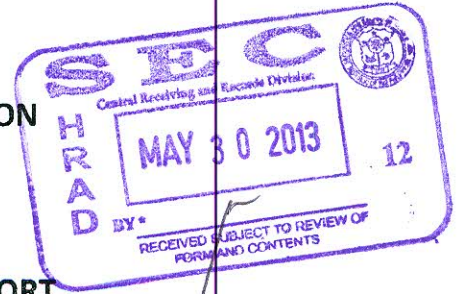


SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT



1. Report is Filed for the Year 2012.

2. Exact Name of Registrant as Specified in its Charter

TRANS ASIA OIL AND ENERGY DEVELOPMENT CORPORATION

3. 11F Phinma Plaza, 39 Plaza Drive Rockwell Center, Makati City 1200  
Address of Principal Office Postal Code



4. SEC Identification Number 069039274 5. (SEC Use Only)  
Industry Classification Code

6. BIR Tax Identification Number 000-506-020-000

7. 632 8700100  
Issuer's Telephone number, including area code

8. ....  
Former name or former address, if changed from the last report

## TABLE OF CONTENTS

<b>A. BOARD MATTERS.....</b>	<b>5</b>
1) BOARD OF DIRECTORS.....	
(a) Composition of the Board.....	5
(b) Corporate Governance Policy/ies.....	5
(c) Review and Approval of Vision and Vision.....	5
(d) Directorship in Other Companies.....	5
(e) Shareholding in the Company.....	9
2) CHAIRMAN AND CEO.....	9
3) PLAN FOR SUCCESSION OF CEO/MANAGING DIRECTOR/PRESIDENT AND TOP KEY POSITIONS..	10
4) OTHER EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS.....	10
5) CHANGES IN THE BOARD OF DIRECTORS.....	12
6) ORIENTATION AND EDUCATION PROGRAM.....	14
<b>B. CODE OF BUSINESS CONDUCT &amp; ETHICS.....</b>	<b>14</b>
1) POLICIES.....	14
2) DISSEMINATION OF CODE.....	15
3) COMPLIANCE WITH CODE.....	15
4) RELATED PARTY TRANSACTIONS.....	15
(a) Policies and Procedures.....	15
(b) Conflict of Interest.....	16
5) FAMILY, COMMERCIAL AND CONTRACTUAL RELATIONS.....	16
6) ALTERNATIVE DISPUTE RESOLUTION.....	17
<b>C. BOARD MEETINGS &amp; ATTENDANCE.....</b>	<b>17</b>
1) SCHEDULE OF MEETINGS.....	17
2) DETAILS OF ATTENDANCE OF DIRECTORS.....	17
3) SEPARATE MEETING OF NON-EXECUTIVE DIRECTORS.....	17
4) QUORUM REQUIREMENT .....	17
5) ACCESS TO INFORMATION.....	18
6) EXTERNAL ADVICE.....	18
7) CHANGES IN EXISTING POLICIES.....	19
<b>D. REMUNERATION MATTERS.....</b>	<b>19</b>
1) REMUNERATION PROCESS.....	19
2) REMUNERATION POLICY AND STRUCTURE FOR DIRECTORS.....	19
3) AGGREGATE REMUNERATION .....	20
4) STOCK RIGHTS, OPTIONS AND WARRANTS.....	21
5) REMUNERATION OF MANAGEMENT.....	21
<b>E. BOARD COMMITTEES.....</b>	<b>21</b>
1) NUMBER OF MEMBERS, FUNCTIONS AND RESPONSIBILITIES.....	21
2) COMMITTEE MEMBERS.....	22
3) CHANGES IN COMMITTEE MEMBERS.....	24
4) WORK DONE AND ISSUES ADDRESSED.....	25
5) COMMITTEE PROGRAM.....	25
<b>F. RISK MANAGEMENT SYSTEM.....</b>	<b>25</b>
1) STATEMENT ON EFFECTIVENESS OF RISK MANAGEMENT SYSTEM.....	25
2) RISK POLICY.....	26

3) CONTROL SYSTEM.....	27
<b>G. INTERNAL AUDIT AND CONTROL.....</b>	<b>28</b>
1) STATEMENT ON EFFECTIVENESS OF INTERNAL CONTROL SYSTEM.....	29
2) INTERNAL AUDIT	
(a) Role, Scope and Internal Audit Function.....	29
(b) Appointment/Removal of Internal Auditor.....	30
(c) Reporting Relationship with the Audit Committee.....	30
(d) Resignation, Re-assignment and Reasons.....	30
(e) Progress against Plans, Issues, Findings and Examination Trends.....	30
(f) Audit Control Policies and Procedures.....	31
(g) Mechanisms and Safeguards.....	31
<b>H. ROLE OF STAKEHOLDERS.....</b>	<b>32</b>
<b>I. DISCLOSURE AND TRANSPARENCY.....</b>	<b>34</b>
<b>J. RIGHTS OF STOCKHOLDERS.....</b>	<b>36</b>
1) RIGHT TO PARTICIPATE EFFECTIVELY IN STOCKHOLDERS' MEETINGS.....	36
2) TREATMENT OF MINORITY STOCKHOLDERS.....	40
<b>K. INVESTORS RELATIONS PROGRAM.....</b>	<b>40</b>
<b>L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.....</b>	<b>42</b>
<b>M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL.....</b>	<b>42</b>
<b>N. INTERNAL BREACHES AND SANCTIONS.....</b>	<b>42</b>

**A. BOARD MATTERS**

1) Board of Directors

Number of Directors per Articles of Incorporation	11
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Actual number of Directors for the year	11
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) <sup>1</sup>	Elected when (Annual /Special Meeting)	No. of years served as director
Oscar J. Hilado	NED	Phinma Group	Ramon R. del Rosario	1969	March 22, 2013	Annual Meeting	43
Roberto M. Laviña	ED	Phinma Group	Oscar Hilado	April 12, 2005	March 22, 2013	Annual Meeting	8
Magdaleno B. Albarracin, Jr	NED	Phinma Group	Oscar Hilado	1986	March 22, 2013	Annual Meeting	27
Ramon R. del Rosario, Jr.	NED	Phinma Group	Oscar Hilado	2002	March 22, 2013	Annual Meeting	10
Francisco L. Viray	ED	Phinma Group	Oscar Hilado	2000	March 22, 2013	Annual Meeting	12
Victor J. del Rosario	NED	Phinma Group	Oscar Hilado	Sept. 15, 2008	March 22, 2013	Annual Meeting	5
Alfredo M. Velayo	ID		Oscar Hilado (None)	1982	March 22, 2013 -1	Annual Meeting	31
Raymundo O. Feliciano	ID		Oscar Hilado (None)	1969	March 22, 2013 -1	Annual Meeting	43
Ricardo V. Camua	ID		Oscar Hilado (None)	1996	March 22, 2013-1	Annual Meeting	16
David L. Balangue	ID		Ramon del Rosario (None)	March 24, 2010	March 22, 2013 -1	Annual Meeting	2
Guillermo D. Luchangco	ID		Ramon del Rosario (None)	April 22, 2013	April 22, 2013 -0	Board Meeting	0

- (b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

In the Revised Manual on Good Corporate Governance which the Board approved on February 21, 2011, the Board of Directors and Management of the company committed themselves to the principles and best practices of good corporate governance as contained in the Manual and acknowledge that the same may guide the attainment of our corporate goals. The manual institutionalizes the principles of good corporate governance in the entire organization. The Board of Directors and Management, employees and shareholders, believe that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness within the organization as soon as possible.

The Board of Directors recognize that the most cogent proof of good corporate governance is that which is

<sup>1</sup> Reckoned from the election immediately following January 2, 2012.

visible to the eyes of its investors. Therefore, the Board of Directors believe that the following shareholder rights should be extended to all shareholders of the Company:

- Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
- Cumulative voting shall be used in the election of directors.
- A director shall not be removed without cause if it will deny minority shareholders representation in the Board.
- All shareholders shall have pre-emptive rights in accordance with law, except to the extent that the same is denied in the Articles of Incorporation, and even then, the power to deny pre-emptive rights is used only sparingly. They shall have the right to subscribe to the capital stock of the Corporation. The Articles of Incorporation shall lay down the specific rights and powers of shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Corporation Code.
- All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code and shall be furnished annual reports, including financial statements, without cost or restrictions.
- All shareholders shall be provided, upon request, periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
- The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda, provided the items are for legitimate business purposes, and in accordance with law, jurisprudence and best practice.
- The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose such matters in the agenda of the shareholders' meeting, being within the definition of "legitimate purposes", and in accordance with law, jurisprudence and best practice.
- Shareholders shall have the right to receive dividends subject to the discretion of the Board.
- All shareholders shall have appraisal rights as provided under the Code.

It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholder rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

The Board shall be transparent and fair in the conduct of the annual and special stockholders' meetings of the corporation. The stockholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the bylaws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the stockholder's favor.

- (c) How often does the Board review and approve the vision and mission?

The Board as recommended by senior management reviews the vision and mission of the Company as it deem appropriate or at least once a year. The Board ensures that the plans and actions of the Company are aligned with its vision and mission.

- (d) Directorship in Other Companies

- (i) Directorship in the Company's Group<sup>2</sup>

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<sup>2</sup> The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

Identify, as and if applicable, the members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Oscar J. Hilado	Phinma , Inc. Phinma Corporation Phinma Property Holdings Corporation Union Galvasteel Corporation Trans-Asia Power Generation Corporation Araullo University Cagayan de Oro College University of Pangasinan University of Iloilo Microtel Inns & Suites (Pilipinas), Inc. Trans-Asia Renewable Energy Corporation Asian Plaza, Inc. Trans-Asia Gold and Minerals Trans Asia Petroleum Corp Palawan 55 Exploration and Production Corp.	Non-Executive (Chairman) Non-Executive (Chairman)  Non-Executive (Chairman) Non-Executive (Chairman)  Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive  Non-Executive  Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive
Magdaleno B. Albarracin, Jr.	Phinma , Inc. Phinma Corporation Phinma Property Holdings Corporation Union Galvasteel Corporation Trans-Asia Power Generation Corporation Trans-Asia Petroleum Corp. Palawan 55 Exploration and Production Corp. Araullo University Cagayan de Oro College University of Pangasinan University of Iloilo Asian Plaza, Inc Fuld & Company, Inc. Fuld & Company (Philippines), Inc	Non-Executive Non-Executive  Non-Executive Non-Executive  Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive
Ramon R. del Rosario, Jr.	Phinma , Inc. Phinma Corp. Phinma Property Holdings Corporation Union Galvasteel Corporation Trans-Asia Power Generation Corporation Araullo University Cagayan de Oro College University of Pangasinan University of Iloilo Microtel Inns & Suites (Pilipinas), Inc. Trans-Asia Renewable Energy Corporation Asian Plaza, Inc Microtel Development Corp. Fuld & Company, Inc. Fuld & Company (Philippines), Inc. South Luzon Thermal Energy Corp.	Executive Executive  Non-Executive Non-Executive  Non-Executive Chairman Chairman Chairman Chairman  Chairman Chairman Non-Executive Chairman Chairman Chairman Chairman

	CIP II Power Corporation Trans Asia Petroleum Corp.	Chairman Chairman	
Francisco L. Viray	Trans-Asia Power Generation Corp. South Luzon Thermal Energy Corp. CIP II Power Corporation Trans-Asia Petroleum Corp. Palawan 55 Exploration and Production Corp. Trans-Asia Renewable Energy Corp. Maibarara Geothermal Inc. Phinma Corp.	Executive Executive Executive Executive Non-Executive (Chairman) Executive Non-Executive Non-Executive	
Victor J. del Rosario	Phinma , Inc. Phinma Corporation Phinma Property Holdings Corporation Union Galvasteel Corporation Trans-Asia Power Generation Corporation Trans-Asia Renewable Energy Corp. Araullo University Cagayan de Oro College University of Pangasinan University of Iloilo Asian Plaza, Inc. Microtel Development Corporation Microtel Inns & Suites Fuld & Company, Inc. Fuld & Company (Philippines), Inc. CIP II Power Corporation T-O Insurance Brokers, Inc.	Executive Executive Non-Executive Non-Executive Non-Executive Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive	
Roberto M. Laviña	Phinma , Inc. Phinma Corporation Phinma Property Holdings Corporation Union Galvasteel Corporation Trans-Asia Power Generation Corporation Araullo University Cagayan de Oro College University of Pangasinan University of Iloilo Microtel Inns & Suites (Pilipinas), Inc. Trans-Asia Renewable Energy Corporation Asian Plaza, Inc Microtel Development Corp. Fuld & Company, Inc. Fuld & Company (Philippines), Inc. T-O Insurance Brokers, Inc. CIP II Power Corp	Executive Executive Executive Non-Executive Non-Executive Executive Executive Executive Executive Executive Executive Non-Executive Executive Non-Executive Non-Executive Non-Executive Executive Executive Non-Executive	
David L. Balangue	Trans-Asia Power Generation Corp.	Independent	
Guillermo D. Luchangco	Phinma Property Holdings, Inc. Phinma Corporation Fuld & Company (Philippines), Inc.	Independent Independent Independent	

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Oscar J. Hilado	Holcim Philippines, Inc. First Philippine Holdings Corporation Philex Mining Corporation	Non-Executive – Chairman Non-Executive Non-Executive
Ramon R. del Rosario, Jr.	Ayala Corporation Holcim Philippines, Inc.	Non-Executive Non-Executive
Magdaleno B. Albarracin, Jr.	Holcim Philippines, Inc.	Non-Executive
Guillermo D. Luchangco	Globe Telecommunications, Inc. Roxas & Co., Inc. Ionics, Inc.	Independent Independent Non-Executive
David L. Balangue	Manufacturers Life Insurance (Phils.), Inc. Manulife Financial Plans, Inc. Roxas Holdings, Inc.	Non-executive  Non-executive Independent

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Oscar J. Hilado	Phinma, Inc.	Chairman of the Board, director and shareholder.
	Phinma Corp.	Chairman of the Board and shareholder
Magdaleno B. Albarracin, Jr.	Phinma, Inc.	Director and shareholder
	Phinma Corp.	Director and shareholder
Ramon R. del Rosario, Jr.	Phinma, Inc.	Director, President and shareholder
	Phinma Corp.	President & Vice Chairman
Victor J. del Rosario	Phinma, Inc.	Director, Executive Vice President, and shareholder
	Phinma Corp.	Director, Senior Executive Vice President and COO, and shareholder
Robert M. Lavina	Phinma, Inc.	Director, Senior Executive Vice President and COO, and shareholder
	Phinma Corp.	Director, Senior Executive Vice President and COO and shareholder

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines: No.

	Guidelines	Maximum Number of Directorships in other companies
<b>Executive Director</b>	The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations.	
<b>Non-Executive Director</b>	As above	
<b>CEO</b>	As above	



(e) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares (as of January 31, 2013)	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Oscar J. Hilado	3,500,000		0.07%
Ramon R. del Rosario Jr.	15,751,426	26,704,008 (EMAR Corporation)	0.32%
Francisco L. Viray	8,643,245		0.18%
Roberto M. Laviña	2,772,303		0.06%
Antonio V. Del Rosario, Sr.	300,711		0.01%
Magdaleno B. Albarracin Jr.	5,007,836		0.10%
Alfredo M. Velayo	468		0.00%
Raymundo O. Feliciano	1,154,017		0.02%
Ricardo V. Camua	938,000		0.02%
Victor J. del Rosario	3,120,362	26,704,008 (EMAR Corporation)	0.06%
David L. Balangue	10,001		0.00%
TOTAL	41,198,369		

2) Chairman and CEO

(a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes  No

Identify the Chair and CEO:

Chairman of the Board	Oscar J. Hilado
CEO/President	Francisco L. Viray

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	<p>Presides at all meetings of the Board of Directors and stockholders. Responsible for leadership in the Board.</p> <p>Chair of Nominations Committee.</p>	<p>General supervision of the company's business, properties and affairs and managing it within the authorities delegated by the Board.</p> <p>Presides over all meetings of the board in the absence of the Chairman.</p>
Accountabilities/ Deliverables	Effective operation of the Board and its committees in conformity with the highest standards of corporate	Annual plans, consistent with agreed strategies, are developed for presentation to the Board for

	<p>governance.</p> <p>Effective communication with shareholders and other stakeholders.</p> <p>Constructive debate and effective decision-making is promoted.</p> <p>Effective and complementary Board that initiates change and planning succession on Board and Group Executive appointments.</p> <p>All Board committees are properly established, composed and operated.</p> <p>Support and advise the CEO in strategy development.</p> <p>Effective relationships and communications between non-executive directors and Excom are promoted.</p> <p>Have a harmonious and open relationship with the Chief Executive.</p>	<p>support.</p> <p>An organisational structure is in place including processes and systems to ensure the efficient organisation of resources.</p> <p>Responsible to the Board for the performance of the business and consistent with the mission and vision of the Company.</p> <p>Financial results, milestones, etc. are communicated to the investment community in a timely manner.</p> <p>Effective communication with shareholders and other stakeholders are promoted.</p> <p>Management succession and development plans are in place.</p> <p>Capital investment proposals are reviewed thoroughly and associated risks are identified and managed.</p> <p>An effective framework of internal controls over risk in relation to all business activities is in place.</p> <p>Has a close relationship of trust with the Chairman.</p>
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3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

In the election of officers, the directors take into consideration the skill of officers and their future potential, with the end view of ensuring business continuity. Moreover, the CEO regularly monitors performance of each individual officer and plans for their future.

4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

Yes. The board members shall be a combination of executive of non-executive directors in order that no director or small group of directors shall dominate the decision-making process. The board shall have a good mix of directors with different backgrounds, whose business experience shall allow them to participate actively in the deliberations of the Board.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.

Yes, a criteria for appointment of an executive/non-executive director is a practical understanding of the business of the company, should possess previous business experience and should have a working knowledge of the

statutory and regulatory requirements affecting the Company, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Commission, and where applicable, the requirements of other regulatory agencies.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

It shall be the Board's responsibility to foster the long-term success of the Corporation and secure its sustained competitiveness and profitability in a manner consistent with its corporate objectives and fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders.

Duties and responsibilities of the Company's executive, non executive and independent directors include the following:

- Install a process of selection to ensure a mix of competent directors and officers.
- Determine the Company's purpose, its vision and mission and strategies to carry out its objectives.
- Provide sound strategic policies and guidelines to the Company on major capital expenditures.
- Establish programs that can sustain its long-term viability and strength and periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.
- Require that the Corporation comply with all relevant laws, regulations and codes of best business practices.
- Identify the Corporation's major and other stakeholders and formulate a clear policy on communicating or relating with them through an effective communications program, which shall be under the supervision of the Chief Executive Officer.
- Identify the sectors in the community in which the corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.
- Adopt a system of internal checks and balances including a continuing review of the corporation's internal control systems.
- Formulate policies and procedures that will ensure the integrity and transparency of related party transactions.
- Establish and maintain an alternative dispute resolution system for the amicable settlement of conflicts and differences among all stakeholders including the regulatory authorities.
- Appoint a Compliance Officer. In the absence of such appointment, the Corporate Secretary shall act as Compliance Officer.
- Identify key risk areas and key performance indicators and monitor these factors with due diligence.
- Properly discharge Board functions by meeting regularly. Independent directors shall, as much as possible, attend all Board meetings. The Board may also require the presence of at least one independent director in its meetings to promote transparency.
- Independent views during Board meetings shall be given due consideration and all meetings shall be duly minuted.
- Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation, By-Laws and existing laws, rules and regulation.
- Define the clear delineation of roles, duties, and responsibilities of the Chair and the Chief Executive Officer as necessary, integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times. Proper checks and balances shall be laid down to ensure that the Board gets the benefit of independent views and perspectives if the positions of Chair and CEO are unified.
- Require Management to provide the Board with complete, adequate and timely information about the matters to be taken in their meetings to enable the Board to properly fulfill their duties and responsibilities. The board shall also have independent access to Management and the Corporate Secretary including access to independent professional advice at the corporation's expense in furtherance of their duties and responsibilities.
- Make available to the company's stockholders, via multiple channels, a balanced and comprehensible assessment of the corporation's performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.

Provide the company's definition of "independence" and describe the company's compliance to the definition.

The Nomination Committee pre-screens nominees for independent director using the guidelines under Section 38 of the SRC and the provisions assessing independence under the Revised Manual on Good Corporate Governance. On this basis, Messrs. Alfredo M. Velayo, Raymundo O. Feliciano, Ricardo V. Camua, David L. Balangue and Guillermo D. Luchangco have been elected as independent directors.

A Director who is neither an officer nor a substantial shareholder is considered to be independent. Those identified above are qualified to be independent Directors.

In assessing the independence of the Directors, the Nomination Committee has examined the different relationships enumerated under SRC Rule 38.1 of the SRC IRR that may impair the directors' independence and objectivity, and affirms that the above-mentioned directors are able to act with independent judgement.

Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

In compliance with SEC Circular No. 9 Series, of 2011, the company has a term limit of five consecutive years for independent directors. After the required cooling-off period of two years, the director can return as independent director for another term of five years.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
Antonio V. Del Rosario	Non-executive Director	April 22, 2013	Resignation

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
<b>a. Selection/Appointment</b>		
(i) Executive Directors	The Nomination Committee pre-screens and short-lists all candidates in accordance with the list of qualifications and disqualifications in the Manual of Corporate Governance	Educational Background or extensive business experience Integrity and probity Diligence Ownership of at least one share Nature of Corporations of which he is a director Age Number of directorships No Conflict of Interest Experience in other boards Experience as CEO or COO Knowledge of finance/accounting Knowledge of industry Knowledge of Local and international market and strategic vision Contacts of value
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>b. Re-appointment</b>		
(i) Executive Directors	The Nomination Committee pre-screens and short-lists all candidates in accordance with the list of qualifications and disqualifications in the Manual of Corporate Governance	Educational Background or extensive business experience Integrity and probity Diligence Ownership of at least one share Nature of Corporations of which he is a director Age Number of directorships No Conflict of Interest Experience in other boards Experience as CEO or COO Knowledge of finance/accounting Knowledge of industry Knowledge of Local and international market and strategic vision Contacts of value
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>c. Permanent Disqualification</b>		

(i) Executive Directors	The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; a director whose qualifications are at issue shall not have right to vote when the Board considers his case.	Final conviction of offense involving moral turptitude or fraud
(ii) Non-Executive Directors		Finally found to have violated SRC, Corporation Code, BSP Rules Judicially declared insolvent
(iii) Independent Directors		Same as above Becomes officer/director of any of the companies of the Phinma Group Beneficial security ownership exceeds 2% of the outstanding shares of the Company Fails, without any justifiable cause, to attend at least 50% of the total number of Board meeting
<b>d. Temporary Disqualification</b>		
(i) Executive Directors	The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; a director whose qualifications are at issue shall not have right to vote when the Board considers his case.	Refusal to disclose business interests Absence in more than 50% all meetings Dismissal/termination from directorship in other listed corporation for cause Non-final confiscation for (c) above
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>e. Removal</b>		
(i) Executive Directors	The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; a director whose qualifications are at issue shall not have right to vote when the Board considers his case.	See (c) above
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>f. Re-instatement</b>		
(i) Executive Directors	The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; a director whose qualifications are at issue shall not have right to vote when the Board considers his case.	Disclosure of business interest (after refusal) Exoneration from Charges
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>g. Suspension</b>		
(i) Executive Directors	The findings and recommendations of the Nomination Committee shall be submitted to the Board for approval; a director whose qualifications are at issue shall not have right to vote when the Board considers his case.	See (d) above

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Applies to all Directors of TAO	unanimous

6) Orientation and Education Program

- (a) Disclose details of the company’s orientation program for new directors, if any.

The new director attends a briefing, during which various operating heads present the nature of their respective departments and their plans for the future.

- (b) State any in-house training and external courses attended by Directors and Senior Management<sup>3</sup> for the past three (3) years:

Corporate Governance seminars.

- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
None			

**B. CODE OF BUSINESS CONDUCT & ETHICS**

- 1) Discuss briefly the company’s policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	Any potential conflict of interest must be disclosed. Directors are required to abstain from any matter in which there is a conflict of interest.	Any potential conflict of interest is absolutely prohibited and penalized. All covered employees are required to fill up a Confidential Disclosure Form and Conflict of Interest Certification	
(b) Conduct of Business and Fair Dealings	Any long term, significant-value contract is subject to bidding, supervised by a Bids and Awards Committee composed of Legal, Finance, Operations, Internal Audit		
(c) Receipt of gifts from third parties	Prohibited, except for token gifts on special occasions. Suppliers giving gifts are blacklisted.		
(d) Compliance with Laws & Regulations		All employees should work in a clean, orderly and safe environment. PHINMA requires full compliance with applicable workplace safety and industrial hygiene standards mandated by law.	All employees should work in a clean, orderly and safe environment. PHINMA requires full compliance with applicable workplace safety and industrial hygiene standards mandated by law.
(e) Respect for Trade	Confidential matters are expected to be kept in strict confidence. No disclosure or		

<sup>3</sup> Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

