Must have evidence showing actual implementation)	Yes	The EDC Board's self-assessment has been practiced for two years running since its institution in 2008. <ul style="list-style-type: none"> - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - EDC Website: http://www.energy.com.ph/corporate-governance/measures-to-comply/evaluation-system/
60. Does the company conduct an annual performance assessment of the CEO/President?	It is a duty of the board to assess the performance of the CEO/MD/President. Adequate:No (Or just have a description of the Board's duties written without evidence of actual activity) Better: Best:Yes (Must have evidence showing actual implementation)	Yes	The EDC Board has conducted an annual performance assessment of the President/CEO for two consecutive years since its institution in 2008 <ul style="list-style-type: none"> - 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - EDC Website: http://www.energy.com.ph/corporate-governance/measures-to-comply/evaluation-system/
61. How many board meetings are held per year?	Please provide the number		There were fourteen meetings in 2009, including the AGM and the Organizational Board Meeting. Data source is the Certificate of Board attendance filed with the SEC. The link to the web file has been indicated in prior questions.
61.1 Does the firm report board meeting attendance of individual directors?	If the firm provides a listing in the annual report of each board member and his or her board meeting attendance record, the company receives a ;goods. Companies that provide a list of board meeting attendance but no individual breakdown are scored '1	Best	- Certificate of Board Attendance 2009, URL: http://www.pse.com.ph/html/disclosure/pdf/2010/pdf/dc2010-0708_EDC.pdf - Company Website: SEC Form 17-A (2009): http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - 2009 Annual Report, Sec1:40, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf
Conflict of Interests	Chairman of the board should be a non-executive director to avoid conflicts of interest.Adequate: No Better: Best:Yes	Yes	In EDC, although the position Chairman of the Board is bundled with the CEO position, the day-to-day running of the company still pertains to the President and COO <ul style="list-style-type: none"> • Company Website: http://www.energy.com.ph/bod/oscar-m-lopez/
62. Is the Chairman a non-executive			

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

director?			<ul style="list-style-type: none"> Company By-Laws, URL:http://s75445.wjdsrv.com/wp-content/uploads/2009/08/PSE-Disclosure-covering-July-21-BOD-Meeting-with-Amended-AOI-and-By-Laws.pdf
63. Does the board appoint committees with independent members to carry out various critical responsibilities such as:	Duties, responsibilities, and policies relating to this committee should be clearly stated. Adequate: No Better: Best: Yes		Yes. For these Committees, explicit is the requirement for independent directors: Audit and Governance Committee and Nomination and Compensation Committee.
63.1. Audit. If yes, are the following items disclosed? Charter/ Role and responsibilities	Best Practice suggests creating an audit committee that consists of a majority of independent directors		<p>EDC has an Audit and Governance Committee</p> <ul style="list-style-type: none"> http://www.energy.com.ph/corporate-governance/board-committees/individual-profile/ http://www.energy.com.ph/corporate-governance/board-committees/charters/
63.1.1 Charter/ Role and responsibilities	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best: Yes	Yes	<p>- EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/</p> <p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/</p>
63.1.2 Profile / Qualifications	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best: Yes	Yes	<p>- EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/</p> <p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/</p>
63.1.3 Independence	Annual Report, CG Policy, Company Website,	Yes	- EDC Corporate Governance Manual,

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

	Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best: Yes		<p>URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/</p> <p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/</p>
63.1.4 Is the Chairman of the Committee an independent director?	Best Practice recommends that the Chairman of the Committee should be an independent director. Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best: Yes	Yes	<p>- EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/</p> <p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/</p>
63.1.5 Performance / Meeting Attendance	Annual Report, CG Manual, CG Policy, Company Website, Board Committee Charters (only if publicly available), Information Statement, Certification of Corporate Secretary. Adequate: No Better: Best: Yes	Yes	<p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p> <p>- EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/</p> <p>- EDC Website: Corporate Governance: http://www.energy.com.ph/corporate-governance/board-committees/</p>
63.2 Compensation / Remuneration. (Compensation/ Remuneration Committee) If yes, are the following items disclosed?	Best Practice recommends establishing a compensation / remuneration committee to ensure that compensation is determined according to company criteria and policy.		EDC has a Nomination and Compensation Committee, which has jurisdiction over Compensation/Remuneration functions required in this question.
63.2.1 Charter/Role and Responsibilities	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best: Yes	Yes	<p>- EDC Corporate Governance Manual, URL:http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/</p> <p>- 2009 Annual Report, URL:http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf</p> <p>- SEC Form 17-A (2009), URL:http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf</p>

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/
63.2.2 Is the Committee composed of a majority of independent directors?	Best Practice recommends that a majority of the committee members should be independent directors. Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best:Yes	Yes	- EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/
63.2.3 Performance / Meeting Attendance	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best:Yes	Yes	- 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/ - EDC Website: Corporate Governance: http://www.energy.com.ph/corporate-governance/board-committees/
63.3 Nomination Committee. If yes, are the following items disclosed?	For transparency and equitable treatment of shareholders, there should be a nomination committee.		EDC has a Nomination and Compensation Committee, which has jurisdiction over Nomination functions required in this question.
63.3.1 Charter/Role and Responsibilities	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best:Yes	Yes	- EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

Questionnaire

Question	Description	Score	Remarks
63.3.2 Is the Committee composed of a majority of independent directors?	Best Practice recommends that a majority of the committee members should be independent directors. Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best:Yes	Yes	- EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/ - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/
63.3.2.3 Performance / Meeting Attendance	Annual Report, CG Policy, Company Website, Board Committee Charters (only if publicly available), CG Manual. Adequate: No Better: Best:Yes	Yes	- 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance Pages: Charter of Board Committees: http://www.energy.com.ph/corporate-governance/board-committees/charters/ - EDC Website: Corporate Governance: http://www.energy.com.ph/corporate-governance/board-committees/
Board Composition 64. How many board members are independent directors?	The more non-executive directors on the board, the higher the level of board independence in decision-making and to conduct effective monitoring. Adequate:at least 2 or 20% whichever is lesser Better:>3 but less than 5 Best:>=5	Best	Three out of eleven Directors of the EDC Board are Independent Directors. - Articles of Incorporation, URL: http://www.energy.com.ph/wp-content/uploads/2009/10/increase-in-Authorized-Capital-Stock-and-Stock-Dividend.pdf - EDC Website: Corporate Governance Pages: http://www.energy.com.ph/corporate-governance/board-of-directors/ - 2009 Annual Report, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - 20-IS 2010, URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf

http://www.icdcenter.org/scorecard/client_scr_print.php?all=1

			content/uploads/2010/03/Def-Info-Statement-2009-29July2010-ASM-PSE.pdf
65. Does company state in its Annual Report the definition of "independence" for identifying independent directors in public communications?	The Board should clearly define the meaning of independence. Adequate: Provide it according to the SEC definition Better: Best: Provide its own definition that is more stringent than SEC definition	Best	The definition of Independence is further mentioned in the Compliance Office's Report on the Website - 2009 Annual Report, Sec1:39, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf - SEC Form 17-A (2009), URL: http://www.energy.com.ph/wp-content/uploads/2010/03/2009-Annual-Report-SEC-Form-17-A-Final1.pdf - EDC Website: Corporate Governance pages: http://www.energy.com.ph/corporate-governance/cg-manual/board-of-directors/composition/
66. Does the board conduct assessment of what skills and training the directors need?	The Board should conduct assessment of what skills and training the directors need. Adequate: No Better: Best: Yes	Yes	- Company Website: Nomination and Compensation Committee charter: http://www.energy.com.ph/corporate-governance/board-committees/charters/ - EDC Corporate Governance Manual, URL: http://www.energy.com.ph/corporate-governance/cg-manual/introduction/general-provisions/
67. Does the Company have a separate statement by the Board of Directors describing their responsibilities in reviewing the firm's financial statement?	The Board of Directors should have a separate report that essentially outlines the activities of the board which include approval of financial statements of the previous year. These items may be included in the Chairmans report Adequate: No Better: B	Yes	- 2009 Annual Report, Sec1:73, "Statement of Management's responsibility" which accompanies the Audited Financial Statement, URL: http://www.energy.com.ph/wp-content/uploads/2010/08/2009-EDC-IASR-final-reduced-version1.pdf

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