



BOARD PERFORMANCE ASSESSMENT Policy and Procedures

The Company recognizes that in order to sustain good corporate governance within the organization, the same sound culture must be cultivated and sustained from the top. Monitoring of the governance structure and performance of the Board and top management according to their roles is vital.

As Company policy and practice, the Board of Directors (“Board”) conducts an annual self-assessment exercise through a self-assessment questionnaire given to each director to ensure the effectiveness of their governance, to reflect on the performance of top management including the President and Chief Executive Officer (CEO), to highlight specific strengths and to identify areas of improvement. The assessment covers appraisal of the Board as a governing unit, of individual directors, of the different Board Committees, as well as of the Management including the President and CEO.

Criteria and Process

The assessment criteria include the structure, efficiency, and effectiveness of the Board, participation and engagement of each member of the Board, contribution of each member director to their respective Committees, and performance of Management. The criteria also reflect the specific duties, responsibilities and accountabilities of each party assessed as provided in the Company By-Laws, Manuals, Charters and governing policies.

Each director shall follow the rating system used in the self-assessment forms:

RATE SCALE	EQUIVALENT	DEFINITION
5	Outstanding	Overall performance is outstanding. Consistently carries out responsibilities in an exceptional manner. Performance is approaching the level of the ideal or perfect employee.
4	Exceptional	Performance is very good and is above standard most of the time. Periodically exceeds expectations
3	Meets Job Standards	Overall performance is satisfactory. Does good work most of the time and meets the requirements if the job.
2	Needs Improvement	Overall performance does not meet job requirements. Periodically, performance is inconsistent and unacceptable in some areas.
1	Poor/Unacceptable	Overall performance is unsatisfactory. Consistently performs at an unacceptable level in most areas of performance.

A portion of the form is also dedicated to the remarks, additional comments and suggestions that each director is encouraged to fill-up to further enrich the assessment process. For further clarification on this policy and the self-assessment exercise, the Board may address their queries to the Compliance Officer.

Facilitated by the Compliance Officer, the annual self-assessment form shall be accomplished and signed by each individual director. The Compliance Officer shall collate the accomplished forms thereafter.

To strengthen the objectivity of the assessment, the Board will engage an external facilitator to conduct the process every three (3) years

The Compliance Officer may amend the self-assessment form as deemed necessary, provided that the same shall be compliant with sound corporate governance standards and practices and applicable law.

This Policy will be reviewed annually and any adjustments/revisions that may be required will be recommended to the Board for consideration and approval.

BOARD OF DIRECTORS SELF-ASSESSMENT QUESTIONNAIRE

This self-assessment questionnaire is a tool to evaluate and elevate the performance of the Board of Directors and its individual members. The questionnaire is designed to help the board identify areas for attention so as to contribute to its own development. Please read each statement below and check the number that best reflects your opinion for each item.

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BOARD RESPONSIBILITIES	1	2	3	4	5
1. The Board demonstrates commitment to good corporate governance and oversees the Company's operation to ensure that the same is in accordance with highest ethical standards and in harmony with applicable laws, regulations and policies.					
2. The Board is vigilant with the management of enterprise-wide risks and ensures that the Company has appropriate policies and procedures to effectively identify, monitor and mitigate these risks.					
3. The Board responsibly and regularly monitors and approves the Company's financial statements including income statement, balance sheet and cash flows. The Board ensures that financial statements filed with regulatory authorities and released to the public represent an accurate, fair and true picture of the company's financial standing.					
4. The Board reviews and approves an annual capital and operating budget and effectively monitors performance against budget throughout the year and ensures corrective action if negative variances occur.					
5. The Board regularly takes into account the interests of minority shareholders along with the interests of all shareholder groups in every decision making process and all corporate undertakings.					

Comments:

BOARD PROCESSES	1	2	3	4	5
1. Each member of the Board is given, in a timely manner, complete and relevant information and background materials for each item in the agenda to be discussed in every meeting.					
2. Board members regularly attend to all Board and committee meetings and generally come adequately informed of the agenda and well prepared on the issues to be discussed. Attendance at board and committee meetings is 75% or more on a regular basis.					
3. Board and Committee agendas are practical and realistic in terms of breadth and scope of topics to be discussed given the time available and are effectively managed in accordance with the relative importance of each topic for consideration.					
4. Board meetings are conducted in a manner that ensures open and truthful communication, meaningful participation and timely resolution of issues. Each member of the Board exercises independent judgment in making a stand for a particular issue.					
6. Board committees are well organized and contribute to the effectiveness of the Board. Each committee renders valuable aid in accordance with their particular area of expertise.					

Comments:

INDIVIDUAL BOARD MEMBERS	1	2	3	4	5
1. As a member of the Board, I understand the vision, mission, values and strategies of the Company and I am aware of the function and role that I need to play as a Board member.					
2. As a member of the Board, I am aware and I fully comprehend the by-laws and governing principles and policies of the Company and I keep myself updated on the latest standard and best practices in corporate governance.					
3. As a member of the Board, I consciously and deliberately avoid engaging in any transaction or situation where a potential conflict of interests with the Company exists and if such a potential conflict appears, I immediately disclose the situation to the rest of the Board.					
4. As a member of the Board, I regularly and actively participate in discussions with independence and objectivity and an open mind for differing opinions of other members.					
5. I actively challenge the opinions of others in the course of discussion and issue resolution but I completely support the decisions of the Board once they are made even if I do not fully agree with the decision.					

Comments:

MANAGEMENT RELATIONSHIP	1	2	3	4	5
1. The Board and CEO are clear on their respective roles and functions as well as the role of other management staff. There is a clear understanding of where the role of the Board ends and where that of the CEO/management begins.					
2. The Board consistently challenges the CEO/management in order to understand and attend to the businesses better and to drive improvements in the Company's performance.					
3. The Board has established appropriate and clear threshold limit and boundaries for Board or committee involvement in major business policies or decisions.					
4. The Board ensures that an appropriate system of incentives is in place which sets down guidelines on how to distinguish and reward performers from non-performers.					
5. The Board conducts a review of the CEO's performance and ensures that the performance objectives of the management is attune and in furtherance of the stated and agreed corporate goals.					

Comments:

CHAIRMAN OF THE BOARD'S RESPONSIBILITIES	1	2	3	4	5
1. The Chairman makes certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the corporation, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations					
2. The Chairman guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decision					
3. The Chairman facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors					
4. The Chairman ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management					
5. The Chairman assures the availability of proper orientation for first time directors and continuing training opportunities for all directors					

Comments:

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COMMITTEE APPRAISAL	1	2	3	4	5
1. The Board has an effective committee structure.					
2. The delegation of power from the Board to its Committees is appropriate with their relevant corresponding Charters.					
3. The Committees regularly provide a report to the full Board and sufficiently update the Board on recent developments or such other matters that may require the Board action.					
4. The frequency of meetings for each Committee is sufficient, allowing its members to perform their responsibilities according to the functions of the Committee.					

Comments:

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Using the following definitions of levels of performance, please encircle the level that corresponds to your perception or evaluation of the Board's general performance.

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Needs Improvement	Overall performance does not meet job requirements. Periodically, performance is inconsistent and unacceptable in some areas.

NAME: _____

SIGNATURE: _____

DATE: _____