

LAND BANK OF THE PHILIPPINES
Corporate Governance Scorecard for GOCC's Questionnaire

QUESTION	GUIDING REFERENCE	WEIGHT	Y/N
I. Stakeholder Relationships (15%)			
1 Does the GOCC disclose a policy that:		0.030	N.A. to RMG
a. Stipulates the existence and scope of its effort to address customer's welfare?	GCG MC No. 2012-07 Chapter VII Sec. 35 & 37	0.010	N.A. to RMG
b. Elaborates its efforts to interact with the communities in which they operate?	GCG MC No. 2012-07 Chapter VII Sec. 34	0.010	N.A. to RMG
c. Ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	GCG MC No. 2012-07 Chapter VII Sec. 40	0.010	N.A. to RMG
2 Does the GOCC disclose the activities that it has undertaken to implement the above-mentioned policies?		0.030	N.A. to RMG
a. Customer health and safety	GCG MC No. 2012-07 Chapter VII Sec. 35 & 37	0.010	N.A. to RMG
b. Interaction with the communities	GCG MC No. 2012-07 Chapter VII Sec. 34	OECD Principle IV(A) & Global Reporting Initiative (GRI)	0.010 N.A. to RMG
c. Environmentally-friendly value chain	GCG MC No. 2012-07 Chapter VII Sec. 40	0.010	N.A. to RMG
3 Does the GOCC have a separate corporate social responsibility (CSR) report/section or sustainability report/section?	GCG MC No. 2012-07 Chapter VII Sec. 41 & 434.3e	0.010	N.A. to RMG
4 Where stakeholder interests are protected by law, stakeholders should		0.010	N.A. to RMG
• Does the GOCC provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?		OECD Principle IV(B)	0.010 N.A. to RMG
5 Performance-enhancing mechanisms for employee participation should be permitted to develop.		0.040	N.A. to RMG
a. Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	GCG MC No. 2012-07 Chapter VII Sec. 39	OECD Principle IV(C) & GRI: Sustainability Report	0.010 N.A. to RMG
b. Does the GOCC publish data relating to health, safety and welfare of its employees?		0.010	N.A. to RMG
c. Does the GOCC have training and development programs for its employees?	GCG MC No. 2012-07 Chapter VII Sec. 36	0.010	N.A. to RMG
d. Does the GOCC publish data on training and development programs for its employees?		0.010	N.A. to RMG

QUESTION	GUIDING REFERENCE	WEIGHT	Y/N	
6 Stakeholders including individual employee and their representative bodies should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.		0.030	N.A. to RMG	
a. Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	GCG MC No. 2014-04	0.015	N.A. to RMG	
b. Does the GOCC have procedures to protect an employee/person who reveals illegal/ unethical behavior from retaliation?		0.015	N.A. to RMG	
Sub Total:		0.150		
II. Disclosure and Transparency (35%)				
7 Quality of Annual Report Does the GOCC's annual report disclose the following items:		<ul style="list-style-type: none"> ▪ OECD - Principle V(A) - Principle V(E) ▪ ICGN 2.4 - Composition & structure of the board ▪ ICGN 2.4.1 - Skills & experience ▪ ICGN 2.4.3 - Independence ▪ ICGN 5.0 – Remuneration 	0.240	N.A. to RMG
a. Corporate objectives	▪ R.A. No. 10149	0.040	N.A. to RMG	
b. Financial performance indicators	Chapter V Sec. 25	0.040	N.A. to RMG	
c. Non-financial performance indicators	▪ GCG MC No. 2012-07	0.040	N.A. to RMG	
d. Details of whistle-blowing policy	Chapter VIII Sec. 41	0.040	N.A. to RMG	
e. Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners		0.040	N.A. to RMG	
f. Training and/or continuing education program attended by each director/commissioner		0.040	N.A. to RMG	
8 Is the Annual Report downloadable from the GOCC's website?		0.020	N.A. to RMG	

QUESTION		GUIDING REFERENCE	WEIGHT	Y/N
9 Corporate Governance Confirmation Statement			0.015	N.A. to RMG
	<ul style="list-style-type: none"> Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue? 	<ul style="list-style-type: none"> OECD Principle V(A)(8) 	0.015	N.A. to RMG
10 Timely filing/release of annual/financial reports			0.075	N.A. to RMG
	a. Are the audited annual financial report/statement released within 60 days upon receipt from COA?	<ul style="list-style-type: none"> OECD Principle V. Transparency & Disclosure, A.-II. The State Acting as an Owner, F(3) 	0.025	N.A. to RMG
	b. Is the annual report released within 90 days from release of audited financial report?		0.025	N.A. to RMG
	c. Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners or the relevant officers of the company?	GCG MC No. 2012-07 Chapter VIII Sec. 42(d) <ul style="list-style-type: none"> OECD Principle V(C), V(E) & V(A) ICGN <ul style="list-style-type: none"> - 7.2 Timely disclosure - 7.3 Affirmation of financial statements 	0.025	N.A. to RMG
Sub Total:			0.350	
III. Responsibilities of the Board (50%)				
11 Corporate Vision/Mission			0.030	N.A. to RMG
	a. Has the Board of Directors reviewed the vision and mission/strategy in the last financial year?	GCG MC No, 2012-06 Chapter III Sec. 27.1(a) <ul style="list-style-type: none"> OECD Principle 6 (P58) ICGN <ul style="list-style-type: none"> - 3.2 Integrity 	0.015	N.A. to RMG
	b. Does the Board of Directors monitor/oversee the implementation of the corporate strategy?	GCG MC No, 2012-06 Chapter III Sec. 27.1(b)	0.015	N.A. to RMG
12 Did the GOCC achieve 90% in the PES?			0.040	N.A. to RMG
13 Code of ethics or conduct		GCG MC No. 2012-07 Chapter VIII Sec. 41	0.030	N.A. to RMG
	a. Are the details of the code of ethics or conduct disclosed?	OECD Principle VI	0.010	N.A. to RMG
	b. Does the GOCC disclose that all Directors/Commissioners, senior management and employees are required to comply with the code?		0.010	N.A. to RMG
	c. Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?		0.010	N.A. to RMG

QUESTION	GUIDING REFERENCE	WEIGHT	Y/N
14 Does the Board appoint a <u>Nomination Compensation/Remuneration Committee</u> ?	<ul style="list-style-type: none"> ▪ GCG MC No. 2012-07 Chapter III Sec. 16.2.4 ▪ RA No. 10149 Chapter IV Sec.23 ▪ GCG MC No. 2012-07 Chapter VIII. Sec. 41 	0.005	N.A. to RMG
15 Did the Nomination Compensation/ Remuneration Committee meet at least twice during the year?		0.015	N.A. to RMG
16 If yes, is the report of the Nomination Compensation/Remuneration Committee publicly disclosed?		0.015	N.A. to RMG
17 Does the Board appoint an <u>Audit Committee</u> ?	<ul style="list-style-type: none"> ▪ GCG MC No. 2012-07 Sec. 8(j) ▪ GCG MC No. 2012-07 Chapter III Sec. 16.2.2 ▪ GCG MC No. 2012-07 Chapter VIII. Sec. 41 	0.005	N.A. to RMG
18 If yes, is the report of the Audit Committee publicly disclosed?		0.015	N.A. to RMG
19 Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?		0.015	N.A. to RMG
20 Did the Audit Committee meet at least four times during the year?		0.015	N.A. to RMG
21 Does the Board appoint a <u>Risk Management Committee</u> ?	<ul style="list-style-type: none"> ▪ GCG MC No. 2012-07 Chapter III Sec. 16.2.5. ▪ GCG MC No. 2012-07 Chapter III Sec. 8(b)(h) 	0.005	See the topic on LANDBANK Risk Management (RM) Philosophy & Culture, particularly the 2nd sentence of the 1st paragraph.
22 If yes, is the report on Risk Management Committee publicly disclosed?		0.015	See the topic Risk Oversight Committee (RISKCOM)
23 Does at least one member of the Risk Management Committee have a background in finance and investments?	GCG MC No. 2012-07 Chapter III Sec. 16.2.5.	0.015	See Transparency Seal II. On the LANDBANK's Board and Officers. Item B.1 Complete Listing of the Directors and Officers with

QUESTION	GUIDING REFERENCE		WEIGHT	Y/N
				attached resume & their membership in Board Committees -- <u>DOF Secretary Carlos G. Dominguez</u> represented by Deputy Treasurer Erwin D. Sta. Ana has background in finance & investments
24 Board meetings and attendance			0.075	
a. Are the Board of Directors meetings scheduled at the beginning of the year? (end of Q1)			0.015	N.A. to RMG
b. Does the Board of Directors meet at least monthly?	GCG MC No. 2012-07 Sec.8(a)		0.015	N.A. to RMG
c. Did the Board of Directors meet on at least 75% on their scheduled meetings?		INDO Scorecard	0.015	N.A. to RMG
d. Has each of the directors/commissioners attended at least 90% of all the board meetings held during the year?		OECD Principle VI(E)	0.015	N.A. to RMG
e. Did the Board of Directors meet separately at least once during the year without the President/CEO present?		WORLDBANK (WB) Principle 6	0.015	N.A. to RMG
25 Access to information			0.020	N.A. to RMG
a. Does the GOCC has a policy that stipulates board papers for Board of Directors/ Commissioners meetings be provided to the Board at least three (3) working days in advance of the board meeting?			0.010	N.A. to RMG
b. Is the Board Secretary trained in legal, accountancy or company secretarial practices?			0.010	N.A. to RMG
26 Internal Audit			0.030	N.A. to RMG
a. Does the company have a separate internal audit function?	GCG MC No. 20120-07 Chapter III Sec. 16.1, 16.2.2. (a) & (d)	OECD Principle VI(D)	0.010	N.A. to RMG
b. Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?			0.010	N.A. to RMG
c. Does the appointment and removal of the internal auditor require the approval of the Audit Committee?		<ul style="list-style-type: none"> ▪ OECD Principle VI(D)7 ▪ WB Principle 6 ASX & CG 	0.010	N.A. to RMG

QUESTION	GUIDING REFERENCE	WEIGHT	Y/N
27 Risk Oversight		0.040	
<p>a. Does the company disclose the internal control procedures/risk management systems it has in place?</p>	<p>OECD Principle 6 VI(D)7</p>	0.010	<p>See the topic on LANDBANK RM Philosophy and Culture, particularly the 1st sentence of the 5th paragraph, stating that:</p> <p>"At the Strategic Level, the LANDBANK Board through the Risk Com and Senior Management, are actively involved in an enterprise-wide RM oversight which involves formulation and approval of RM framework, policies and strategies, internal controls, and RM system as well as the annual review thereof."</p>
<p>b. Does the Annual Report disclose that the board of Directors/Commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?</p>	<p>UK Code (June 2010)</p>	0.010	<p>See the topic on LANDBANK RM Philosophy & Culture, particularly the 2nd sentence of the 5th paragraph, stating that:</p> <p>"The LANDBANK Board and Senior Management are also involved in an organizational-wide risk monitoring which is used as basis for decision-making and review of LANDBANK's controls/mitigating measures (operational, financial & compliance control) and RM system."</p>
<p>c. Does the company disclose how key risks</p>	<p>OECD</p>	0.010	<p>See the following</p>

QUESTION		GUIDING REFERENCE		WEIGHT	Y/N
	are managed?		Principle V(A)		topics 1. Credit RM 2. Market RM 3. Interest Rate RM 4. Liquidity RM 5. Operational RM 6. InfoSec & Technology RM
	d. Does the Annual Report contain a statement from the Board of Directors or Audit Committee commenting on the adequacy of the GOCC's internal controls/risk management systems?			0.010	See the topic on LANDBANK RM Philosophy & Culture , particularly the 2 nd sentence of the 1 st paragraph, stating that: "It is an integrative component of good governance which the LANDBANK Board , (RISKCOM & Senior Management oversee to ensure <u>adequacy</u> of framework, policies, internal controls, RM systems & procedures to manage risks "
28 Board Chairman				0.010	N.A. to RMG
	• Do different persons assume the roles of Chairman and CEO?		OECD Principle VI ICGN: 2.5 Role of the Chair	0.010	N.A. to RMG
29 Board of Directors Development				0.045	N.A. to RMG
	a. Does the GOCC have orientation programs for new Directors?	R.A. No. 10149 Sec. 16, GCG MC No. 2012-05 Art. 5 (f)		0.015	N.A. to RMG
	b. Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education programs?		OECD Principle VI(E)	0.015	N.A. to RMG
	c. Did all Appointive Directors attend at least 1 training for the calendar year?			0.015	N.A. to RMG
30 Board Appraisal			OECD Principle VI(D)(2)	0.045	
	a. Is an annual performance assessment conducted of the Board of Directors?	GCG MC No. 2012-07 Chapter III	▪ OECD Principle VI. The Responsibilities of the Boards of State-Owned Enterprises, F. ▪ 2013 ASEAN	0.015	N.A. to RMG

QUESTION		GUIDING REFERENCE	WEIGHT	Y/N
		CGS E.5.5 & E.5.6		
	b. Does the GOCC disclose the process followed in conducting the Board assessment?		0.015	N.A. to RMG
	c. Does the GOCC disclose the criteria used in the Board assessment?		0.015	N.A. to RMG
31 Committee Appraisal		UK Code (June 2010)	0.015	N.A. to RMG
	• Is an annual performance assessment conducted of the Board of Directors Committees?		0.015	N.A. to RMG
Sub Total:			0.500	
BONUS				
Stakeholder Relationships				
	1 Does the GOCC practice Global Reporting Index (GRI) on its annual reports?	<ul style="list-style-type: none"> ▪ International <IR> framework draft ▪ IIRC Council Item 3b Meeting 	0.020	
Disclosure and Transparency				
	2 Quality of Annual Report		0.020	
	• Are the audited annual financial report/statement released within 30 days upon the receipt from COA?	<ul style="list-style-type: none"> ▪ OECD Principle V(C) & V(E) ▪ ICGN <ul style="list-style-type: none"> - 7.2 Timely disclosure - 7.3 Affirmation 	0.020	
Sub Total:			0.040	
PENALTY				
Responsibilities of the Board				
	1 Are there members of the Board of Directors who hold more than five (5) positions in GOCCs and PLCs?		0.020	None
	2 Is there non-compliance with Good Governance Conditions?		0.020	None
Sub Total:			0.040	
CORPORATE GOVERNANCE SCORECARD		SCORE	WEIGHT	AVERAGE
I. Stakeholder Relationships (35%)		15	15.00%	100.00%
II. Disclosure and Transparency (30%)		35	35.00%	100.00%
III. Responsibilities of the Board (35%)		50	50.00%	100.00%
Bonus		4		
Penalty		4		

CLASS C

QUESTION	GUIDING REFERENCE	WEIGHT	Y/N
	100	100.00%	100.00%