

Governance and Compliance

Meralco treats its customers, employees, shareholders, and all other stakeholders as formidable partners in the attainment of its corporate goals and strategic objectives. As such, stakeholder welfare has been and remains to be a primordial consideration in shaping the Company's policies, programs and initiatives and in ensuring that the Company continues its commitment to provide operational excellence, achieve its growth and profitability pillars and sustain a strong corporate governance structure, amid the ever-changing regulatory landscape within which it operates.

As a publicly-listed company, Meralco faithfully complies with the corporate governance code, rules, and regulations promulgated and enforced by the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE), Philippine Dealing & Exchange Corp. (PDEx), and other relevant regulatory bodies and has consistently kept itself abreast of the regulatory developments in the industry.

As an advocate of good governance, Meralco manifests a firm commitment to develop and enforce best corporate governance policies and programs that are geared towards enhancement of corporate performance, sustainability of operational growth, reinforcement of accountability, and protection of the interests of all stakeholders. In this light, Meralco ensures that its corporate governance structure lays down a solid platform which encourages the highest standards of competence and ethical culture among directors, officers and employees of the Company.

CORPORATE GOVERNANCE STRUCTURE



Believing that a strong corporate governance structure forms an integral component of the Company's management framework and is a critical driver in pursuing the Company's business aspirations for all its stakeholders, Meralco introduced developments in governance policies and practices that are aligned with the recommendations under the SEC Code of Corporate Governance for Publicly-Listed Companies (PLCs), the Integrated Annual Corporate Governance Scorecard and the ASEAN Corporate Governance Scorecard:

Governance Policies and Practices	Details
Adoption of a Policy against Bribery and Corruption	The Company's Anti-Bribery and Corruption Policy formalizes its stand against corrupt practices and emphasizes the prohibition against corporate gift-giving to public and private individuals or entities that constitutes bribery or corruption.
Designation of a Lead Independent Director	To reinforce board independence and pursuant to the recommendation under the ASEAN Corporate Governance Scorecard and the Code of Corporate Governance for PLCs, the Board of Directors (Board) appointed Independent Director, Ret. Chief Justice Artemio V. Panganiban, as Lead Independent Director.
Provision for an Alternative Dispute Resolution Mechanism	In resolving intra-corporate disputes between the Company and its stockholders, the Company may resort to alternative modes of dispute resolution as may be agreed upon with the adverse party, such as but not limited to arbitration, mediation, conciliation, early neutral evaluation and mini-trial.
Adoption of a Board Charter	The Board Charter sets its purposes, authority, duties, responsibilities, structure, and procedures.
Adoption of Guidelines on Board Meetings through Teleconferencing and Videoconferencing	The Board Charter includes the provision for guidelines on Board meetings through teleconferencing and videoconferencing.
Amendment of Related Party Transactions Policy	The Related Party Transactions Policy was amended to include thresholds of Related Party Transactions (RPT) for disclosure and approval of the RPT committee, the treatment of <i>de minimis</i> transactions and those that are recurring or infrequently occurring and the required approval by non-related party shareholders on certain RPTs.
Acceptance of Directorship in another Company	Directors are required to notify the Company's Board before accepting a directorship in another company. Changes in their interest must be promptly disclosed to the Board through the Company's Corporate Secretary.
Board Assessment Supported by External Facilitator	Every three (3) years, as far as practicable, the assessment may be supported by an external facilitator. The external facilitator can be any independent third party such as, but not limited to, a consulting firm, academic institution, or professional organization appointed by the Board.
Acceptance of Nomination to the Board from Minority Shareholders	The Nomination and Governance Committee (Nom&Gov) shall receive all letters nominating candidates for election, as directors/ independent directors from stockholders, including minority stockholders, on or before the record date for the annual stockholders' meeting (ASM).
Periodic Meetings of Non-executive Directors	The non-executive directors shall have separate periodic meetings with the external auditor and respective heads of internal audit, compliance and risk functions, without any executive director(s) present to ensure that the proper checks and balance are in place within the corporation. The meetings should be chaired by the lead independent director or an independent director.

In 2018, Meralco continued its proactive engagement with its stakeholders through programs that aimed to heighten the level of awareness and interest in the Company's policies and best governance practices and opened channels through which stakeholders may exercise their rights and advance their respective interests.

A. ROLE OF STAKEHOLDERS

A.1 Respecting Rights of Stakeholders

The Company strictly observes the principles of fairness, accountability, integrity, transparency and honesty (FAITH) in its obligations to, and dealings with, its various stakeholders. The Company values its stakeholders and protects their rights, as mandated by relevant laws and internal policies. Sanctions and penalties based on the provisions of the Company's Code of Right Employee Conduct (COREC) and other related policies are imposed upon violators.

Customers

The Company renders excellent service, fair treatment, and complete accurate information, to its customers. Towards this end, the Company:

- Provides customized services to home and micro-businesses (microbiz), small and medium-size enterprises and corporate business groups
- Standardizes policies and work processes related to customers in all business centers and publishes information on the services and rates affecting the customers, (e.g., the monthly Meralco Advisory)
- Communicates significant operational plans and holds appreciation events such as Meralco Luminaries with customers at least once a year
- Undertakes surveys on customers' level of satisfaction to improve the Company's service standards
- Establishes a Consumer Welfare Desk (CWD) at the business centers and a Customer Assistance Office (CAO) at the Energy Regulatory Commission (ERC) both manned by trained CWD officers, pursuant to ERC Resolution No. 42, series of 2006
- Implements various programs to delight the customers:
 - MERALCO Online
 - Information drive on rates and tips such as the Orange Tag and Power Ideas
 - Customer eXperience (CXE) Transformation Program
 - Executive CXE Engine Dashboard
 - Partnership and customer engagements through Power Up Forums and the Power Club Magazine, Meralco Business (Biz) Partnership with SME entities, and Meralco Home and microbiz engagements with local government units

- Variety of payment programs such as the automatic debit arrangement program and Interruptible Load program (ILP)

The Company promotes safety as a way of life by providing a safe and healthy environment to prevent accidents or injuries to its customers. The Company's activities include:

- Undertaking safety and health orientation programs to enhance safety consciousness and safe practice for all customers and stakeholders
- Complying with all applicable safety and environmental regulations and closely monitoring the state of well-being and safety of all customers and the public at large
- Conducting the Kuryenteng Ligas Awards, the first award-giving body that honors organizations, businesses and individuals that uphold excellence in their practice of electrical safety and promotion of safety in the workplace

In 2018, the Company received several awards and accolades from various award-giving bodies in the investment community for excellence in corporate governance:

- **SILVER ANVIL AWARD.** Meralco Corporate Governance Awareness Campaign received a Silver Anvil Award last March 23, 2018 at the 53rd Anvil Awards held in Shangri-La at the Fort, Taguig City. The Anvil Awards is one of the most reputable award-giving bodies in the field of public relations. Hailed as the Oscars for public relations, the Anvil Awards has been ceaseless in its efforts to give recognition to top organizations with outstanding PR programs for the past 53 years.
- **TOP-PERFORMING PUBLICLY-LISTED COMPANY IN ACGS.** Meralco ranked among the top 20 publicly-listed companies (PLCs) in the Philippines under the ASEAN Corporate Governance Scorecard (ACGS) 2017. The award was presented during the Institute of Corporate Directors' (ICD) ACGS Appreciation Ceremony held on July 31, 2018 at the Philamlife, Makati City.
- **FOURTH BEST-MANAGED COMPANY IN THE PHILIPPINES.** Meralco was recognized by some of Asia's top portfolio managers and buy-side analysts as one of the best and leading corporations in the country during FinanceAsia's annual survey. Meralco ranked in multiple categories among the top Philippine companies, gaining recognition in its investor relations, commitment to corporate governance, and stand-out performance in the industry sector.

Suppliers/Contractors

To ensure mutually beneficial relationship with its suppliers and contractors, the Company prescribes clearly defined and transparent procurement and supplier selection process through the Suppliers' Business Conduct Policy and Vendor Accreditation Program. It ensures faithful compliance with all the terms and conditions of its procurement contracts. Under these programs,

- Only accredited suppliers are qualified to participate in bids and awards except when:
 - the items lack the required number of accredited vendors participating in the bid
 - there are no accredited suppliers for a particular item
- Purchases are made on the basis of competitive bidding – where the commercial and technical requirements are jointly evaluated except when:
 - the items/services involve specialty work and critical components that can only be sourced from a particular vendor
 - the item can only be obtained from a single source (i.e., there are patents, trade secrets, or copyrights that prohibit other vendors from supplying the same item)
 - the purchase is negotiated with the vendor due to the urgency of requirement or there are additional requirements that should be included in an existing order, or only one vendor consistently submits a bid every time a bid is conducted
 - the purchase is a repeat award and the following criteria are met: (1) there is an urgent or additional requirement for the item in a purchase order; (2) quantity is not greater than the initial order quantity; (3) price is not higher compared with the initial order price; and (4) purchase is within three (3) months of the initial purchase order award. A maximum of three (3) repeat awards should be allowed.
- Suppliers are responsible and accountable for providing the required information in the suppliers' business conduct commitment form. They are likewise expected to adhere to certain corporate governance standards and undertaking to apply these standards to their offices and employees.

Creditors

The Company faithfully complies with all loan agreements with creditors. It ensures timely payment of its loans and efficiently operates its business to assure creditors of the Company's sound financial standing and loan payment capabilities.

The rights of creditors are protected by public disclosures of material information such as results of operations, systems of internal controls, and regular assessment of risks to compliance with loan covenants and bonds. Periodic reports are made by the Company regarding its financial position through the submission of its quarterly and latest Audited Financial Statements. The Company also conducts regular financial and operating results briefings.

Environment and Community

Environment

In 2018, the "Trash to Cash for a Cause" activity yielded more than 14,000 kilograms (kgs) of recyclable materials while the "Balik Baterya" program was able to turn-over 78,630 kgs of used lead acid batteries for its proper treatment and disposal.

The Company has collaborated and supported the Department of Environment and Natural Resources (DENR)'s corporate arm, Natural Resources Development Corporation (NRDC), through the proper disposal of hazardous wastes through NRDC's local treatment plant in Bataan. Meralco likewise continues to honor its commitment to the DENR by protecting and managing the 927-hectare Meralco Tree Farms located in Rodriguez, Rizal.

Meralco has also successfully passed the surveillance audit conducted by its third party certifying body on ISO 14001 – Environmental Management System.

Disaster Resiliency

The Company successfully submitted its Resiliency Compliance Plan (RCP) to the DOE on August 2018 in compliance with the Department Circular 2018-01-0001 also known as the Adoption of Energy Resiliency in the Planning and Programming of the Energy Sector to Mitigate Potential Impacts of Disasters. The business continuity plan of Meralco is regularly reviewed considering the expected impact of "The Big One" as well as the customer requirements for a secure and reliable supply of electric service. A total of 131 earthquake/emergency drills were conducted in all of the Company's operating sites within the franchise area.

The Bureau of Fire Protection (BFP) has granted Certificates of Competency (COC) on Fire Safety Practitioner and Fire Volunteers/Fire Brigade Member to 33 and 31 employees of the Company, respectively.

Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics (Code of Ethics) prescribes the ethical values and behavioral standards, which all directors, officers, and employees of the Company are required to observe in the performance of their respective duties and responsibilities. Copies of the Code of Ethics are disseminated to all officers and employees.

The Company, through the Corporate Governance Office (CGO), monitors the implementation of, and compliance to, the Code of Ethics. All directors, senior management, and employees are required to annually submit duly accomplished Full Business Interest Disclosure (FBID) Forms and Conflict of Interest (COI) Forms. They are also required to disclose gifts they received from third parties. An online HR Express Corporate Governance Facility is made available to all employees for the Corporate Governance (CG) disclosures and commitment required from them. Failure to comply with CG disclosures is sanctioned accordingly.

The Management Control Policy prescribes Management's responsibility to ensure a system of checks and balances and emphasizes the importance of internal control processes as an integral part of the Company's governance system and risk management. Effective management control is necessary to ensure that behavior and decisions of people in the organization are consistent with the Company's objectives and strategies.

Anti-corruption Programs and Procedures

The Code of Ethics requires directors, officers, and employees to observe professionalism, integrity, and good faith in transactions with and obligations to the Company's customers, suppliers, business partners, regulators, creditors, competitors, and employees and to avoid the commission of any act that may be construed as direct or indirect bribery and corruption, as defined by law, of government officials to facilitate any transaction or gain any perceived or actual favor or advantage.

In line with this, the Policy on Solicitation and Acceptance of Gifts prohibits the acceptance of gifts offered and given by suppliers, contractors, and other third parties to prevent all directors, officers, and employees from putting themselves in situations that could affect the fair, objective, and effective performance of their duties and responsibilities. The Amended Suppliers Business Conduct, on the other hand, requires vendors to comply, at all times, with all applicable anti-bribery and corruption laws and not to offer, accept, promise, pay, permit, or authorize bribes and kickbacks, which include giving of gifts to the Company's directors, officers or employees or other means to obtain an undue or improper advantage.

On February 26, 2018, the Board approved the Anti-Bribery and Corruption Policy, formalizing its stand against corrupt practices and specifying in detail the prohibition against corporate gift-giving to public and private individuals or entities that constitutes bribery or corruption.

The Company's Internal Audit reviews the compliance of directors, officers, and employees to the Code of Ethics and other corporate governance related policies, including the required Company disclosures. The result of the internal audit review is reported to the Audit Committee (AuditCom).

The foregoing policies are available to all stakeholders through the Company's website (www.meralco.com.ph).

A.2 Effective Redress for Violation of Stakeholders' Rights and Means of Communication of Illegal or Unethical Practices by Employees

The e-Report Mo (Whistleblowing Policy) encourages the reporting of any violation of corporate governance rules or policies, questionable accounting or auditing matters, and other malfeasance committed by the Company's directors, officers, and employees. Employees, suppliers, customers and other stakeholders

**Corporate Governance Office
Manila Electric Company (Meralco)
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Pasig City, Philippines 1605
Tel: (632) 1622 2798
Mobile: (63) 9088661670
Email: cgo.staff@meralco.com.ph**

can download, through the Company website, a whistleblower report form and submit the same via email or regular mail to the CGO through the contact information provided herein.

The Company provides appropriate protection against retaliation to an employee/stakeholder who reports illegal/ unethical behavior. In the event of retaliation, the reporting person or witness may file a report to the CGO by filling out a Retaliation Protection Report Form.

In 2018, the Company received certain reports of alleged violations and illegal/unethical behavior. These reports were investigated and accordingly resolved based on the evidence provided and in accordance with the procedures defined in the whistleblowing policy.

Employees

Meralco is committed to the development and welfare of its employees. The Company provides its employees with opportunities for learning and development, fair and competitive remuneration, and programs to promote health and safety. The Company devotes conscious effort to build a culture of excellence, knowledge sharing, personnel integrity, and development.

A.3 Performance-enhancing Mechanisms for Employees

Employee Development Programs

Training programs and other developmental interventions are implemented to enable employees to acquire the technical and leadership competencies to effectively perform their jobs for their professional growth. The Company uses globally-accepted training and development metrics relevant to value creation for business and society. Learning and development initiatives are delivered using the strategic framework of 70-20-10: 70% on-the-job learning, 20% from coaching and feedback and 10% formal training. In 2018, the average training man-hours is at 28.12 hours per person.

Organizational Safety

Meralco continuously strengthens its safety culture with the pilot implementation of a First Working Day Safety Campaign in 2018 with the intention of instilling a "Safety First" mindset among the employees to start the year. The event included a review of the previous year's safety performance and sharing of valuable learnings, recognition of excellent safety performers, audit of line crew personal

protective equipment (PPE)/tools & work equipment (TWE) and solicitation of employees' commitment to the aspiration of an "incident-free" workplace.

Meralco successfully passed both the surveillance audit conducted by a third party certifying body for its OHSAS 18001 Certification on Occupational Health and Safety Management System as well as the Department of Labor and Employment (DOLE) audit on the compliance to Occupational Safety and Health (OSH) Standards. Likewise, an additional eight (8) safety officers of the Company were able to secure their Safety Practitioner accreditation from the DOLE..

The Company was invited to be part of the DOLE Technical Working Group and actively contributed to the development of the implementing rules and regulations of Republic Act 11058, also known as the New OSH Law intended to strengthen OSH practices and compliance in all workplaces in the country.

Compensation Philosophy/Principles

The Company's performance management process measures employee performance on the basis of: 1) actual vs. desired results; and 2) how results were delivered in light of corporate core values. The achievement of financial and non-financial indicators is reflected in performance planning and assessment, which drives the Company's merit and incentive pay programs.

The Company implements short-term and long-term incentive programs to attract, retain, and motivate its employees. The Company compensates employees based on Company, team, and individual performance to help achieve corporate goals and targets. The Company evaluates performance beyond short-term financial measures. It also provides for short-term incentives through variable pay, such as annual performance-based bonuses and variable incentive plan, to reward individual and team performance that contribute to the achievement of corporate goals and objectives.

Long-term incentives include additional compensation conditioned on Meralco's achievement of a specified level of Consolidated Core Net Income (CCNI) approved by the Board and determined on an aggregate basis for a three (3)-year period as well as executives' attainment of a specified performance rating.

Succession Planning of President and CEO and Senior Management

The Company's Board and the Remuneration and Leadership Development Committee (RLDC) are responsible for overall guidance and direction on succession planning and leadership development of the President and Chief Executive Officer (CEO) and senior management. The RLDC, working closely with the head of Human Resources (HR), drives the strategy for succession planning, leadership development, and talent management. The HR head develops and implements the processes and the tools to ensure robust pools of succession candidates for the President and CEO, senior management, middle management, and first line management.

"Meralco is committed to the development and welfare of its employees. The company provides its employees with opportunities for learning and development, fair and competitive remuneration, and programs to promote health and safety. The company devotes conscious effort to build a culture of excellence, knowledge sharing, personnel integrity, and development."

Presently, the succession plan covers the top 584 leaders of the Company. The succession planning process involves the assessment of the Company's leaders' career aspirations, strengths, and development needs. A key feature of the Company's succession planning process is the talent review conducted at the senior management level and at various levels of the organization. The senior management talent review has resulted in a pool of about 49 candidates who, subject to the realization of their development plans, could become management committee members within the next five (5) years. The talent reviews have been a hallmark of the Company's process and is a best-in-class talent management practice. The process deliverables are individual development plans designed to bring key talents to higher levels of performance and accountability. It involves authentic and extensive management discussions and deliberations by leaders on the aspirations, strengths, development needs, and challenges of key talents.

All of these have created a development mindset throughout the organization and have established a strong and robust leadership pipeline that will adequately meet Meralco's senior leadership requirements well into the future.

B. RIGHTS OF SHAREHOLDERS

The Company recognizes the rights of all shareholders as provided in the Corporation Code of the Philippines, other pertinent laws, rules and regulations, the Company's Articles of Incorporation, Amended By-Laws, and Revised Manual of Corporate Governance (MCG).

B.1 Right to Dividends

Dividend Policy

The Company's dividend policy, as approved by the Board on February 22, 2010, and ratified by the shareholders during the May 25, 2010 ASM, calls for the payment of regular cash dividends equivalent to 50% of the audited CCNI for the year with a "look-back" basis, which allows the Company to pay special dividends beyond 50% of the CCNI for the year, subject to the availability of unrestricted retained earnings in accordance with the guidelines of the SEC.

Following are the cash dividends declared by the Board on common shares for 2018:

Declaration Date	Record Date	Payable Date	Rate per Share
February 26, 2018	March 28, 2018	April 25, 2018	PhP 8.065
July 30, 2018	August 29, 2018	September 24, 2018	PhP 5.311

B.2 Right to Participate in Decisions

The Company upholds the rights of all shareholders, including the minority shareholders, to participate in:

- changes or amendments to the Company's Articles of Incorporation or By-laws
- authorization for issuance of additional shares
- authorization of extraordinary transactions, including the transfer of all or substantially all assets that in effect result in the sale of the Company
- approval of remuneration or increase in remuneration of directors
- voting on matters in absentia through the use of proxy forms

B.3 Right to Vote and Participate Effectively Disclosure and Release of Notice to Annual Stockholders' Meeting (ASM)

To provide shareholders enough time to examine the Company's information, the ASM Notice was posted on the Company's website on January 29, 2018. The Definitive Information Statement (DIS) was distributed to the shareholders starting April 18, 2018, 41 days prior to the ASM date of May 29, 2018. Similar to all Company notices and circulars, the ASM Notice is written and published in English.

ASM

It is the Company's policy to encourage shareholders, including institutional and minority shareholders, to attend and actively participate in the ASM. The 2018 ASM was held on Tuesday, May 29, 2018, at 10:00 AM at the Meralco Theater, Lopez Building, Ortigas Avenue, Barangay Ugong, Pasig City.

The Company facilitates participation of shareholders who cannot attend the meeting in person by enclosing proxy forms in the ASM Notice where they can indicate their votes on matters that are taken up during the ASM. Shareholders can download the proxy forms together with details on how to appoint a proxy from the Company's website.

The Company granted all shareholders, including minority shareholders, the right to nominate directors and propose or inquire on agenda items. The "Call for Nominations" was posted on the Company's website on January 29, 2018 for submission of proposed agenda and nomination of qualified candidates on or before March 9, 2018. The agenda and nominees were approved by the Board during its meeting on January 29, 2018 and March 23, 2018, respectively.

Voting Procedures

A three (3)-hour registration period was allotted before the start of the ASM. The Assistant Corporate Secretary reported a quorum with the attendance of shareholders who own or hold a total of 897,283,790 shares or approximately 79.61% of the total issued and outstanding shares of the Company. An electronic system facilitated the registration and vote tabulation to ensure accuracy and reliability of information.

The Assistant Corporate Secretary explained the vote tabulation procedures to the shareholders and stated that all shareholders were entitled to one vote for one share. Votes were tallied and tabulated by the Office of the Corporate Secretary. Representatives from Reyes Tacandong & Co., an independent third party, validated the voting results for each agenda item.

The Company allowed shareholders to freely express their views and raise their questions during the ASM.

The Chairman of the Board, Chairman of the AuditCom, Chairman of the RLDC, Chairman of the Nom&Gov, Chairman of the Finance Committee, the Board, President and CEO, Chief Finance Officer (CFO), Assistant Corporate Secretary, other officers of the Company, and its external auditor attended the ASM to present the performance results of the Company and respond to any question from the shareholders relevant thereto. The appropriate meeting procedures and guidelines were followed before, during and after the ASM.

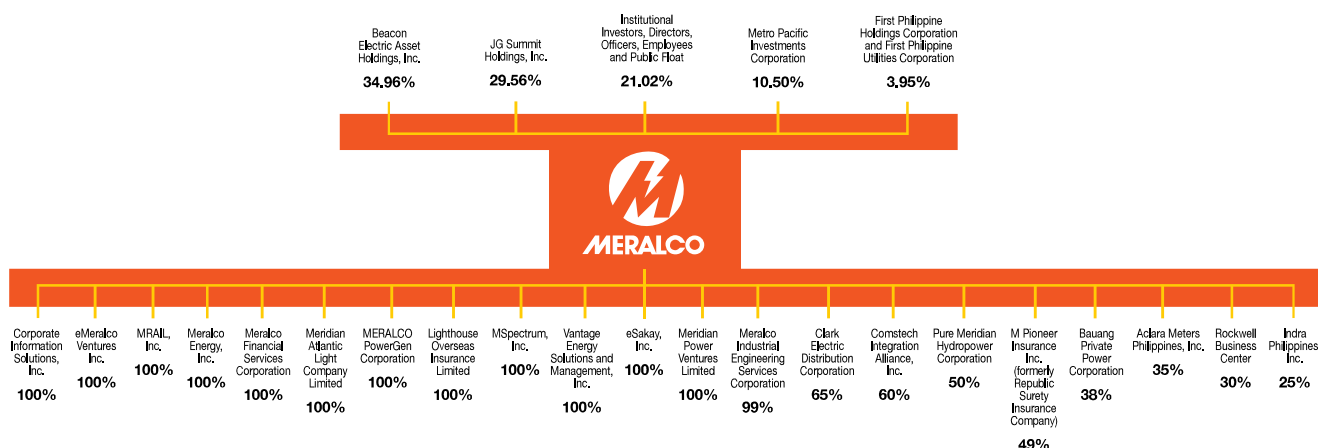
The Company posted the resolutions approved during the ASM on its website the following day so that non-attending shareholders may be immediately informed.

B.4 Right to Approve Mergers and Acquisition

In the event of mergers and acquisitions requiring shareholders' approval, the Company appoints an independent party to evaluate the merits of the transaction as well as the fairness of the transaction price.

B.5 Institutional Investors

The Company recognizes the exercise of ownership rights by all shareholders, including institutional investors. The Company does not have any shareholder owning more than 50% of its total outstanding shares.



The complete list of the Public Ownership Report of Meralco as at December 31, 2018 was disclosed to the SEC, PSE, and PDEX on January 10, 2019, where approximately 78.98% of the Company shares are held by principal and strategic shareholders, and the remaining 21.02% shareholdings are held by directors, officers, employees, the government, other corporations, and other individuals. The Company has a straightforward structure of alliance among its affiliates, and joint ventures. There is no pyramid shareholding structure within the Group. Details of holding companies, subsidiaries, and other related companies are disclosed in the map showing relationships among the Companies within the Group.

C. EQUITABLE TREATMENT OF SHAREHOLDERS

C.1 Shares and Voting Rights

The Company has only one (1) classification of shares (common shares), with each share entitled to one (1) vote.

C.2 Notice of Annual Stockholders' Meeting (ASM) and Definitive Information Statement (DIS)

The Notice of ASM and DIS contain, among others, the resolutions to be considered by the shareholders for each agenda item during the ASM. There is no bundling of several items into one resolution. It also provides the following information:

- Profiles of each director seeking election/re-election—age, academic qualification, date of first appointment, experience, and directorships in other listed companies
- External auditor seeking appointment/re-appointment
- Dividend policy
- Amount of dividends declared and any dividends payable
- Readily available proxy statements

The Notice of ASM and DIS are available on the Company's website.

C.3 Policy on Dealings in Company Shares of Stocks (Insider Trading/Blackout Period)

The Insider Trading Policy prohibits directors, officers, and employees from benefiting from information that is not generally available to the investing public through observance of a blackout period 10 trading days before and two (2) trading days after the release or announcement of the Company's material information or financial and operating results, during which trading in Company shares is prohibited.

The Company strictly enforces and monitors compliance with its policy on insider trading. Under the revised policy approved for implementation on December 1, 2014, directors and officers are required to disclose to the Compliance Officer the details of any trading, dealing, acquisition, disposal, or change in their beneficial ownership of the Company (MER) shares, not later than one (1) trading day after the transaction.

C.4 Related Party Transactions (RPTs) by Directors and Key Executives

The RPT Policy requires the review of material/significant RPTs, to determine whether they are in the best interest of the Company and its shareholders and ensure that all RPTs of the Company are conducted in fair and at arm's length terms.

CORPORATE STRATEGIC OBJECTIVES/ GROWTH PILLARS

- I. STRENGTHEN THE CORE DISTRIBUTION BUSINESS
- II. BUILD THE POWER GENERATION PORTFOLIO
- III. PARTICIPATE IN RETAIL ELECTRICITY SUPPLY
- IV. GROW THE ELECTRIC DISTRIBUTION SERVICE AREA
- V. DRIVE THE EXPANSION OF SUBSIDIARIES

The Company provides all the names of related parties, degree of relationship, nature, and value for each material/ significant RPT. Details are found in Note 22 to the Consolidated Financial Statements.

In 2018, there was no case of insider trading or policy violations involving directors and officers of the Company and no RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies. The Company is fully compliant with the Code and policies on corporate governance.

Conflict of Interest (COI) Policy

The COI Policy requires all directors, officers and employees to annually disclose their interest in transactions and any other conflicts of interest affecting the Company through the FBID Form for directors and officers, and the COI Form for employees. The Company requires directors and key Management personnel to abstain from and/or inhibit themselves from participating in discussions on a particular agenda when a conflict exists or may exist between their personal interest and that of the Company.

C.5 Protecting Minority Shareholders from Abusive Actions

The Company's policies embody an utmost respect to the right of the minority shareholders while pursuing corporate interest. Salient provisions are:

- a. Timely, fair, and accurate disclosure of material information
- b. Review of existing, and development of new policies that will prevent the major shareholders from gaining undue advantage over and at the expense of minority shareholders
- c. RPTs are disclosed in Note 22 of the consolidated financial statements
- d. Disinterested shareholders decide on all RPTs which require shareholders' approval

D. RESPONSIBILITIES OF THE BOARD

The Board promulgates the Company's MCG which provides the framework of good governance and ethical business practices that the Company's directors, officers, and employees are expected to observe and adhere to in dealing with various stakeholders. Management, in turn, ensures that the operations of the Company are aligned with the MCG.

The MCG conforms to regulations set forth by the SEC, the PSE, PDEx, and other relevant regulatory bodies and is reviewed annually to ensure that it is up to date with local and international best practices, and relevant to the Company's strategic direction. Pursuant to the SEC Memorandum Circular No. 19, Series of 2016, otherwise known as the "Code of Corporate Governance for Publicly Listed Companies," the Board approved the MCG which was submitted to the SEC on April 24, 2017.

The Board is responsible for setting the Company's vision, mission, overall strategic directions, corporate objectives, and long-term goals; it also ensures that obligations to shareholders and to all stakeholders are understood and met.

The Board is mandated to enhance shareholder value by fostering the long-term success of the Company and sustaining its competitiveness and profitability in a manner consistent with the Company's vision, mission, and corporate strategic objectives.

The MCG further mandates the Board to formulate and to annually review the Company's vision and mission statements, corporate strategic objectives, key policies, and the mechanism for performance assessment of the Board and Management, principally the President and CEO.

VISION

TO BE A WORLD CLASS COMPANY AND
THE SERVICE PROVIDER OF CHOICE

MISSION

TO PROVIDE OUR CUSTOMERS THE
BEST VALUE IN ENERGY, PRODUCTS
AND SERVICES

The Board, in its regular meeting held on January 29, 2018, as part of the Board's assessment of the Company's performance in the past year, reviewed and confirmed the vision, mission, and corporate strategic objectives/growth pillars of the Company. In the same meeting, the Board also reviewed the Company's material controls (including operational, financial, and compliance controls) and risk management systems and confirmed the Company's full compliance with the Code of Corporate Governance.

The Company has an 11-seat Board. Majority of the members are non-executive directors and in accordance with the Securities Regulation Code (SRC), two (2) are independent directors, namely, Ret. Chief Justice Artemio V. Panganiban and Mr. Pedro E. Roxas. To reinforce Board independence, the Board designated Ret. Chief Justice Panganiban as a lead independent director pursuant to the recommendation under the ASEAN Corporate Governance Scorecard and the Code of Corporate Governance for PLCs. The lead independent director shall have the following functions:

- To serve as an intermediary between the Chairman and the other directors when necessary
- To convene and chair meetings of the non-executive directors
- To contribute to the performance evaluation of the Chairman, as required

In accordance with recommendations from the MCG, the ASEAN Corporate Governance Scorecard, and the Code of Corporate Governance for PLCs, the Board enforces a Board Diversity Policy to ensure that it has an appropriate mix of expertise, experience, independence, and skills that would encourage critical discussion and promote a balanced decision in the attainment of the Company's strategic objectives and sustainable development. In this regard, the Board has a female director in the person of Ms. Anabelle L. Chua and a non-executive director who has had prior work experience in the sector or broad industry group to which the Company belongs.

The Nom&Gov reviews the nomination, selection, and composition of the Board and affirms that its membership has a proper mix and diversity of qualifications, background, experience, independence, and skills needed to effectually perform its responsibilities.

To properly guide the Board in the director selection process, the Board approved the Nomination and Election Policy on September 25, 2017 which details the Board nomination and election procedures adopted by the Company.

The Nom&Gov ensures that independent decision-making is encouraged, and that no individual director dominates the Board's decision-making. The non-executive directors actively participate in discussions at the Board and Board Committee levels, as well as with Management.

On March 23, 2018, the Nom&Gov assessed the profiles of the directors and found that the independent, non-executive directors are indeed independent of the Company, its related corporations, its management, or substantial shareholders that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment. The Nom&Gov had reviewed the multiple board representations held presently by the directors and assessed that they are reasonable in number and do not hinder, in any way, the performance of their duties to the Company.

The Chairman of the Board, Mr. Manuel V. Pangilinan, serves to represent the interests of all shareholders and stakeholders, and to oversee the performance of the Board and its directors. He champions exemplary ethical governance principles for directors, officers, and employees to emulate and likewise espouse. Together with the President and CEO, Mr. Oscar S. Reyes, the Corporate Secretary, Atty. Simeon Ken R. Ferrer and the Compliance Officer, Atty. William S. Pamintuan, the Chairman sets a clear agenda before each Board meeting. He provides opportunities for all directors to actively participate, addresses governance-related issues that non-executive, independent directors may raise, and ensures that the Board exercises strong oversight over the Company and its Management, such that the prospect of any corporate risk or threat is adequately and effectively addressed. His roles and responsibilities are specified in the MCG which is accessible in the Company's website.

The Board reviews and approves major projects, policy decisions, annual budgets, major investment funding, and major restructuring of core businesses on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company.

The Board jointly plans meeting dates at the start of the calendar year, regularly meets every month, and holds special meetings as may be required.

2018 ASM AND BOARD MEETING ATTENDANCE				
Director	Designation	May 30, 2017		Board Meeting Attendance
		Annual Stockholders' Meeting (ASM)	Organizational Meeting	
Manuel V. Pangilinan ¹	Chairman	Present	Present	12/13
Lance Y. Gokongwei	Vice Chairman	Present	Present	13/13
Oscar S. Reyes	Director	Present	Present	13/13
Ray C. Espinosa ²	Director	Present	Present	12/13
James L. Go	Director	Present	Present	13/13
John L. Gokongwei Jr.	Director	Absent	Present	12/13
Anabelle L. Chua	Director	Present	Present	13/13
Jose Ma. K. Lim ³	Director	Present	Present	13/13
Manuel M. Lopez ⁴	Director	Present	Present	6/6
Elpidio L. Ibañez ⁵	Director	Present	Present	7/7
Artemio V. Panganiban ⁶	Independent Director	Present	Present	13/13
Pedro E. Roxas ⁷	Independent Director	Present	Present	13/13

¹ Chairman of Executive Committee and Remuneration and Leadership Development Committee

² Chairman of Finance Committee

³ Chairman of Risk Management Committee

⁴ End of term as director in May 2018

⁵ Elected during the 2018 ASM

⁶ Chairman of Audit Committee

⁷ Chairman of Nomination and Governance Committee and Related Party Transactions Committee

In 2018, the Board's major accomplishments included the following:

Major Projects/Policy Decisions

- Evaluation of compliance to the SEC Revised Code of Corporate Governance
- Approval of the Integrated Annual Corporate Governance Report (I-ACGR)
- Review and approval of the Anti-Bribery and Corruption Policy
- Review and approval of the Revised RPT Policy
- Approval of the designation of a lead independent director
- Approval of the adoption of an Alternative Dispute Resolution Mechanism
- Review and approval of a Board Charter
- Review and approval of the Guidelines on Board Meetings through Teleconferencing and Videoconferencing
- Review and approval of the amendment of the Fourth Article of the Articles of Incorporation to Extend the corporate term for 50 years from May 7, 2019
- Conduct of the 2018 ASM
- Appointment of inspectors and canvassers for the ASM ballots
- Screening of nominees to the Board
- Approval of 2019 schedule of Board meetings
- Review and approval of the appointment of a new chief audit executive
- Evaluation of compliance to ERC requirements
- Review of the Retail Competition and Open Access (RCOA) Rules
- Review and approval of business separation and unbundling plan reports
- Review and approval of public-private partnerships
- Approval of construction, development, and commissioning of substation assets
- Review and approval of power generation projects
- Review and approval of other local and international business initiatives
- Review and approval of interim power supply agreements (IPSAs) and power supply agreements (PSAs)
- Approval of technical services agreements
- Approval of pole relocation projects
- Approval of Audited Financial Statements

- Evaluation of incumbent external auditor and nomination of external auditor for 2018
- Approval of report of external auditors covering the Company's Audited Financial Statements
- Approval of dividend declaration
- Review and approval of material RPTs
- Enterprise performance evaluation and assessment
- Performance assessment of the Board, Board Committee, and President and CEO
- Review and approval of executive promotions, rightsizing policy and succession planning
- Review and approval of employee performance management plan

Business Plan and Annual Budgets

- Review and approval of the 2019 budget and the 2019-2023 business plan
- Review of board remuneration given the provisions of TRAIN Law
- Approval of budget realignment for certain services
- Monitoring of investment committee report
- Review and approval of corporate strategic objectives
- Monitoring of the implementation of corporate strategies
- Review of forecast of subsidiaries' projects

Major Investment Fundings

- Infusion of equity to subsidiaries
- Renewal of credit lines, credit facilities, and bonds

In 2018, the Company's non-executive directors met two (2) times without the presence of the executive director, Mr. Oscar S. Reyes. The agenda in these meetings were the Management's reports, corporate governance directions, reports of the internal and external auditors, and the performance assessment of the President and CEO.

Corporate Secretary and Compliance Officer

All Board members have direct and independent access to the Corporate Secretary, the Compliance Officer and Management. The corporate secretary, under the direction of the Chairman, is responsible for ensuring that good information flows within the Board and Board Committees and between Management and non-executive directors. He also facilitates the orientation and assists with the professional development of directors as required by regulators.

Among the duties of the Office of the Corporate Secretary are the following:

- Schedule Board meetings and other related activities and notify the Board
- Provide the necessary Board papers associated with items on the meeting agenda at least five (5) business days ahead of the Board meetings
- Provide ready and reasonable access to information that directors may need for their deliberation on issues listed on the agenda of the Board
- Assist the Board in the performance of its duties
- Attend all Board meetings, take the minutes of meetings and maintain records of the same and ensure proper safekeeping of all Board papers

- Ensure that all Board procedures, rules, and regulations are faithfully followed
- Submit required reports and disclosures to SEC, PSE, PDEX and other regulatory agencies
- Conduct orientation program for new members of the Board regarding the Company's organizational structure and business operations

The Company's Corporate Secretary, Atty. Simeon Ken R. Ferrer met all the following qualifications and skills required for his position:

- Resident Filipino citizen of good moral character
- With adequate legal, administrative, basic accountancy, company secretarial and interpersonal skills
- Attends continuing education seminars where he receives regular updates of the laws, rules, and regulations relevant to his duties
- With working knowledge of the operations of the Company and loyal to the Company's mission, vision, and corporate strategic objectives

The Board is likewise assisted by the Company's Compliance Officer, Atty. William S. Pamintuan, who has the following functions, among others:

- Ensures proper on-boarding of new directors (i.e., orientation on the Company's business, charter, articles of incorporation and by-laws, among others)
- Monitors, reviews, evaluates, and ensures the compliance by the corporation, its officers and directors with the relevant laws, rules and regulations and all governance issuances of regulatory agencies
- Reports violations of the aforementioned rules to the Board and recommends the imposition of appropriate disciplinary action
- Ensures the integrity and accuracy of all documentary submissions to regulators
- Appears before the SEC when summoned in relation to compliance with the SRC
- Collaborates with other departments to properly address compliance issues which may be subject to investigation
- Identifies possible areas of compliance issues and works towards the resolution of the same
- Ensures the attendance of board members and key officers to relevant trainings
- Performs such other duties and responsibilities as may be provided by the SEC

Both the Corporate Secretary and the Compliance Officer regularly attend trainings on corporate governance.

D.1 Board Committees

The Board has formed various Board Committees, namely the Executive Committee (ExCom), Audit Committee (AuditCom), Risk Management Committee (RMC), Nomination and Governance Committee (Nom&Gov), Remuneration and Leadership Development Committee (RLDC), Finance Committee (FinCom), and Related Party Transactions Committee (RPTComm). The Board has delegated specific responsibilities to each of these Committees. These Board Committees had been formed and are guided by their respective committee charters.

2018 BOARD COMMITTEE MEETING ATTENDANCE						
	FinCom	Auditcom	RMC	RPT Comm	Nom&Gov	RLDC
Manuel V. Pangilinan	n/a	n/a	n/a	n/a	n/a	4/4
Lance Y. Gokongwei	n/a	5/9	1/2	1/1	2/5	2/4
Oscar S. Reyes	n/a	n/a	n/a	n/a	n/a	n/a
Ray C. Espinosa	11/12	n/a	n/a	n/a	n/a	n/a
James L. Go	12/12	8/9	2/2	0/1	4/5	n/a
John L. Gokongwei, Jr.	12/12	n/a	n/a	n/a	n/a	n/a
Jose Ma. K. Lim	n/a	8/9	2/2	1/1	5/5	3/4
Anabelle L. Chua	12/12	9/9	2/2	1/1	5/5	n/a
Manuel M. Lopez ¹	5/5	n/a	n/a	n/a	n/a	n/a
Elpidio L. Ibañez ¹	7/7	n/a	n/a	n/a	n/a	n/a
Pedro E. Roxas ²	10/12	9/9	2/2	1/1	5/5	4/4
Artemio V. Panganiban ²	n/a	9/9	2/2	1/1	n/a	n/a

¹Mr. Elpidio L. Ibañez replaced Amb. Manuel M. Lopez as member of the FinCom effective June 1, 2018

²Independent Director

The functions, authority and responsibilities of each Board Committee and their accomplishments are as follows:

Executive Committee (ExCom) is composed of five (5) directors, one (1) of whom is an independent director. The ExCom may act, by majority vote of all its members, on such specific matters within the competence of the Board, as may be delegated to it under the By-Laws, or upon a majority vote of the Board, subject to the limitations provided by the Corporation Code.

Remuneration and Leadership Development Committee (RLDC) is composed of four (4) directors, one (1) of whom is an independent director. The duties and responsibilities of RLDC as defined in its charter include assistance to the Board in the development of the Company's overall performance management, compensation, retirement and leadership development policies and programs based on the Company-approved philosophy and budget.

The RLDC held three (4) meetings in 2018. The following were accomplished by the RLDC:

- Approval of candidates for rank conferment to first vice president and vice president
- Review of performance evaluation plan results
- Review of merit increase programs
- Review of annual incentive plan

- Review and endorsement of the 2018-2020 collective bargaining agreement negotiations with the supervisory union
- Presentation and review of proposed succession planning programs
- Review of board remuneration given provisions on TRAIN Law

The RLDC recommends to the Board, for the approval of the shareholders, a framework of remuneration for directors and Management, including the President and CEO.

For the President and CEO, and Management, the framework takes into account all aspects of executive remuneration including salaries, allowances, bonuses, and benefits in kind. The framework is benchmarked against pay and employment conditions within the industry and it links rewards to corporate and individual performance. The Board ensures that the remuneration of its members and key officers is aligned with the long-term interest of the Company. Directors do not participate in discussions or deliberations involving their own remuneration.

The Company's directors receive per diem fees for their attendance to Board and Board Committee meetings. Each director is entitled to a per diem allowance of PhP140,000 for every board meeting attended and PhP24,000 for every committee meeting.

DETAILS OF 2018 BOARD REMUNERATION (IN PhP)			
	Remuneration for ASM and Board Meetings Attended in 2018	Remuneration for Committee Meetings Attended in 2018	TOTAL
EXECUTIVE DIRECTOR			
Oscar S. Reyes	1,820,000	–	1,820,000
EXECUTIVE DIRECTOR	1,820,000	–	1,820,000
NON-EXECUTIVE DIRECTOR			
Manuel V. Pangilinan	1,680,000	96,000	1,776,000
Lance Y. Gokongwei	1,820,000	264,000	2,084,000
Ray C. Espinosa	1,680,000	264,000	1,944,000
Manuel M. Lopez	840,000	120,000	960,000
John L. Gokongwei, Jr.	1,820,000	288,000	2,108,000
Jose Ma. K. Lim	1,820,000	456,000	2,276,000
James L. Go	1,820,000	624,000	2,444,000
Elpidio L. Ibañez	980,000	168,000	1,148,000
Anabelle L. Chua	1,820,000	696,000	2,516,000
TOTAL NON-EXECUTIVE DIRECTORS	14,280,000	2,976,000	17,256,000
INDEPENDENT DIRECTORS			
Pedro E. Roxas	1,540,000	744,000	2,284,000
Artemio V. Panganiban	1,820,000	288,000	2,108,000
TOTAL INDEPENDENT DIRECTORS	3,360,000	1,032,000	4,392,000
GRAND TOTAL	19,460,000	4,008,000	23,468,000

Remuneration of Key Management and Employees

The Company adopts a remuneration policy comprised of fixed and variable components in the form of base salary and variable bonus linked to the Company's and the individual's performance. Compensation packages and revisions of key Management's remuneration are subject to the review and approval of the RLDC.

The top five (5) key officers of the Company have received an aggregate remuneration of PhP236 million. For more information on the aggregate total remuneration paid to all key officers, please refer to the discussion entitled Compensation of Key Management Personnel in the Notes to the Consolidated Financial Statements.

Advisers/Consultants to Remuneration and Leadership Development Committee

Meralco engaged a human resources consultancy firm to assist in the areas of employee engagement, and compensation and benefits management.

Nomination and Governance Committee (Nom&Gov)

is composed of five (5) directors with an independent director as chairman. The duties and responsibilities of Nom&Gov as reflected in its charter include screening qualified nominees for election as directors, assessing the independence of directors, introducing improvements on Board organization and procedures, setting-up of mechanisms for performance evaluation of the Board and Management, and providing programs for continuing education of the Board.

The Nom&Gov undertakes the process of identifying the qualification of directors aligned with the Company's strategic directions. It reviews and recommends to the Board the appointment of directors and members to the Board committees. The process involves identifying, reviewing, and recommending potential candidates to the Board for consideration.

The Nom&Gov has put in place a formal and transparent process for the nomination of new directors to the Board. Stakeholders who have identified suitable candidates submit the Nomination and Acceptance Letters, FBID Forms, and curriculum vitae of such candidates to the Nom&Gov for discussion and review on or before the deadline set by the Nom&Gov.

These candidates should be skilled in core competencies such as strategic planning, business expertise, and industry knowledge. These candidates are sourced from the business network of Board members and from professional search firms such as the Institute of Corporate Directors (ICD), or from shareholders. One of the Company's directors, who is also the President and CEO, Mr. Oscar S. Reyes is a Fellow of the ICD. The Company's corporate secretary, Atty. Simeon Ken R. Ferrer is also an ICD Fellow.

The shareholders elect the directors during the ASM held every last Tuesday of May.

Upon appointment, the Company sends out a formal letter setting the director's roles and responsibilities and the new director will then attend various briefings with Management.

The Nom&Gov had five (5) meetings in 2018. The following were performed by the Nom&Gov:

- Reviewed the results of Board, Board Committees, and President and CEO performance assessment
- Assessed Meralco's public ownership report
- Screened the nominees to the Board
- Reviewed the Board committee composition
- Assessed Meralco's compliance to the Revised ASEAN Corporate Governance Scorecard (ACGS)
- Reviewed and endorsed Meralco's Integrated Annual Corporate Governance Report (I-ACGR) for 2017
- Endorsed the appointment of the lead independent director
- Reviewed and approved the following policies:
 - Anti-Bribery and Corruption Policy
 - Board Charter
 - Policy on Alternative Dispute Resolution
- Adoption of guidelines on Board meetings through teleconferencing and videoconferencing
- Reviewed the updates on sustainability reporting
- Discussed the implementation of electronic voting during the ASM
- Reviewed the engagement of an external facilitator to assess Board effectiveness
- Facilitated the annual CG enhancement and continuing education programs
- Conducted the on-boarding orientation for the new director, Mr. Elpidio L. Ibañez

Audit Committee (AuditCom) is composed of two (2) independent directors, and four (4) non-executive directors, one of whom has over 20 years of experience in the areas of accounting, corporate finance, treasury, financial control, and credit risk management and was a Vice President at Citibank, N.A. for 10 years. The AuditCom is chaired by an independent director.

The AuditCom had nine (9) meetings in 2018 and performed the following:

- Internal Control
 - Obtained Management's assurance on the adequacy and effectiveness of the Company's internal control system and noted Management's Control Policy
 - Evaluated the effectiveness of the internal control system of the Company
 - Prepared a briefing for sustainability reporting
 - Discussed updates on Cybersecurity, Operational Technology Cybersecurity Assessment (OTCA)
- Financial Reporting
 - Reviewed the Unaudited Consolidated Quarterly Financial Statements and the Audited Annual Consolidated Financial Statements of the Company
 - Endorsed for Board approval the Audited Consolidated Financial Statements of the Company
- Audit Process
 - Assessed the independence, performance, and effectiveness of the external auditor, SyCip Gorres Velayo & Co. (SGV), taking into consideration their credibility, competence, ability to understand complex related party transactions, and the adequacy of their quality control procedures. Based on this assessment, SGV was re-nominated by the AuditCom to the Board as the external auditor of the Company with the assurance that the lead audit partner complies with Rule 68 of the SRC on rotation of external auditor
 - Held executive sessions with the external auditor without the presence of Management
 - Reviewed and approved the audit plan, scope of work and proposed fees of SGV for audit and non-audit services
 - Reviewed and approved the annual internal audit plan including subsequent changes to the audit plan
 - Discussed and dissected the results of audits reported by the Chief Audit Executive in the quarterly reports to the AuditCom
 - Monitored Management's appropriate corrective actions to the audit recommendations of internal audit and the external auditor
 - Assessed internal audit's performance for the preceding year
 - Assessed the performance of the subsidiaries' Audit committees
 - Discussed the retirement of the Chief Audit Executive and recommended the appointment of her replacement

- Compliance
 - Reviewed and assessed Management's processes of monitoring compliance with laws and regulations through Internal Audit
 - Reviewed and assessed subsidiaries' and associates' processes of monitoring compliance with laws and regulations
 - Obtained updates on the status of compliance as well as the remaining challenges confronting the Company, as they relate to the requirements of the ERC, the SEC, and other regulatory agencies concerned with environment and safety, labor, and others

Risk Management Committee (RMC) is composed of two (2) independent directors and four (4) non-executive directors. It assists the Board in its oversight role on the risk management process. The following activities were accomplished by the RMC:

- Reviewed Management's top business risks and discussed on-going risk treatments
- Reviewed the Enterprise-Wide Risk Management (EWRM) Plans for 2017-2018
- Considered Management's short- to medium-term plans to streamline EWRM integration in the annual strategic planning activities to institutionalize risk management functions at the subsidiaries and to develop a risk reporting dashboard that will facilitate reporting and monitoring of top risks and mitigation plans
- Reviewed the effectiveness and certified the adequacy of the Company's risk management system
- Updated the Risk Management Committee Charter

The Board, through the RMC, institutes a framework of prudent and effective controls which enables risks to be identified, assessed, and managed accordingly.

Finance Committee (FinCom) is composed of six (6) directors, one (1) of whom is an independent director, with the CFO as ex-officio member. It reviews the financial operations of the Company and matters regarding major purchase contracts, and acquisition and/or divestment of investments, businesses or ventures.

In its 12 meetings in 2018, its major accomplishments were:

- Review and approval of all service and supply contracts in excess of PhP50 million
- Review of Unaudited Quarterly Consolidated Financial Statements and Audited Annual Consolidated Financial Statements
- Treasury updates
- Declaration of final cash dividend
- Renewal of credit lines and bonds
- Review and approval of cash optimization strategy
- Review and approval of PSAs and any changes or issues regarding their execution
- Review and approval of annual budget and medium-term business plan and forecast

- Review of Meralco's directors and officers insurance policy
- Review additional capital call, surety bonds, capital infusions for subsidiaries
- Review of special payment agreements
- Review of equity call
- Review of investments
- Review and endorsement of the renewal of Wholesale Electricity Spot Market surety bond for the retail electricity supply transactions

Related Party Transactions Committee (RPTComm)

is composed of six (6) directors, two (2) of whom are independent directors. It assists the Board in reviewing material/significant RPTs to determine whether they are in the best interest of the Company and shareholders and ensures that all RPTs of the Company are conducted in fair and at arms' length terms. In 2018, the RPTComm:

- Reviewed and endorsed the Revised RPT Policy and Guidelines
- Reviewed and endorsed material and significant RPTs

D.2 Orientation and Continuing Education Programs

The Board ensures that the Company complies with all relevant laws, regulations, and endeavor to adopt best business practices and to keep it abreast with the latest developments in corporate governance regulatory landscape and best practices; it implements a policy on orientation and continuing training for all directors and key officers, including an annual CG training with SEC accredited providers, in accordance with the Board Charter and the Company's MCG.

Each newly elected director is provided with a director's kit which contains policies and other information pertaining to his duties and obligations as a director provided under existing laws and regulations. An in-house orientation program, incorporating briefings from the corporate and regulatory units, are arranged for any new director to better familiarize himself with the Company's businesses, stakeholders, regulatory environment, and governance practices.

The Company has a policy that encourages directors to attend annual continuing training programs. In fulfillment of such policy and the requirements of the Company's MCG, the ERC Resolution No. 1, Series of 2004, and the SEC Memorandum Circular No. 20, Series of 2013, the directors, together with the senior management, attended the 13th Annual Corporate Governance Enhancement Session on November 16, 2018, entitled "Sustainability Strategy in a Disruptive Business Environment: ESG Best Practices and Compliance Issues; and Blockchain Technology Use Cases and Strategic Benefits, Risks and Governance Issues."

2018 ATTENDANCE TO CORPORATE GOVERNANCE TRAINING AND CONTINUING EDUCATION PROGRAMS

Director	Program	Resource Person/ Name of Training Institution
MANUEL V. PANGILINAN	Directors' Training Session on "Cyber Security" and "Synopsis on Corporate Governance, Legal and Regulatory Issues"	First Pacific Company Limited PricewaterhouseCoopers (PwC) Mr. Graham Winter Gibson Dunn
LANCE Y. GOKONGWEI	Corporate Governance Training on "Agile Training"	Paul McNamara Boston Consulting Group
ELPIDIO L. IBAÑEZ RAY C. ESPINOSA JOSE MA. K. LIM OSCAR S. REYES PEDRO E. ROXAS	MVP Group 13th Annual Corporate Governance Enhancement Session: Sustainability Strategy in a Disruptive Business Environment: ESG Best Practices and Compliance Issues; and Blockchain Technology Use Cases and Strategic Benefits, Risks and Governance Issues	Dr. Matthew Bell Partner, Ernst and Young Mr. Paul R. Brody Partner, Ernst and Young
ANABELLE L. CHUA	2018 PSE-SCCP-CMIC Corporate Governance Training	PSE
JAMES L. GO JOHN L. GOKONGWEI, JR.	SEC Granted Messrs. John L. Gokongwei, Jr. and James L. Go a permanent exemption from the corporate governance training requirement in its en banc meeting on November 10, 2015.	
RET. CHIEF JUSTICE ARTEMIO V. PANGANIBAN	MVP Group 13th Annual Corporate Governance Enhancement Session: Sustainability Strategy in a Disruptive Business Environment: ESG Best Practices and Compliance Issues; and Blockchain Technology Use Cases and Strategic Benefits, Risks and Governance Issues SGV Corporate Governance Seminar	Dr. Matthew Bell Partner, Ernst and Young Mr. Paul R. Brody Partner, Ernst and Young SGV Leonardo J. Matignas, Jr. Partner, SGV

D.3 Board, Committee and CEO Performance Assessment

The Board annually conducts a self-assessment of its performance individually, collectively, and as members of the different Board committees. The self-assessment results are key factors in the enhancement of directors' performance and effectiveness in the discharge of their duties.

The Board conducted the performance assessment on February 26, 2019, through employment of the following assessment forms, with the following processes and criteria:

1. Board Self-Assessment - each director assessed the Board performance as a whole and their individual performance on the following categories:
 - a) Board structure and qualifications
 - b) Board duties and responsibilities
 - c) Duties and responsibilities as an individual director

2. General Board Committee Performance Assessment - each director assessed the overall performance of the Board committees, based on the provisions of the Board committee Charters.
3. Board Committee Self-Assessment - each committee member assessed his committee's performance vis-à-vis the respective charters and SEC's guidelines for the assessment of the performance of audit committee of companies listed on the Exchange.
4. President and CEO Performance Assessment - each director assessed the President and CEO's leadership, working relations with the Board, communication and working relations with Management.

On the assessment forms, the Board gives its opinions and suggestions or identifies special issues of interest about its performance or different aspects of the Company's operation.

The CGO sends these assessment forms to every director, collects the completed forms, prepares a summary report and submits it to the Nom&Gov and the Board as an agenda item for acknowledgment and discussion.

PERFORMANCE INDICATORS	
Financial	Non-Financial
<ul style="list-style-type: none"> Measures reflecting the state of the Company to the shareholders such as financial results and financial position, cash and cash equivalents, debt and stockholders' equity, revenues, consolidated core net income, reported net income, EBITDA, dividend payouts, etc. 	<ul style="list-style-type: none"> Customer Satisfaction Index (CSI) Customers served and Sales per employee ratios S-Factor Indicators <ul style="list-style-type: none"> System Average Interruption Frequency Index (SAIFI) System Average Interruption Duration Index (SAIDI) Customer Average Interruption Duration Index (CAIDI) Probability of Voltage Level (PV) Time to Process Applications (TPA) Time to Connect Premises (TCP) Call Center Performance (CCP) System Loss (SL) Guaranteed Service Level (GSL) Metrics

E. DISCLOSURE AND TRANSPARENCY

E.1 Transparent Ownership Structure

The following stockholders directly own more than 5% of the Company's (MER) shares as at December 31, 2018.

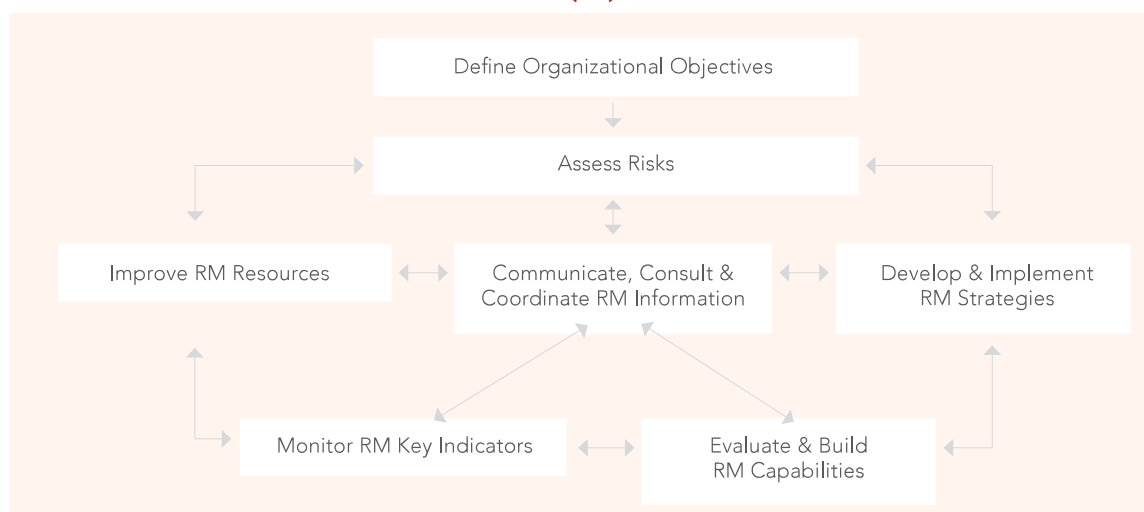
Name of Shareholder and Beneficial Owner	Total Shares	% to Total Share
Beacon Electric Asset Holdings, Inc.	394,059,235	34.96%
JG Summit Holdings, Inc.	333,189,397	29.56%
Metro Pacific Investments Corporation	118,345,366	10.50%
TOTAL	845,593,998	75.02%

E.2 Enterprise-Wide Risk Management

Enterprise Risk Management (ERM) allows the Company and its subsidiaries to enhance its stakeholder value through the creation of risk governance structure and adoption of effective mechanisms that effectively manage existing and emerging risks as well as enhance the ability of the Company and its subsidiaries to take on additional risks accompanying new growth opportunities. The Company uses the Bell Curve Enterprise Risk Management Model for its risk management framework.

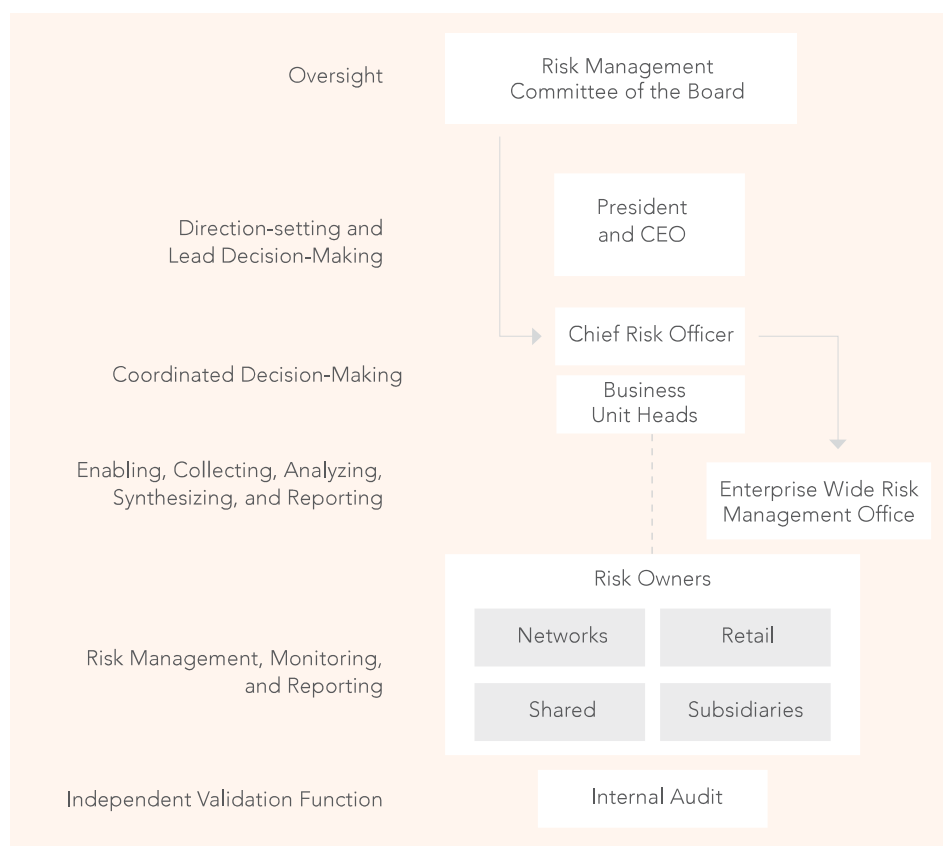
The Company adopted the following process framework and structure for managing its major business risks, namely: a) financial risks; b) operational risks; c) regulatory and compliance risks; and d) strategic and corporate risks (including reputational risks). To enable a fully integrated ERM function within One Meralco, the following Risk Management Process Framework was constructed covering the following key activities of an entire cycle of risk management:

RISK MANAGEMENT (RM) PROCESS FRAMEWORK



To help ensure the successful implementation of ERM across One Meralco, the following risk governance structure was established. This structure is designed to ensure that an integrated and independent view of the risks across the different categories is realized. Integration of risk management functions across One Meralco also allows for stronger independent advice to management and the Board and aims to facilitate well-informed decision-making.

ONE MERALCO RISK MANAGEMENT OVERSIGHT STRUCTURE



E.3 Disclosure of Related Party Transactions

In 2017, the Board approved the Organizational Charter of the RPT Committee and delegated to the RPT Committee the responsibility of reviewing material/significant RPTs, determining whether they are in the best interest of the Company and shareholders, and ensuring that all RPTs of the Company are conducted in fair and at arm's length terms.

In 2018, the Board approved the revision of the Related Party Transaction Policy providing for materiality thresholds in reporting, reviewing and approving RPTs, distinguishing RPTs into material, significant and *de minimis*, and establishing the approval process in case of recurring, infrequently occurring or unusual RPTs.

The names of all related parties, degree of relationship, nature and value for each material/significant RPT are disclosed by the Company in Note 22 to the Consolidated Financial Statements.

E.4 Economic, Environmental, Social, and Governance Information

The Company is committed to the cause of protecting the environment and mitigating the adverse impact of climate change. The Company's Environment, Safety and Health (ESH) Policy ensures an environmentally-friendly value chain and compliance with all pertinent environmental laws. The Company strictly monitors its business activities and operations to ensure sustainable development and safeguard the quality of life of society, communities, and the environment in the areas where it operates. Sustainable, reliable, secure and cost-effective energy supply is, and will continue to be, an essential enabler of economic performance, market competitiveness and societal prosperity at a community, country and regional level.

E.5 Directors' and Officers' Dealings in Company Shares

SHAREHOLDINGS OF DIRECTORS AND KEY OFFICERS AS AT DECEMBER 31, 2018								
Name	January 1, 2018	Buy	Sell	December 31, 2018	Direct Holdings	Indirect Holdings	Total Shares	% to Total Share
A. Directors								
1. Manuel V. Pangilinan - Chairman	40,000	-	-	40,000	40,000	-	40,000	0.00%
2. Lance Y. Gokongwei - Vice-Chairman	17,310	5,000	22,300	10	10	-	10	0.00%
3. Oscar S. Reyes - President & CEO	268	-	-	268	268	-	268	0.00%
4. Ray C. Espinosa	36,000	5,000	-	41,000	41,000	-	41,000	0.00%
5. James L. Go	490,300	5,000	490,190	5,110	5,110	-	5,110	0.00%
6. John L. Gokongwei, Jr.	15,810	5,000	-	20,810	20,810	-	20,810	0.00%
7. Anabelle L. Chua	5,060	5,000	-	10,060	10,060	-	10,060	0.00%
8. Jose Ma. K. Lim	35,010	5,000	-	40,010	40,010	-	40,010	0.00%
9. Manuel M. Lopez ⁵	14,384	5,000	-	19,384	19,384	-	19,384	0.00%
10. Pedro E. Roxas	1,000	-	-	1,000	1,000	-	1,000	0.00%
11. Artemio V. Panganiban	1	-	-	1	1	-	1	0.00%
12. Elpidio L. Ibañez ⁴	10,263	-	-	10,263	10,263	-	10,263	0.00%
TOTAL	665,406	35,000	512,490	187,916	187,916	-	187,916	0.02%
B. Executive Officers								
1. Simeon Ken Ferrer - Corporate Secretary	767	-	-	767	767	-	767	0.00%
2. Roberto R. Almazora	93,082	-	-	93,082	93,082	-	93,082	0.01%
3. Ronnie L. Apercho	14	-	-	14	14	-	14	0.00%
4. Alfredo S. Panlilio	668	-	-	668	668	-	668	0.00%
5. Angelito D. Bermudo	-	-	-	-	-	-	-	0.00%
6. Ramon B. Segismundo ⁶	8,500	-	-	8,500	8,500	-	8,500	0.00%
7. Rogelio L. Singson	-	-	-	-	-	-	-	0.00%
8. Betty C. Siy-Yap	-	-	-	-	-	-	-	0.00%
9. Ferdinand C. Alejandro	8,952	-	-	8,952	8,952	-	8,952	0.00%
10. Ruben B. Benosa ⁶	22,992	-	-	22,992	22,992	-	22,992	0.00%
11. Rolando M. Cagampan ⁶	-	-	-	-	-	-	-	0.00%
12. Benjamin U. Cusi	24,050	-	-	24,050	24,050	-	24,050	0.00%
13. Melanie T. Oteyza ⁹	-	-	-	-	-	-	-	0.00%
14. Helen T. De Guzman ³	26,093	-	-	26,093	26,093	-	26,093	0.00%
15. Ivanna G. Dela Peña ⁶	15,000	-	-	15,000	15,000	-	15,000	0.00%

SHAREHOLDINGS OF DIRECTORS AND KEY OFFICERS AS AT DECEMBER 31, 2018								
Name	January 1, 2018	Buy	Sell	December 31, 2018	Direct Holdings	Indirect Holdings	Total Shares	% to Total Share
16. William S. Pamintuan	-	-	-	-	-	-	-	0.00%
17. Antonio M. Abuel, Jr.	10,427	-	-	10,427	10,427	-	10,427	0.00%
18. Ireneo B. Acuna	18,355	-	-	18,355	18,355	-	18,355	0.00%
19. Angelita S. Atanacio ¹	4,000	-	-	4,000	4,000	-	4,000	0.00%
20. Patrick Dave B. Bacani	-	-	-	-	-	-	-	0.00%
21. Bennette D. Bachoco	-	-	-	-	-	-	-	0.00%
22. Joseph Allan C. Baltazar	-	-	-	-	-	-	-	0.00%
23. Edgardo V. Carasig	-	-	-	-	-	-	-	0.00%
24. Bernard H. Castro	463	-	-	463	463	-	463	0.00%
25. Lawrence S. Fernandez	4,500	-	-	4,500	4,500	-	4,500	0.00%
26. Ferdinand O. Geluz	15,877	-	3,000	12,877	12,877	-	12,877	0.00%
27. Victor Emmanuel S. Genuino	-	-	-	-	-	-	-	0.00%
28. Nixon G. Hao	2,791	-	-	2,791	2,791	-	2,791	0.00%
29. Ernie G. Imperial ⁷	460	-	-	460	460	-	460	0.00%
30. Dexter C. Lee ²	-	-	-	-	-	-	-	0.00%
31. Jose Mari P. Melendres	-	-	-	-	-	-	-	0.00%
32. Charina P. Padua ¹	31,609	-	-	31,609	31,609	-	31,609	0.00%
33. Raymond B. Ravelo	-	-	-	-	-	-	-	0.00%
34. Jose Rainier A. Reyes	-	-	-	-	-	-	-	0.00%
35. Jose S. Reyes Jr. ¹	8,727	-	-	8,727	8,727	-	8,727	0.00%
36. Nestor P. Sarmiento ⁸	323	-	-	323	323	-	323	0.00%
37. Froilan J. Savet	8,435	-	-	8,435	8,435	-	8,435	0.00%
38. Liza Rose G. Serrano-Diangson	36,983	-	2,590	34,393	34,393	-	34,393	0.00%
39. Ma. Cynthia C. Soluren	11,575	-	-	11,575	11,575	-	11,575	0.00%
40. Manuel Lorenzo L. Tuason	22,180	-	-	22,180	22,180	-	22,180	0.00%
41. Jose Antonio T. Valdez	-	-	-	-	-	-	-	0.00%
42. Jose Ronald V. Valles	-	-	-	-	-	-	-	0.00%
	376,823	-	5,590	371,233	371,233	-	371,233	0.03%

¹ Appointed Vice Presidents effective January 1, 2018

² Resigned effective January 5, 2018

³ Retired effective January 31, 2018

⁴ Elected on May 29, 2018

⁵ End of term as director

⁶ Retired effective June 30, 2018

⁷ Resigned effective July 31, 2018

⁸ Retired effective August 31, 2018

⁹ Appointed First Vice President effective October 1, 2018

PRINCIPAL, STRATEGIC AND SUBSIDIARIES/AFFILIATES SHAREHOLDINGS as at December 31, 2018

Name	January 1, 2018	Buy	Sell	December 31, 2018	Direct Holdings	Indirect Holdings	Total Shares	% to Total Share
A. Principal Stockholders								
Beacon Electric Asset Holdings, Inc.	394,059,235	-	-	394,059,235	394,059,235	-	394,059,235	34.96%
JG Summit Holdings, Inc.	333,189,397	-	-	333,189,397	333,189,397	-	333,189,397	29.56%
Metro Pacific Investments Corporation	118,345,366	-	-	118,345,366	118,345,366	-	118,345,366	10.50%
TOTAL	845,593,998	-	-	845,593,998	845,593,998	-	845,593,998	75.02%
B. Strategic Stockholders								
First Philippine Holdings Corporation	44,382,436	-	-	44,382,436	44,382,436	-	44,382,436	3.94%
First Philippine Utilities Corporation	93,270	-	-	93,270	93,270	-	93,270	0.01%
TOTAL	44,475,706	-	-	44,475,706	44,475,706	-	44,475,706	3.95%



E.6 Audit

Internal Audit

The MCG and the Internal Audit Charter mandate Internal Audit to monitor the financial reporting process and internal control system; information technology security and control; auditing process; enterprise risk management; and compliance.

An annual assessment using a risk-based audit plan approved by the AuditCom and the RMC on the adequacy of the Company's internal control system is undertaken by the Internal Audit, in cooperation with relevant business responsibility units. The Internal Audit reports the results of audits covering various units of the Company and its subsidiaries including specific areas of concern identified by Management to the AuditCom. The findings are reviewed by the AuditCom and the RMC – which in turn, report the same to the Board for guidance and/or appropriate action. Significant concerns, which have been reported by the internal audit group, and the implementation of responsive remedial measures, are monitored by Management and by the AuditCom. The AuditCom report in this Annual Report discloses that the Board has conducted a review of and has found adequate the Company's material controls (including operational, financial, and compliance controls) and risk management systems.

The Company's Internal Audit is headed by the Chief Audit Executive and Vice President, Ms. Melanie C. Oteyza, who reports functionally to the AuditCom and administratively to the President and CEO as outlined in the Company's Internal Audit Charter. The appointment and removal of the internal auditor require the approval of the AuditCom.

External Audit

The Company's external auditor, SGV was evaluated, nominated, and recommended for appointment including its audit fees by the AuditCom, and such recommendation was approved by the Board. The re-appointment of SGV was thereafter confirmed by the shareholders in the ASM held on May 29, 2018.

CONSOLIDATED EXTERNAL AUDITOR'S FEES* (in million PhP)		
	2018	2017
Financial Statements Audit	8.0	7.7
Audit of financial statements in accordance with the requirements of the Business Separation and Unbundling Plan of the ERC	0.5	0.5
Total	8.5	8.2

Note: The fees for non-audit services did not exceed those for audit services.

E.7 Medium of Communication

Quarterly Reports

The Company reports its quarterly and full year financial results through the SEC, PSE and PDEx to provide the shareholders, the investors, and the public a balanced and informed assessment of the Company's performance, position, and prospects.

Quarterly Reports: <http://www.meralco.com.ph/investor-relations/quarterly-reports>
Financial Results: <http://www.meralco.com.ph/investor-relations/financial-results>
Annual Reports: <http://www.meralco.com.ph/investor-relations/annual-reports>

Investors' Briefings/Media Briefings

The officers of the Company, led by the Chairman and the President and CEO, with the CFO, Investor Relations Office and other officers, present information on performance results, business progress, industry trends, impact of external factors, and regulations to shareholders, analysts, investors, and media every quarter during the investors' briefing and teleconference, as well as the media briefing. Presentation materials used in these meetings are posted on the Company's website to ensure comprehensive information dissemination to all stakeholders and investors, including those who were not able to participate in the briefings.

Schedule of Events: <http://www.meralco.com.ph/investor-relations/calendar-of-events>

Press Releases: <http://www.meralco.com.ph/investor-relations/press-releases>

"The Company is committed to ensure that all personal data collected from its data subjects – customers, employees, vendors, shareholders, visitors, and other data subjects, are processed in adherence to the general principles of transparency, legitimate purpose, and proportionality, and protected to ensure its confidentiality, integrity, and availability."

Company Website

The Company website provides information on its products and services as well as the following corporate governance information:

Section	Link
Business Operations	http://biz.meralco.com.ph/ http://corporatepartners.meralco.com.ph/ http://www.meralco.com.ph/news
Financial Statements/Reports	http://www.meralco.com.ph/investor-relations/financial-results http://www.meralco.com.ph/investor-relations/quarterly-reports
Materials provided in briefings to analysts and media	http://www.meralco.com.ph/investor-relations/press-releases
Shareholding Structure	http://www.meralco.com.ph/about-us/organizational-structure http://www.meralco.com.ph/about-us/meralco-shareholding-structure
Group Corporate Structure	http://www.meralco.com.ph/about-us/organizational-structure http://www.meralco.com.ph/about-us/meralco-shareholding-structure
Downloadable Annual Report	http://www.meralco.com.ph/investor-relations/annual-reports
Notice of ASM	http://www.meralco.com.ph/company-disclosures/notice-of-annual-or-special-stockholders-meetings
Minutes of ASM	http://www.meralco.com.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings
Company's By-Laws and Articles of Incorporation	http://www.meralco.com.ph/about-us/articles-of-incorporation-and-by-laws

E.8 Timely Filing/Release of Annual/Quarterly Financial Reports

The Company's 2018 Audited Financial Statements were released on March 1, 2018, 60 days after financial year-end. The true and fair representation of the Annual Financial Reports was affirmed by the Board through the Chairman, President and CEO, and CFO of the Company on the Statement of Management's Responsibility section of this Annual Report. This can be accessed at the Company website.

E.9 Investor Relations

Meralco's Investor Relations Office regularly communicates relevant and timely information about the Company to both current and potential investors, to analysts, fund managers, potential business partners and the general public.

E.10 Shareholder Engagement

The Stockholders' Affairs Office under the Corporate Governance and Compliance Office encourages shareholders to engage with the Company beyond the ASM by providing them with accessible channels through which timely, fair and accurate disclosures of material information affecting their shares are made and through which concerns on their shares may be addressed. Shareholders and investors are provided with adequate facilities to communicate with Meralco through telephone, mail, electronic mail, and website, www.meralco.com.ph. The Investor Relations Office supervises the investors' briefings and teleconference and attends to institutional investors' needs. Stockholders' Affairs Office attends to the inquiries and other concerns of shareholders.

E.11 Data Privacy

The Company is committed to ensure that all personal data collected from its data subjects – customers, employees, vendors, shareholders, visitors, and other data subjects, are processed in adherence to the general principles of transparency, legitimate purpose, and proportionality, and protected to ensure its confidentiality, integrity, and availability. Accordingly, the Company adopts a Privacy Manual providing for the privacy and data protection practices of the Company and delineating the respective roles of different business responsibility units in the implementation of the data privacy program in compliance with the Data Privacy Act of 2012 (Republic Act No. 10173) and its implementing rules and regulations. Atty. William S. Pamintuan serves as the Company's Chief Data Protection Officer.

E.12 Anti-Competition Law

The Code of Ethics requires directors, officers and employees to comply with all laws, rules and regulations governing the business operations of our Company and enfranchising its corporate existence, listing in the stock exchange, and utility operations. As such, Meralco ensures that it complies with all laws including those that prohibit anti-competitive behavior, abuse of dominant position and anti-competitive mergers and acquisitions.

Board of Directors

OUR GUIDING LEADERSHIP.



MANUEL V. PANGILINAN, 72

Chairman (since May 29, 2012)
President and CEO (July 1, 2010-May 29, 2012)
Director (since May 26, 2009)

Mr. Pangilinan is the President and Chief Executive Officer (CEO) of PLDT Inc.*, and Smart Communications, Inc. and continues to serve as their Chairman concurrently. He is also Chairman of listed companies including Metro Pacific Investments Corporation* and Philex Mining Corporation*, and of non-listed companies including Beacon Electric Asset Holdings Inc., PLDT Communications and Energy Ventures Inc., Landco Pacific Corporation, Medical Doctors, Inc., Colinas Verdes Corporation, Davao Doctors Inc., Riverside Medical Center, Inc., Our Lady of Lourdes Hospital, Asian Hospital, Inc., Maynilad Water Services, Inc., Mediaquest, Inc., TV5 Network Inc., Manila North Tollways Corporation, and MERALCO PowerGen Corporation. He is also the Vice Chairman of Roxas Holdings Inc.* Mr. Pangilinan graduated with a Bachelor of Arts degree in Economics, cum laude from the Ateneo de Manila University and a Masters in Business Administration from Wharton School of Finance and Commerce, University of Pennsylvania, where he was a Procter & Gamble Fellow.

OSCAR S. REYES, 72

Director (since July 1, 2010)
President and CEO (since May 29, 2012)
Chief Operating Officer (July 1, 2010 - May 28, 2012)

Mr. Reyes is a member of the Advisory Board of PLDT, Inc.* and of the Council of Advisors of the Bank of the Philippine Islands*. He is an independent director of Manila Water Company*, Basic Energy Corporation*, Cosco Capital Inc.*, Pepsi-Cola Products Philippines, Inc.* (Chairman) and, PLDT Communications and Energy Ventures Inc., Sun Life Financial Phils., Inc., among other firms. He is also Co-Chairman of MERALCO PowerGen Corporation and Chairman of Meralco Industrial Engineering Services Corporation (MIESCOR), CIS Bayad Center, Inc., Meralco Energy, Inc. (MServ), Redondo Peninsula Energy Inc., PacificLight Pte. Ltd., MSpectrum, Inc., MRAL, Inc., and Atimonan One Energy Inc. He served as Country Chairman of the Shell Companies in the Philippines and was concurrently President of Pilipinas Shell Petroleum Corporation and managing director of Shell Philippines Exploration B.V. He is a member of the Board of Trustees of One Meralco Foundation, Inc., Pilipinas Shell Foundation, Inc., SGV Foundation, Inc. and El Nido Foundation, Inc. He completed his Bachelor of Arts degree in Economics at the Ateneo de Manila University, cum laude, and did post-graduate studies at the Ateneo Graduate School of Business, Waterloo Lutheran University and the Harvard Business School.

*Publicly Listed Company



ANABELLE L. CHUA, 58

Director (since May 31, 2016)

Ms. Chua is Chief Finance Officer of PLDT Inc.* She served as Chief Finance Officer of Smart Communications, Inc. (Smart) (January 2006-May 2015), and as Treasurer of PLDT Inc.* until May 2015. Ms. Chua is a director of Smart, ePLDT, Inc., Smart Broadband, Inc., PayMaya Philippines, Inc., Voyager Innovations, Inc., Digital Telecommunications Phils., Inc., Digitel Mobile Phils., Inc., PLDT Communications and Energy Ventures, Inc., Talas Data Intelligence Inc. and PLDT Global Investments Holdings, Inc., Ms. Chua is also a director of Beacon Electric Asset Holdings Inc., Mediaquest Holdings Inc., TV5 Network Inc., Signal TV and Philstar Daily Inc. She is also a member of the Board of Trustees of the Trust Fund created pursuant to the Benefit Plan of PLDT and PLDT- Smart Foundation, Inc., a member of the Board of Directors of the Philippine Stock Exchange, Inc.*, and Securities Clearing Corporation of the Philippines. Prior to joining PLDT in 1998, Ms. Chua was a Vice President at Citibank, N.A. where she worked for 10 years and has over 30 years experience in the areas of corporate finance, treasury, financial control and credit risk management. She graduated from the University of the Philippines with a Bachelor of Science Degree in Business Administration and Accountancy, magna cum laude.

RAY C. ESPINOSA, 62

Director (since May 26, 2009)

Mr. Espinosa is a member of the Board of Directors of PLDT Inc.*, Metro Pacific Investments Corporation*, Roxas Holdings, Inc.*, and also an independent director of Lepanto Consolidated Mining Company (Lepanto)* and Maybank Philippines, Inc. He is a director of Smart Communications, Inc., MERALCO PowerGen Corporation, TV5 Network, Inc., and Signal TV Inc. He is the Chairman of the Philstar Daily, Inc. and BusinessWorld Publishing Corporation, Chairman of the Finance Committee of Meralco*, Chairman of the Audit Committee of Lepanto and Chairman of the Risk Management Committee of Maybank Philippines, Inc. He is the President of Mediaquest Holdings, Inc., General Counsel of Meralco*, Chief Corporate Services Officer of PLDT and Head of PLDT's Regulatory Affairs and Policy Office. He is also a trustee of the Beneficial Trust Fund of PLDT. Mr. Espinosa joined First Pacific in June 2013. He is First Pacific Group's Head of Government and Regulatory Affairs and Head of Communications Bureau for the Philippines. Mr. Espinosa has a Master of Laws degree from the University of Michigan Law School and is a member of the Integrated Bar of the Philippines. He was a partner of SyCip Salazar Hernandez

& Gatmaitan from 1982 to 2000, a foreign associate at Covington and Burling (Washington D.C., USA) from 1987 to 1988, and a law lecturer at the Ateneo de Manila School of Law from 1983 to 1985 and 1989. He ranked first in the 1982 Philippine Bar examination.

JAMES L. GO, 79

Director (since December 16, 2013)

Mr. Go is the Chairman of JG Summit Holdings, Inc.* and Cebu Air, Inc. He is the Chairman and CEO of Oriental Petroleum and Minerals Corporation*. He is the Chairman Emeritus of Robinsons Land Corporation*, Universal Robina Corporation*, JG Summit Petrochemical Corporation and JG Summit Olefins Corporation; Vice Chairman of Robinsons Retail Holdings, Inc.*; and a member of the Board of Directors of Marina Center Holdings Private Limited, United Industrial Corporation Limited, Hotel Marina City Private Limited and PLDT Inc.* He is also the President and Trustee of Gokongwei Brothers Foundation, Inc. Mr. Go received a Bachelor of Science degree and a Master of Science degree in Chemical Engineering from the Massachusetts Institute of Technology.



JOHN L. GOKONGWEI, JR., 92

Director (since March 31, 2014)

Mr. Gokongwei is the Chairman Emeritus and Founder, and a member of the Board of Directors of JG Summit Holdings, Inc.* and some of its subsidiaries including Universal Robina Corporation*, Robinsons Land Corporation*, JG Summit Petrochemical Corporation, and JG Summit Olefins Corporation. He is currently the Chairman of the Gokongwei Brothers Foundation, Inc. He is a director of Cebu Air, Inc.*, Robinsons Retail Holdings, Inc.*, Oriental Petroleum and Minerals Corporation*, Marina Center Holdings Private Limited and A. Soriano Corporation*. Mr. Gokongwei received his Masters in Business Administration from De La Salle University, and took the Advance Management Program from Harvard University in Boston, Massachusetts.

LANCE Y. GOKONGWEI, 52

Director and Vice-Chairman (since December 16, 2013)

Mr. Gokongwei is the President and Chief Executive Officer of JG Summit Holdings, Inc.*, and Cebu Air, Inc.* He is the Chairman of Universal Robina Corporation, Robinsons Retail Holdings, Inc.*, Robinsons Land Corporation*, Robinsons Bank Corporation, JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is a director of Oriental Petroleum and Minerals Corporation and United Industrial Corporation Limited. He is a trustee and the secretary of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania, summa cum laude.

ELPIDIO L. IBANEZ, 68

Director (since May 29, 2018)

Mr. Ibanez is a director of First Philippine Holdings Corporation (FPH)*. He served as President and Chief Operating Officer of FPH from 1994 to 2015. He earned his Bachelor of Arts in Economics degree from the Ateneo de Manila University and his Masters in Business Administration from the University of the Philippines.

JOSE MA. K. LIM, 66

Director (since May 29, 2012)

Mr. Lim is the President and CEO of Metro Pacific Investments Corporation* (MPIC). Mr. Lim was appointed President and CEO in 2006 and is currently a director of MPIC's subsidiaries and affiliate companies namely, Manila Electric Company*; MERALCO PowerGen Corporation; Beacon Electric Asset Holdings Inc.; Global Business Power Corporation; Metro Pacific Tollways Corporation; NLEX Corporation; Cavite Infrastructure Corporation; Easytrip Services Corporation; Tollways Management Corporation; Cebu Cordova Link Expressway Corporation; AITollroads Holdings, Thailand; Nusantara, Jakarta Indonesia; Maynilad Water Services Inc.; MetroPac Water Investments Corporation; Cagayan de Oro Bulk Water Inc.; Metropac Movers Inc; Light Rail Manila Corporation; AF Payments Inc; Metro Pacific Hospital Holdings Inc.; Medical Doctors, Inc. (owner and operator of Makati Medical Center); Cardinal Santos Medical Center (Colinas Verdes Hospital Managers Corporation); Asian Hospital; Our Lady of Lourdes Hospital; Manila Doctors Hospital Inc; Davao Doctors' Hospital; Riverside Medical Center Inc.; Metro Pacific Investments Foundation; and Pacific Global Aviation Inc. Mr. Lim serves as Chairman of Indra Philippines, Metro Iloilo Bulk Water Supply Corporation; Ecosystem Technologies International; AHI Hospital Holdings

*Publicly Listed Company



Corporation; and Metpower Venture Partners Holdings Inc. He is also a Trustee of the Asian Institute of Management and Asia Society of the Philippines and an advisory board member of the Ateneo Graduate School of Business. Mr. Lim has received various awards relating to Corporate Governance and Investor Relations and most recently, he was accorded the Triple A award from Asian Institute of Management for his excellent performance in his field of profession.

(RET.) CHIEF JUSTICE ARTEMIO V. PANGANIBAN, 82

Independent Director (since May 27, 2009)

Mr. Panganiban was a former Chief Justice of the Supreme Court of the Philippines. He was concurrently Chairperson of the Presidential Electoral Tribunal, Judicial and Bar Council and Philippine Judicial Academy. He is currently also an independent director of Petron Corporation*, First Philippine Holdings Corporation*, PLDT, Inc.*, Metro Pacific Investments Corporation*, Robinsons Land Corporation*, GMA Network, Inc.*, GMA Holdings, Inc.*, and Asian Terminals, Inc.*, Metro Pacific Tollways Corp., Non-executive director of Jollibee Foods Corporation* and TeaM Energy Corporation; Senior Adviser of Metropolitan Bank and Trust Company*, Member of the Advisory Council of the Bank of the Philippine Islands* and Adviser of Double Dragon Properties Corporation*. He is likewise a columnist for the Philippine Daily Inquirer and a consultant of the Judicial

and Bar Council (JBC), the constitutionally-created entity that vets appointments to the judiciary. He is also Chairman, President, Trustee or Adviser of several foundations, including the Foundation for Liberty and Prosperity, Manila Metropolitan Cathedral-Basilica Foundation, Metrobank Foundation, Tan Yan Kee Foundation as well as Chairman of the Asean Law Association (Philippine Chapter), Chairman Emeritus of the Philippine Dispute Resolution Center, Inc., and member of the Permanent Court of Arbitration in The Hague, Netherlands.

(Ret.) Chief Justice Panganiban holds a Bachelor of Laws degree, cum laude, from the Far Eastern University and was awarded the degree of Doctor of Laws (Honoris Causa) by the University of Iloilo, Far Eastern University, University of Cebu, Angeles University and Bulacan State University. He placed sixth in the Philippine Bar Examinations in 1960.

PEDRO E. ROXAS, 62

Independent Director (since May 25, 2010)

Mr. Roxas is the Chairman of Roxas Holdings Inc.* and of Roxas and Company, Inc.* He is concurrently a director and the President of Fundacion Santiago, director of Brightnote Assets Corporation, Chairman of Club Punta Fuego Inc. and Hawaiian-Phil. Co., Trustee and Treasurer at Philippine Business for Social Progress and Roxas Foundation, and an independent director for BDO Private

Bank, Cemex Holdings Phil. Inc.*, PLDT, Inc.*, and Mapfre Insular Insurance Corporation. Mr. Roxas holds a Bachelor of Science degree in Business Administration from the University of Notre Dame in Indiana, USA.

AMBASSADOR MANUEL M. LOPEZ, 76

Director (April 14, 1986 to May 29, 2018)
Chairman and CEO (from July 1, 2001 to June 30, 2010)
Chairman (from July 1, 2010 to May 28, 2012)

Mr. Lopez was the Philippine Ambassador to Japan from December 2010 until June 2016. He is concurrently the Chairman and CEO of Lopez Holdings Corporation* and is the Chairman of Bayan Telecommunications Holdings Corporation, Rockwell Land Corporation*, Rockwell Leisure Club, and Sky Vision Corporation. He is also the Vice Chairman of First Philippine Holdings Corporation* and Lopez, Inc., President of Eugenio Lopez Foundation, Inc. and a director at ABS-CBN Corporation*, ABS-CBN Holdings Corporation*, Sky Vision Corporation, First Philippine Realty Corporation and Lopez Group Foundation, Inc. Mr. Lopez holds a Bachelor of Science degree in Business Administration and completed the Harvard Program for Management Development.

Corporate Officers and Advisors

OUR GUIDING LEADERSHIP.

IRENEO B. ACUÑA, 52**Vice President****Head, Electric Distribution Development Group**

Mr. Acuña heads the Electric Distribution Development Group (EDDG) which is responsible for the development of business opportunities in electricity distribution and the operations for Cavite Ecozone and Pampanga II Electric Cooperative and the development of mini-hydropower plants for Pure Meridian Hydropower Corporation (PMHC). Mr. Acuña is concurrently a member of the Board of Directors of Miescor Builders, Inc., Comstech Integration Alliance, Inc., Fieldtech Specialist, Inc., Meridian Atlantic Light Company, Ltd. (Nigeria), PMHC, PMHC Lalawinan, Inc., PMHC Pulanai, Inc., and Meridian Power Ventures (Hong Kong). He graduated with a Bachelor of Science degree in Electrical Engineering from the Far Eastern University. He received his Masters in Business Administration from the Asian Institute of Management.

ROBERTO R. ALMAZORA, 58**Senior Vice President****Head, MPower**

Mr. Almazora heads the Retail Electricity Supply unit of Meralco. He was a director of Indra Philippines, Inc., Meralco Energy, Inc., Meralco Industrial Engineering Services Corporation, Miescor Builders Inc., Miescor Logistics, Inc., ACLARA Meters Philippines, Inc. (formerly General Electric Philippines Meter and Instruments Co., Inc.), Clark Electric Distribution Corporation, and First Private Power Corporation. He served as President of Miescor Builders, Inc. in 2011. He was named Outstanding Alumnus for Management by the Epsilon Chi Fraternity of UP Diliman in 2004, and in 2011 was granted the Professional Degree Award for Electrical Engineering by the University of the Philippines Alumni Engineers where he served as Trustee. He holds a Bachelor of Science degree in Electrical Engineering from the University of the Philippines, Diliman, and completed his Masters in Business Management at the Asian Institute of Management.

RONNIE L. APEROCHO, 50**Senior Vice President****Head, Networks**

Mr. Aperocho is a member of the Board of Directors of Aclara Meters Philippines, Inc., MRAIL Inc., Clark Electric Distribution Corporation, Radius, MSpectrum, Inc. and Meralco Energy, Inc. He is the Chairman of the Board of Directors of Miescor Logistics Inc. and Miescor Builders Inc. He is a member of the Board of Trustees of the Meralco Power Academy. He holds a Bachelor of Science degree in Electrical Engineering from Mindanao State University and topped the 1991 Electrical Engineering Board Exams. A registered Professional Electrical Engineer (PEE), he holds a Masters Degree in Business Administration from J.L. Kellogg School of Management of Northwestern University/The Hong Kong University of Science and Technology. He is also an ASEAN Chartered Professional Engineer (ACPE).

GAVIN D. BARFIELD, 40**Chief Technology Advisor**

Mr. Barfield is an adviser to the Meralco Power Academy Board of Trustees. He is an expert in the Asian energy industry having been involved in the design and development of both the Singapore National Energy Market and Philippine Wholesale Electricity Spot Market. He was a key advisor to government agencies in energy market developments and regulatory issues including the introduction of competition and open access. He worked extensively in the design and development of the IT systems that support the Singapore Electricity Market. In addition, he has helped companies across multiple industries in defining and implementing their technology strategy and leading large software development projects. Prior to joining Meralco, Mr. Barfield led Pöyry Energy Consulting in Asia Pacific and PA Consulting's operations in Southeast Asia. Mr. Barfield holds a Bachelor of Science Degree in Computing and Management, First Class with honors, with Diploma in Professional Studies, from Loughborough University in the United Kingdom.

EDGARDO V. CARASIG, 53**Vice President****Head, Human Resources and Corporate Services (since July 1, 2018)**

Mr. Carasig is currently the Chairman of the Board of Customer Frontline Solutions. He is also a member of the Board of Directors of MIESCOR, Miescor Logistics Inc., Miescor Builders Inc., MRAIL and CIS Bayad Center. Mr. Carasig is an accomplished Human Resource Executive, who has expertise in the development of HR strategies aligned with strategic business goals. He has experienced working with senior management teams in developing HR strategic business plans and serving as proactive business partner with multi-disciplined executives. His executive level HR background includes Implementation of Business Restructuring Program, Labor & Employee Relations, Performance Management, Organizational Development, Compensation & Benefits Planning and Shared Services Systems Organizational Set-up and Management. He holds a Bachelor of Science degree in Industrial Management Engineering, minor in Mechanical Engineering from the De La Salle University. He took the Certificate Course in Career Development and Management from the Ateneo de Manila University and attended the Program for International and Strategic Management from the Ateneo Graduate School.

FERDINAND O. GELUZ, 54**Vice President****Head, Supply Chain & Logistics Management (since July 1, 2018)**

Mr. Ferdinand O. Geluz was a former director of Meralco Energy, Inc. He held various headship positions in Networks and Customer Retail Services of Meralco prior to his current post. He holds a Bachelor of Science in Electrical Engineering degree from the University of the Philippines. He is a registered electrical engineer.

WILLIAM S. PAMINTUAN, 57**First Vice President****Deputy General Counsel,****Assistant Corporate Secretary****Compliance Officer and Head,****Legal and Corporate Governance Office****Chief Data Privacy Officer**

Atty. Pamintuan is the Corporate Secretary of MERALCO PowerGen Corporation, Atimonan One Energy, Inc., Calamba Aero Power Corporation, Kalilayan Power, Inc., MPG Mauban LP Corporation, MPG Asia Ltd., Redondo Peninsula Energy, Inc., St. Raphael Power Generation Corporation, First Pacific Leadership Academy, Inc., MRAIL, Inc., and Meralco Industrial Engineering Services Corporation. He also serves as Director of Atimonan Land Ventures Development Corporation, MPG Holdings Phils., Inc., Radius Telecoms, Inc., MSpectrum, Inc., Pure Meridian Hydropower Corporation, Comstech Integration Alliance, Inc., Meridian Atlantic Light Company Ltd., PMHC Pulanai Inc., PMHC Lalawinan Inc., Aurora Managed Power Services, Inc., eSakay, Inc., M Pioneer Insurance, Inc., Aclara Meters Philippines and Lighthouse Overseas Insurance Limited. He is a trustee of Meralco Pension Fund and Meralco Power Foundation, Inc. He is a former Trustee of Shareholders' Association of the Philippines, Inc. He is a Vice Chair of MAP Energy Committee. He is currently the Officer-in-Charge and Acting President of Meralco Energy, Inc. He was a former Corporate Secretary and Senior Vice President of Digital Telecommunications Phils., Inc. and Digitel Mobile Phils., Inc.; and General Manager of Digitel Crossing, Inc. He is the incumbent Assistant Corporate Secretary of Cebu Pacific, Inc. He is a member of the UP Vanguard, Inc., Management Association of the Philippines, Integrated Bar of the Philippines and Philippine Bar Association. Atty. Pamintuan holds a Bachelor of Arts degree in Political Science and a Bachelor of Laws degree from the University of the Philippines.

ALFREDO S. PANLILIO, 55**Senior Vice President****Head, Customer Retail Services and Corporate Communications**

Mr. Panlilio is a Board Member of CIS Bayad Center, Inc., Corporate Information Solutions, Inc., Customer Frontline Solutions, Inc., Meralco Energy, Inc., MRAIL Inc., Miescor, Comstech Integration Alliance, Inc., and MSpectrum, Inc., Independent Director of CEMEX Holdings Philippines, Inc.; Chairman of Radius Telecoms, Inc., e-Meralco Ventures Inc., Paragon Vertical Corporation, Powersource First Bulacan Solar, Inc. and Pure Meridian Hydropower Corporation; Vice Chairman of Aclara Meters Philippines, Inc. (formerly General Electric Philippines Meter and Instrument Co., Inc.); Associate Board Member of Semiconductor and Electronics Industries in the Philippines, Inc. (SEIPI); Trustee of One Meralco Foundation, Inc., Meralco Power Academy, Kapampangan Development Foundation, and Philipop Musicfest Foundation, Inc.; President of Samahang Basketbol ng Pilipinas, Inc. (SBPI), MVP Sports Foundation (MVPSPF) and Treasurer of the National Golf Association of the Philippines. He is also the Philippine Basketball Association (PBA) Governor for the Meralco Bolts



IRENEO B. ACUÑA

ROBERTO R. ALMAZORA

RONNIE L. APEROCHO



GAVIN D. BARFIELD

FERDINAND O. GELUZ



EDGARDO V. CARASIG

WILLIAM S. PAMINTUAN

ALFREDO S. PANLILIO



RAYMOND V. RAVELO

BETTY C. SIY-YAP

SIMEON KEN R. FERRER



JOSE RONALD V. VALLES

ROGELIO SINGSON



RUBEN B. BENOSA

IVANNA G. DE LA PEÑA

RAMON B. SEGISMUNDO

and a member of the Management Association of the Philippines (MAP). He has over 30 years of experience in the field of telecommunications and information systems. Prior to joining Meralco, he was the President and CEO of PLDT Global based in Hong Kong. Mr. Panlilio was the 2013 CEO Excel Awardee of the International Association of Business Communicators (IABC) Philippines; was one of seven Finalists in the Rising Star (Individual) category of the PLATTS Global Energy Awards 2015 held in New York City; and has received multiple local and international awards for customer management and business communication excellence. Mr. Panlilio holds a Bachelor of Science degree in Business Administration (Computer Information Systems) from the California State University – San Francisco State University and obtained his Masters in Business Administration at J.L. Kellogg School of Management of Northwestern University/The Hong Kong University of Science and Technology.

RAYMOND B. RAVELO, 41
Vice President
Head, Strategy and Business Development Office

Mr. Ravelo is a member of the Board of Directors of Radius Telecoms, Inc. where he served as President and CEO from 2011 to 2016. He is also a director on the Boards of MSpectrum, Inc. and Powersource First Bulacan Solar, Inc. Before joining Meralco, he was with McKinsey & Company's Washington DC office where he led strategy development efforts and operations performance transformations for top companies in North America, Latin America, Europe, Southeast Asia, and across a wide range of industries (including Telecommunications, Consumer Packaged Goods, and Pharmaceuticals). Mr. Ravelo holds a Bachelor of Science degree, magna cum laude, in Management Engineering from the Ateneo de Manila University. He earned his Masters in Business Administration at The Wharton School of the University of Pennsylvania where he was a Joseph Wharton Fellow and an Omnicom Communication Fellow. Mr. Ravelo is also a former Trustee of the Wharton-Penn Alumni Association, Inc.

BETTY C. SIY-YAP, 57
Senior Vice President
Chief Finance Officer
Chief Risk Officer

Ms. Siy-Yap is a director of Clark Electric Distribution Corporation, CIS Bayad Center, Inc., Meralco Industrial Engineering Services Corporation, Aclara Meters Philippines, Inc., Radius Telecoms, Inc., M Pioneer Insurance Inc., Indra Philippines, Inc., Redondo Peninsula Energy, Inc., Atimonan One Energy Inc., MERALCO PowerGen Corporation, and MRAIL, Inc.; among others. She is the President of Lighthouse Overseas Insurance Limited. She is a Trustee of the Meralco Pension Fund, One Meralco Foundation, Inc., and Treasurer of First Pacific Leadership Academy, Inc. and MVP Sports Foundation, Inc. She serves as Alternate Governor of the Philippine Basketball Association for the Meralco Bolts. She was previously a director of Rockwell Land Corporation, a member of the Market Governance Board of the Philippine Dealing Exchange Corp., Vice Chairman and member of the Board of Accountancy of the Professional Regulation Commission. She was a Partner of SyCip Gorres Velayo & Co. (a Member Firm of Ernst & Young

Global) from 1995 to 2009. Ms. Siy-Yap holds a Bachelor of Science in Business Administration and Accountancy degree from the University of the Philippines and a Masters in Business Administration from J.L. Kellogg School of Management at Northwestern University/ The Hong Kong University of Science and Technology.

ROGELIO L. SINGSON, 70
Senior Vice President

Mr. Singson is the President and Chief Executive Officer of MERALCO PowerGen Corporation (MGen). He is also the President of Atimonan One Energy, Inc. and Atimonan Land Ventures Development Corporation. He is a Director and Chairman of Kallitayan Power, Inc., and Director and President of MPG Mauban LP Corporation. He serves as Director of Calamba Aero Power Corporation, MPG Holdings Phils., Inc., and St. Raphael Power Generation Corporation. Prior to joining MGen, Mr. Singson served as the President and Chief Executive Officer of Light Rail Manila Corporation. Mr. Singson completed a full six (6)-year term (July 2010 to June 2016) as Secretary of the Department of Public Works and Highways (DPWH) where he led the Good Governance and Anti-Corruption Program, and the implementation of major infrastructure projects nationwide. Before he was appointed DPWH Secretary in 2010, Mr. Singson was President and Chief Executive Officer of Maynilad Water Services for three (3) years and led the successful turnaround of one of the two major water concessionaires in Metro Manila. Among his previous positions in the private and public sectors were as Senior Vice President for Project Development of Citadel Holdings, Inc., and as Chairman and President of Bases Conversion and Development Authority from 1998 to 2002. In June 2016, Mr. Singson was conferred the Order of Lakandula with the rank of Grand Cross (Bayani). During his stint in government, he received other significant awards and recognitions, including the Outstanding Exemplar in Government Service Award from Bulong Pulungan; Lifetime Distinguished Achievement Award from the UP Alumni Association; and the Outstanding Manilan Award for Public Service. He was also one of the recipients of the Outstanding Filipino Awards for Government/Public Service and was named the Most Distinguished Alumnus by the UP Alumni Engineers in November 2011. He holds a Bachelor of Science degree in Industrial Engineering from the University of the Philippines, Diliman.

JOSE RONALD V. VALLES, 48
Vice President and Head, Regulatory Management Office (since July 1, 2018)
Head of Regulatory Affairs Office (since May 2009)

Atty. Valles holds a Bachelor of Science in Commerce Major in Management of Financial Institutions degree from the De La Salle University, a Bachelor of Laws degree from San Beda College, and a Master's degree in Business Economics from University of Asia and the Pacific ("UA&P"). He attended the Public Utility Research Center – World Bank International Training Program on Utility Regulation and Strategy at the University of Florida and the Global Strategic Leadership Program by Wharton University of Pennsylvania and First Pacific Leadership Academy. He is currently teaching Energy Law at the UA&P – School of Law and Governance, Institute of Law.

SIMEON KEN R. FERRER, 62
Corporate Secretary

Atty. Ferrer is the Corporate Secretary of Century Peak Metals Holdings Corporation and Commonwealth Foods, Inc., both public companies. He is a Senior Partner at SyCip Salazar Hernandez & Gatmaitan, the largest law firm in the Philippines, where he heads the Corporate Services Department. SyCipLaw was recognized as the Philippine Law Firm of the Year at the Chambers Asia Pacific Awards 2018 and Philippine Deal Firm of the Year at the ALB Philippine Law Awards 2018. SyCipLaw is ranked as a top tier firm by Chambers Global, Chambers Asia Pacific, Asia-Pacific Legal 500, Asialaw Profiles, and IFLR1000. He is a member of the Integrated Bar of the Philippines and the Philippine Bar Association. A Fellow of the Institute of Corporate Directors, Atty. Ferrer is a SEC-accredited lecturer on corporate governance. He is also the International Alumni Contact for the Philippines of the University of Michigan Alumni Association. Atty. Ferrer completed his Bachelor of Science degree in Business Economics and Bachelor of Laws degree at the University of the Philippines and obtained his Master of Laws degree from the University of Michigan as a DeWitt Fellow.

RUBEN B. BENOSA, 62
First Vice President
Head, Supply Chain & Logistics Management (until June 30, 2018)
Chairman and Director, Meralco Financial Services Corporation (since January 1, 2013)
Director, Radius Telecoms (since April 27, 2012)
Director, MRAIL, Inc. (since July 16, 2012)

IVANNA G. DE LA PEÑA, 64
First Vice President
Head, Regulatory Management Office (until June 30, 2018)
Advisor for Regulatory Management (since July 1, 2018)

RAMON B. SEGISMUNDO, 61
Senior Vice President
Head, Human Resources and Corporate Services (until June 30, 2018)
President, Meralco Power Academy (since 2013)

Subsidiaries

OUR PARTNERS.

CLARK ELECTRIC DISTRIBUTION CORPORATION (CEDC)

CEDC is 65% owned by Meralco. It is a registered private distribution utility with a franchise granted by Clark Development Corporation (CDC) to distribute power exclusively within the Clark Special Economic Zone (CSEZ) and the sub-zone. Cogent Energy, CEDC's Local RES, is an active participant in the Retail Competition and Open Access (RCOA) market within its franchise area. In 2018, Cogent Energy acquired contracts from six (6) contestable customers which generated 36.6 MWh energy sales. CEDC has a 100 MVA capacity for 230 kV – 69 kV Delivery Point Substation and a 166 MVA aggregate capacity for 69 kV – 13.8 kV Substation. In 2018, CEDC implemented various projects including the construction of the Roxas – IE-5 69 kV line to strengthen its 69 kV sub-transmission backbone.

COMSTECH INTEGRATION ALLIANCE, INC. (Comstech)

Meralco holds a 60% stake in Comstech. It was incorporated primarily to invest in, develop and operate electricity generation and/or distribution, and/or related businesses. Comstech entered into a Technical Services Agreement with Meralco in 2014 for the management and operation of Pampanga II Electric Cooperative, Inc. where it has a 20-year Investment Management Contract.

CORPORATE INFORMATION SOLUTIONS, INC. (CIS)

CIS, a wholly-owned subsidiary of Meralco, owns 95% of CIS Bayad Center, Inc. (Bayad Center). With more than 30,000 over-the-counter (OTC) payment locations and customer touchpoints, Bayad Center powers the bills payment feature of leading online and mobile payment applications. It has evolved from being a pioneer in OTC payment collection service to what is now the biggest and widest multi-channel payment platform to date, servicing the most number of private and government biller merchants in the Philippines. To complement its suite of products and services, Bayad Center established Customer Frontline Solutions which provides outsourced tellering to top corporations and invested in Fieldtech Specialist, Inc., which operates the largest "read-and-bill", or spot-billing field service in the country that caters to electric cooperatives and water districts nationwide. Bayad Center in 2018 acquired an e-payment platform that will be actively participating in various government agencies' e-payment solutions initiatives. This e-payment platform will reinforce Bayad Center's current payment facilities such as the Bayad Center Online, Bayad Center Mobile App, and Bayad Center Payment Machines that will service government billers and major institutions alike.

eSAKAY, INC.

eSakay, Inc. is a wholly-owned subsidiary of Meralco. It was established to focus on propagating green and sustainable mobility—from the supply of electric vehicles (EV) and charging infrastructure to the provision of EV operatorship services. Incorporated in 2018, eSakay aims to be an end-to-end EV transport solutions provider, modernizing end electrifying transport systems for private and public sector customers throughout the country. With eSakay, Meralco aims to build on the momentum of Meralco's previous initiatives in the EV space. eSakay was set to launch its first electric Public Utility Vehicle (ePUV) project with its Makati-Mandaluyong eJeep route, servicing commuters in the two cities through 15 zero-emission, zero-noise, and 100% electric jeeps. This is in full support of the Department of Transportation's Public Utility Vehicle Modernization

Program (PUVMP). Key initiatives such as this are all part of eSakay's thrust to help build 'greener' roads and 'bluer' skies for all.

LIGHTHOUSE OVERSEAS INSURANCE LIMITED (LOIL)

LOIL, a wholly-owned subsidiary of Meralco and captive insurer, is registered as a Class 1 insurer under The Bermuda Insurance Act 1978 and Related Regulations. LOIL was incorporated in Bermuda in 2007 and received its license to operate in the territory in 2008. Together with M Pioneer Insurance Inc., a non-life insurance affiliate of Meralco, LOIL plays a major role in Meralco's business risk management model. LOIL serves as the vehicle to reinsure the distribution utility's major catastrophic risk exposures.

MERALCO ENERGY, INC. (MServ)

MServ is a wholly-owned subsidiary of Meralco. It is an electromechanical contractor engaged in end-to-end energy solutions, providing both strategic loadside outsourcing and energy efficiency services. It offers expert advice on power concerns, ensuring that businesses have the right-sized facilities to optimize energy consumption costs. It also provides low voltage/loadside distribution and energy efficiency services, including lighting efficiency programs, heating and power quality, and power factor audits. MServ handles warehouse operations and maintenance for Meralco, and is trusted by other companies in different industries such as manufacturing and in other sectors such as the academe and government agencies.

MERALCO FINANCIAL SERVICES CORPORATION (Finserve)

Finserve is a wholly-owned subsidiary of Meralco. It owns and manages a row of commercial spaces. It is also a minority equity partner in AF Payments, Inc., which is engaged in the issuance and distribution of contactless payment cards and attendant non-rail businesses.

MERALCO INDUSTRIAL ENGINEERING SERVICES CORPORATION (MIESCOR)

MIESCOR is 99% owned by Meralco. Together with its subsidiaries Miescor Builders, Inc. (MBI) and Miescor Logistics, Inc. (MLI), it provides a wide array of services encompassing engineering, procurement, construction, testing and commissioning, building, equipment and facilities management,. The Philippine Contractor Accreditation Board (PCAB) classifies MIESCOR as "AAAA", the highest category, in general engineering, general building, electrical works, mechanical works and telecommunication facilities. It has ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications. Its present roster of power-related projects include the Cebu-Negros-Panay transmission backbone, Bataan Substation reinforcement, upgrading of Naga Colon Substation, and Mindanao Backbone Project. MBI also holds a PCAB license category "AAA" with main specialty in electrical works and expertise in general engineering and building, civil and mechanical works while MLI holds a "AA" PCAB license category in general building.

MERALCO POWERGEN CORPORATION (MGen)

MGen engages in the power generation business and aims to build a diversified power generation portfolio with 3,000 MW total combined capacity over a period of five (5) years. It envisions to provide large-scale reliable sources of power using the most advanced and efficient technologies at competitive prices. MGen will pioneer the utilization of high efficiency, low emission (HELE) technologies for its coal-fired power plants in the Philippines. The company is also aggressively looking across the country for development opportunities in renewable energy in line with its goal to be a major player in the Renewable Energy (RE) sector.

MRAIL, INC. (MRAIL)

MRAIL is a wholly-owned subsidiary of Meralco. It is an ISO 9001-2015 certified company, providing specialized services in the design, procurement, and construction of power supply, Overhead Catenary System (OCS), tracks and track infrastructure for urban railway systems in Manila. MRAIL is an accredited service provider of LRT1, LRT2, MRT3, and the Philippine National Railways. MRAIL in partnership with Seoul Metro, the urban railway operator of South Korea, introduced the patented Ballast to Slab (B2S) Technology into the Philippine Railways System. The company has a team of railway engineers with expertise in tracks and track infrastructure, in power and OCS, and in Rolling Stock and Rolling Stock Maintenance and is the only railway company in the Philippines equipped with a road-rail vehicle that is OCS and power-specific for use in the maintenance of OCS and power lines. MRAIL continues to build-up its competencies to be able to fully support the various railway projects of the government under its Build Build Build program. MRAIL is currently undertaking the rehabilitation and upgrade of 35-year-old LRT1 power substations. The upgrade project will take 24 months to complete.

MSPECTRUM, INC. (Spectrum)

Spectrum is a wholly-owned subsidiary of Meralco. Incorporated in January 2016, Spectrum signaled Meralco's formal entry into the realm of Renewable Energy (RE) generation and renewable energy solutions development and execution as part of its commitment to economic and environmental sustainability. Spectrum's vision is to provide clean, renewable, affordable, sustainable and safe energy solutions to its customers. It aims to empower residential, commercial and industrial customers with own-use, on or off-grid, rooftop-mounted or ground-mounted solar PV, micro grids, battery energy storage systems and other RE solutions such as wind, bio energy, and others. To date, Spectrum has implemented multi-megawatt projects for its various customers, most of whom are well-known and are world class companies in their own industries. Spectrum's pipeline of projects in various locations and islands in the Philippines enables it to enjoy double-digit annual growth rates for years to come. Spectrum also offers business partnerships with other RE developers and general contractors to reach more potential customers, while protecting and safeguarding the credibility of RE services and solutions.

eMERALCO VENTURES, INC. (e-MVI)

Radius Telecoms, Inc. (Radius) is the operating telecommunications company of e-MVI, a wholly-owned subsidiary of Meralco. Radius delivers services on an end-to-end fiber optic platform in the Mega Manila area, enabling service providers and companies to transmit digital information and business applications over highly reliable, secure, and cost-effective communication superhighways. It provides world-class data connectivity solutions over its dense fiber optic network, with access nodes strategically located within business districts, industrial and Information Technology parks, data centers, and main thoroughfares. Radius is one of the first telecommunications companies in the Philippines certified by the Metro Ethernet Forum (MEF), a consortium certifying carrier ethernet services globally. With more than 4,000 kilometers of fiber optic cable deployed and a presence in all major telco nodes and data centers, Radius currently serves the requirements of both local and international carriers, Internet Service Providers (ISP), and the biggest names in the banking, Business Process Outsourcing (BPO), manufacturing, and retail industries in the Philippines.

VANTAGE ENERGY SOLUTIONS AND MANAGEMENT, INC. (Vantage Energy)

Vantage Energy is a wholly-owned subsidiary of Meralco. It has the primary purpose of providing retail electricity services, which involve energy sourcing and trading, wholesale contracting, and aggregating of electricity. On January 10, 2017, the ERC granted Vantage Energy a license to operate as a Retail Electricity Supplier (RES).

Presidents/Heads of Subsidiaries



ANGELITO D. BERMUDO
MIESCOR Group

RICARDO V. BUENCAMINO
CEDC

ERNESTO CABRAL
Vantage Energy

FERDINAND G. INACAY
MRAIL



CHARLIE T. QUE
Radius

WILLIAM S. PAMINTUAN*
MServ

RAYMOND V. RAVELO
eSakay, Inc.

JOSE RAINIER A. REYES
Spectrum



ROGELIO L. SINGSON
MGen

BETTY C. SIY-YAP
LOIL

MANUEL LORENZO L. TUASON
Bayad Center

DENNIS ANTHONY H. UY
Comstech

*Acting President and Officer-in-Charge

