
Securities and Exchange Commission Philippines (SEC) - New corporate governance code takes effect

The SEC's new [Code of Corporate Governance for Publicly-Listed Companies](#) (Code) took effect on 1 January, 2017. The Code introduces a “comply or explain” approach, which gives a company's board flexibility in applying the Code. In addition, the Code provides heightened protections for whistleblowers and sets a cap (nine years) on how long a director may be considered independent.

The updated Code is a major component of the SEC's [Corporate Governance Blueprint](#), designed to strengthen corporate governance in the Philippines to attract foreign investment. It is a product of coordinated efforts between the SEC and the International Finance Corporation, a member of the World Bank Group.

Next steps

All publicly-listed companies must submit a new Manual on Corporate Governance to the SEC before 1 June, 2017.

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