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## **SEC GIVES LISTED FIRMS MORE LEEWAY IN FILING REPORTS**

The Securities and Exchange Commission (SEC) is pushing back more deadlines for publicly listed companies to comply with their reportorial requirements amid the new coronavirus pandemic.

In a notice dated April 22, the Commission announced the extension of the deadline for the submission of the Integrated Annual Corporate Governance Report (I-ACGR) until July 30, 2020.

The extension shall automatically apply. Nevertheless, publicly listed companies may choose to submit the I-ACGR on the original deadline.

Under normal circumstances, publicly listed companies are required to submit the I-ACGR every May 30 while they remain listed on the Philippine Stock Exchange, pursuant to SEC Memorandum Circular No. 15, Series of 2017.

The Commission also extended the deadline for the submission of the Sustainability Report for publicly listed companies whose fiscal years ended on December 31, 2019 or November 30, 2019.

The SEC on April 21 issued SEC Memorandum Circular No. 13, Series of 2020 to allow publicly listed companies to submit the Sustainability Report, as an attachment to the Annual Report, until June 30, 2020 or 60 days from the lifting of travel restrictions, whichever comes later.

The new deadline aligns with the extension of the filing period for the Annual Report and/or Audited Financial Statement, as earlier provided under SEC Memorandum Circular No. 5, Series of 2020.

An Annual Report filed without the Sustainability Report shall not be considered incomplete, provided the latter shall be submitted by June 30, 2020. In such cases, the concerned company shall file an Amended Annual Report.

A Sustainability Report filed through an Amended Annual Report shall be accompanied by a copy of the previously submitted Annual Report and a certification signed by the company's president.

The certification shall state, among others, that the Amended Annual Report is filed solely for the purpose of submitting the Sustainability Report and that no other changes were made to the Annual Report previously filed.



Publicly listed companies may avail of the extension without having to file a request. However, they may still submit the Sustainability Report together with the Annual Report on the original deadline, which is 105 days after the end of the fiscal year or April 14, 2020.

The Commission has required publicly listed companies to submit the Sustainability Report as part of the Annual Report starting this year, under SEC Memorandum Circular No. 4, Series of 2019.

The circular outlining the Sustainability Reporting Guidelines provide that nonattachment of the Sustainability Report shall be subject to the penalty imposable for the submission of incomplete Annual Report.

Companies submitting the Sustainability Report within the extended filing period, as provided in the recently issued circular, shall not incur penalties.

“The resilience of the business sector is integral to the recovery of our economy,” SEC Chairperson Emilio B. Aquino said.

“The leeway in complying with the reportorial requirements should allow companies to focus their efforts on coping with the impact of the COVID-19 pandemic and supporting our economy.”

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