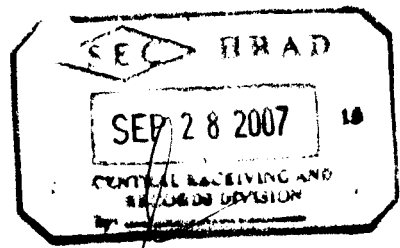


The **2007**
Corporate Governance Scorecard
for Publicly-listed Companies



INSTITUTE OF
CORPORATE
DIRECTORS



Date 28 September 2007

THE DIRECTOR
Corporation Finance Department
Securities and Exchange Commission
EDSA
Mandaluyong City

We are pleased to submit the accomplished Corporate Governance (CG) Survey for publicly-listed companies pursuant to SEC Memorandum Circular No. 2 dated 09 August 2007.

Please find the necessary information in relation to this submission:

COMPANY INFORMATION

Organization Name
EURO-MED LABORATORIES PHIL., INC
Address
PPL Building, 1000-1046 United Nations Avenue, Manila
Contact Person
Janice R. Ong
Designation
Corporate Secretary
Telephone number
5240091-99
Fax number
5260977
Email address
corporate@euromedlab.net

ATTESTATION:

I attest that, to the best of my knowledge, all information in this assessment is accurate and truthful, and that all supporting documents are adequately provided.

A handwritten signature in black ink, appearing to be "Janice R. Ong".

JANICE R. ONG
Name & Signature of Authorized Company Representative

Date: 28 September 2007

2007 Corporate Governance Scorecard for Publicly-listed Companies

RESPONSE FORM

Sample:

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
1	Does the company offer other ownership rights beyond voting?		✓		Paragraph 2, Page 25, 2006 Annual Report	

IMPORTANT NOTE: For validation purposes, please submit a copy of all documents used in the Self Assessment.

Part I. THE RIGHT OF SHAREHOLDERS

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
1	Does the company offer other ownership rights beyond voting?			✓	Company By-Laws Information Statement, Item Nos. 2 & 8	
2	Is the decision on the director per diems approved by the shareholders annually?	✓			Annual Report, Item No. 10	
3	How is the director per diem presented to the shareholders?	✓			Annual Report, Item No. 10 Information Statement, Item No. 6	
4	Does the company allow shareholders to elect board members individually?			✓	Information Statement, Item No. 4 Company By-Laws	
5	Quality of Notice to call Shareholders Meeting in the past year.					
5.1	Nomination of directors providing their names and background.			✓	Information Statement, Item No. 5 Annual Report, Item No. 9	

5.2	Is there adequate information on the external auditor? Are their name(s), profile, detail of fees and other engagements with the company (tax, consulting, etc.) provided?				√	Information Statement, Item No. 7 Annual Report, Item No. 8	
5.3	Dividend policy, in providing the amount and explanation.				√	Notice to Shareholders' Meeting Information Statement, Item No. 7	
5.4	Does the information statement have an executive summary?				√	Information Statement	
6	Quality of Minutes of Shareholders' Meeting						
6.1	Voting method and vote counting system				√	Information Statement, Item No. 4 Company By-Laws	
7	Did the Chairman of the Board attend the last two AGMs?		√			AGM Minutes	
8	Did the CEO/Managing Director attend at least one of the last two AGMs?				√	AGM Minutes	
9	Is a name list of board members attending the AGM available?				√	AGM Minutes	
10	Do AGM minutes record that there was an opportunity allowing for shareholders to ask questions/raise issues in the past year?						
10.1	Is there a record of answers and questions?				√	AGM Minutes	
10.2	Is there a record of resolutions in the minutes?				√	AGM Minutes	
11	Attendance of the Board Committee Chairs						
11.1	Did the Chairman of the Audit Committee attend the last two AGMs?				√	AGM Minutes	

11.2	Did the Chairman of the Compensation / Remuneration / Governance Committee attend the last two AGMs?	✓			AGM Minutes	
11.3	Did the Chairman of the Nomination Committee attend the last two AGMs?			✓	AGM Minutes	
12	Does the company have anti-takeover defenses?					
12.1	Do Board members collectively own more than 25% of outstanding shares?			✓	Information Statement, Item No. 4 Annual Report, Item No. 11	
12.2	What is the proportion of outstanding shares that are considered "free float"?	✓			Information Statement, Item No. 4 Annual Report, Item No. 11	

Part II. EQUITABLE TREATMENT OF SHAREHOLDERS

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
13	Does the company offer one-share-one-vote?			✓	Information Statement, Item No. 4	
14	Does the company have any mechanism that allows minority shareholders to influence board composition?			✓	Information Statement, Item No. 4	
15	Has there been any case of insider trading involving company directors and management in the past two years?			✓	SEC & PSE Records	
16	Has the company established a system to prevent the use of material inside information and inform all employees, management, and board members of this system?			✓	Corporate Governance Manual	
17	Has there been any complaint/dispute/problem regarding related-party transaction in the past two years?			✓	SEC & PSE Records	

18	Does the company have a policy that requires management to disclose related-party transaction?				√	Corporate Governance Manual Annual Report, Item No. 12	
19	Are the nature and extent of transactions with affiliated and related parties communicated to shareholders annually?				√	Annual Report, Item No. 12 Financial Statements Information Statement, Item No. 5	
20	Is the company a part of an economic group where the parent / controlling shareholder also controls key suppliers, customers, and/or similar businesses?				√	Annual Report, Item. No. 11 Notes to the Audited Financial Statements	
21	Does the company facilitate voting by proxy?				√	Notice to Shareholders' Meeting	
22	Does the notice to shareholders specify the documents required to give proxy?				√	Notice to Shareholders' Meeting	
23	Is there any requirement for a proxy appointment to be notarized?				√	Notice to Shareholders' Meeting (not required)	
24	How many days in advance does the company send out notice of general shareholder meetings?				√	Notice to Shareholders' Meeting (more than 2 weeks)	
24.1	Date of Notice			(dd/mm/yy) 29 May 2007			
24.2	Date of Actual Meeting			(dd/mm/yy) 20 June 2007			

Part III. THE ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
25	Does the company explicitly mention the safety and welfare of its employees?			√	Corporate Governance Manual	

26	Does the company provide an ESOP (Employee Share Option Program), or other long-term employee incentive plan linked to shareholder value creation, to employees?	✓			No Coverage	
27	Does the company provide a retirement plan/fund or its equivalent for its employees?	✓			Annual Report, Item No. 10	
28	Does the company provide a continuing training program for its employees?			✓	HRD Policy	
29	Does the company explicitly mention the role of customers?			✓	Marketing Policy	
30	Does the company explicitly mention the role of suppliers/business partners?	✓			No written policy	
31	Does the company explicitly mention its obligations to shareholders?			✓	Corporate Governance Manual	
32	Does the company explicitly mention its obligations to creditors?	✓			No written policy	
33	Does the company explicitly mention environmental issues in its public communication?			✓	Annual Report, Item No. 1	
34	Does the company explicitly mention its broader obligations to society and / or the community?	✓			No written policy	
35	Does the company inform shareholders of material income tax consequences of owning shares of company common shares, ADS, etc.?	✓			No written communication	

36	Does the company disclose pending legal and tax proceedings, tax assessment notices and voluntary assessment program availments that it considers to be potentially material to its business?			✓	Annual Report, Item No. 3 Financial Statements	
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Part IV. DISCLOSURE AND TRANSPARENCY

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
37	Does the company have a transparent ownership structure					
37.1	Breakdown of shareholdings			✓	Annual Report, Item No. 5 Information Statement, Item No. 4	
37.2	Is it easy to identify beneficial ownership?			✓	Annual Report, Item No. 5 Information Statement, Item No. 4	
37.3	Are directors' shareholdings disclosed?			✓	Annual Report, Item No. 11 Information Statement, Item No. 4	
37.4	Are management's shareholdings disclosed?			✓	Annual Report, Item No. 11 Information Statement, Item No. 4	
38	Does the company have a dispersed ownership structure?	✓			Annual Report, Item No. 11	
39	Assess the quality of the Annual Report. In particular, the following:					
39.1	Financial performance			✓	Annual Report in Management Discussion and Analysis, Item No. 6	
39.2	Business operations, competitive position, and other non-financial matters			✓	Annual Report, Item No. 1	
39.3	Board member background			✓	Annual Report, Item No. 9 Information Statement	
39.4	Basis of the Board per diems		✓		Information Statement, Item No. 6	
39.5	Operating risks			✓	Financial Statements	

39.6	Identification of Independent Directors			✓	Annual Report, Item No. 5	
39.7	Board meeting attendance of individual directors			✓	Certificate of Attendance	
39.8	Does the company have a policy requiring full disclosure of details of related-party transactions in public communications?			✓	Annual Report, Item No. 12 Financial Statements	
40	Is there any statement requesting directors to report their transactions of the company shares?			✓	SEC Form 23-A	
41	Does the Audit Committee have a Charter?			✓	Corporate Governance Manual	
42	Does the company have an internal audit operation established as a separate unit in the company?			✓	Corporate Governance Manual	
43	To whom does the internal audit function report, please identify?			✓	Board of Directors (Audit Committee)	
44	Does the company perform an annual audit using SEC accredited external auditors?			✓	Financial Statements SEC Group A	
45	Is the financial report disclosed in a timely manner during the past year?			✓	SEC & PSE Records	
46	Are there any accounting qualifications in the audited financial statements apart from the Qualification on Uncertainty of Situation?			✓	Financial Statements	
47	Does the company website disclose up-to-date information on:	Date when website was examined (dd/mm/yy)				
47.1	Business operation		✓			
47.2	Financial statement		✓			

47.3	Press release	✓					
47.4	Shareholding structure	✓					
47.5	Organization structure	✓					
47.6	Corporate group structure (N/A for a company that does not belong to corporate grouping)	✓					
47.7	Downloadable annual report	✓					
47.8	Notice to call shareholders' meeting	✓					
48	Does the company provide contact details for a specific Investor Relations person or unit that is easily accessible to outside investors?	✓				Investor Relation person designated	
49	Does the company offer multiple channels of access to information? Multiple channels include:						
49.1	Annual report		✓			Annual Report	
49.2	Company website	✓					
49.3	Analyst briefing(s)	✓					
49.4	Press conference(s) / press briefing(s)	✓					

Part V. BOARD RESPONSIBILITY

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
50	Does the company have its own written Corporate Governance Manual that clearly describes its value system and board responsibilities?			✓	Corporate Governance Manual	

51	Does the Board of Directors provide code of ethics or statement of business conduct for all directors and employees?	✓			No written code of ethics	
52	Does the company have a corporate vision/mission/values?			✓		
53	Does the PSE have any evidence of non-compliance of the company with PSE rules and regulations over the two years?			✓	PSE Records	
54	Assess the quality of the Audit Committee Report in the Annual Report:					
54.1	Attendance			✓		
54.2	Internal control		✓			
54.3	Proposed auditors			✓		
54.4	Financial report review		✓			
54.5	Legal compliance			✓		
54.6	Over-all concluding opinion	✓				
55	Have board members participated in the training on Corporate Governance (i.e. PDP, CGOP, Corporate Retreat, etc.)?		✓			
56	Have senior management executives attended training on Corporate Governance?		✓			
57	What is the attendance performance of the board members during the past 12 months?			✓	Minutes of Board Meeting	
58	Does the company provide a risk management policy?	✓			No written risk management policy	

59	Does the company clearly distinguish the roles and responsibilities of the board and management?				✓	Corporate Governance Manual		
60	Does the board conduct an annual self-assessment?	✓				Annual Report, Item No. 13		
61	Does the company conduct an annual performance assessment of the CEO/President?				✓			
62	How many board meetings are held per year?	No. of Board Meetings: 12						
62.1	Does the firm report board meeting attendance of individual directors?				✓			
63	Is the Chairman a non-executive director?				✓	Annual Report, Item No. 9		
64	Does the board appoint committees with independent members to carry out various critical responsibilities such as:							
64.1	Audit. If yes, are the following items disclosed?							
64.1.1	Charter/ Role and responsibilities				✓	Corporate Governance Manual		
64.1.2	Profile / Qualifications				✓	Corporate Governance Manual		
64.1.3	Independence				✓	Corporate Governance Manual		
64.1.4	Performance / Meeting Attendance				✓			
64.2	Compensation / Remuneration. (Compensation/ Remuneration Committee) If yes, are the following items disclosed?	Compensation / Remuneration NONE						
64.2.1	Charter/Role and Responsibilities	✓						

64.2.2	Is the Committee composed of a majority of independent directors?	✓					
64.2.3	Is the Chairman of the Committee an independent director?	✓					
64.2.4	Performance / Meeting Attendance	✓					
64.3	<i>Nomination Committee</i> . If yes, are the following items disclosed?"						
64.3.1	Charter/Role and Responsibilities		✓			Company By-Laws	
64.3.2	Is the Committee composed of a majority of independent directors?		✓			Company By-Laws	
64.3.3	Is the Chairman of the Committee an independent director?		✓			Company By-Laws	
64.3.4	Performance / Meeting Attendance		✓				
65	How many board members are independent directors?		✓			Annual Report (28%) are independent	
66	Does company state in its Annual Report the definition of "independence" for identifying independent directors in public communications?	✓				Annual Report, not defined	
67	Does the company have a separate Board of Director's Report describing their responsibilities in reviewing the firm's financial statements?	✓				Annual Report, not described	

SURVEY ON CURRENT ETHICAL STANDARDS IN PHILIPPINE CORPORATIONS

1. We have a formal code of ethics in our company.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
2. Our code of ethics includes a statement on obligation to: <ul style="list-style-type: none"> • Employees • Shareholders • Suppliers • Customers • The general community 	<input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No
3. We have an ethics officer in our company.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4. We allocate resources for ethical activities such as: <ul style="list-style-type: none"> • Training • Internal Communications • Ethics Audit 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No
5. Ethics expectations are communicated to our: <ul style="list-style-type: none"> • Suppliers/Vendors • Business Partners • Consultants • Contractors 	<input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> No
6. We have a reporting mechanism in place in the company to allow all employees to report or express ethical concerns/violations.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
7. Ethical conduct has an impact on an employee's performance evaluation in our company.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
8. We have mechanisms in place in the company that ensure our suppliers and partners adhere to highest standards of business ethics.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

The Institute of Corporate Directors is currently conducting a survey on ethical standards in Philippine Corporations. We would highly appreciate your participation in this survey.

Thank you.