

**ANNEX 2:
CORPORATE GOVERNANCE SCORECARD FOR GOCCS QUESTIONNAIRE**

#	Question	Guiding Reference	Weight	Y/N
I. Stakeholder Relationships (15%)				
1	Does the GOCC disclose a policy that:		0.030	
a.	Stipulates the existence and scope of its effort to address customer's welfare?	GCG MC No. 2012-07 Chapter VII Sec. 35, Sec. 37	0.010	
b.	Elaborates its efforts to interact with the communities in which they operate?	GCG MC No. 2012-07 Chapter VII Sec. 34	0.010	
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	
2	Does the GOCC disclose the activities that it has undertaken to implement the above-mentioned policies?		0.030	
a.	Customer health and safety	GCG MC No. 2012-07 Chapter VII Sec. 35, Sec. 37	0.010	
b.	Interaction with the communities	GCG MC No. 2012-07 Chapter VII Sec. 34	0.010	
c.	Environmentally-friendly value chain	GCG MC No. 2012-07 Chapter VII Sec. 40	0.010	
3	Does the GOCC have a separate corporate social responsibility (CSR) report/section or sustainability report/section?	GCG MC No. 2012-07 Chapter VIII Sec. 41, Sec. 43.4.e	0.010	
4	Where stakeholder interests are protected by law, stakeholders should		0.010	
	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?		0.010	
5	Performance-enhancing mechanisms for employee participation should be permitted to develop.		0.040	
a.	Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	GCG MC No. 2012-07 Chapter VII Sec. 39	0.010	Yes. See Annual Report 2016 (pages 96-99, Human Resource Management)
b.	Does the GOCC publish data relating to health, safety and welfare of its employees?		0.010	Yes. See Annual Report 2016 (pages 96-99, Human Resource Management)
c.	Does the GOCC have training and development programmes for its employees?	GCG MC No. 2012-07 Chapter VII Sec. 36	0.010	Yes. See Annual Report 2016 (pages 100-101, Organization Development Department, as its learning and growth arm, provided training and development

					programs to 7,778 employees or 99.29% of the workforce. (Learning Development Initiatives)
d.	Does the GOCC publish data on training and development programs for its employees?			0.010	Yes. See Annual Report 2016 (pages 100-101 (Learning and Development Initiatives))
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	
a.	Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	GCG MC No. 2014-04	OECD Principle IV (E)	0.015	Yes. See Annual Report 2016 (page 99, Employee Discipline and Accountability)
b.	Does the GOCC have procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?		OECD Principle IV (E)	0.015	Yes. See Annual Report 2016 (page 99, Employee Discipline and Accountability)
Sub Total				0.150	

II. Disclosure and Transparency (35%)

7	Quality of Annual Report Does the GOCC's annual report disclose the following items:		OECD Principle V (A) OECD Principle V € ICGN 2.4 Composition and structure of the board ICGN 2.4.1 Skills and experience ICGN 2.4.3 Independence ICGN 5.0 Remuneration	0.240	
#	Question		Guiding Reference	Weight	Y/N
a.	Corporate objectives	R.A. No. 10149 Chapter V Sec. 25, GCG MC No. 2012-07 Chapter VIII Sec. 41		0.040	Yes. See Annual Report 2016 (Chairman's and President's Report - pages 4-6) See LBP Website, Transparency Seal, Strategy Map
b.	Financial performance indicators			0.040	
c.	Non-financial performance indicators			0.040	Yes. See Annual Report 2016 (Chairman's and President's Report - pages 4-6) See Annual Report 2016 (Operational

					Highlights: Pursuit of Mandate - pages 10-21 and 26-33; Operational Highlights: Customer Service - pages 42-52; Operational Highlights: Institutional Viability - pages 96-102)
	d.	Details of whistle-blowing policy		0.040	Yes. See Annual Report 2016 (page 51, Corporate Governance
	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	Yes. See Annual Report 2016 (page 51, Corporate Governance
	f.	Training and/or continuing education programme attended by each director/commissioner		0.040	Yes. See Annual Report 2016 (page 51, Corporate Governance
8	Is the Annual Report downloadable from the GOCC's website?			0.020	
9	Corporate Governance Confirmation Statement			0.015	
		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?	OECD PRINCIPLE V (A) (8)	0.015	
10	Timely filing/release of annual/financial reports			0.075	Yes. Date Received from COA: June 30, 2017
	a.	Are the audited annual financial report/statement released within 60 days upon receipt from COA?	OECD Principle V. Transparency and Disclosure, A. OECD Principle II. The Stae Acting as an Owner, F. (3)	0.025	Yes. Date Posted: 26 July 2017 Submitted to BSP: 08 August 2017
	b.	Is the annual report released within 90 days from release of audited financial report?		0.025	
	c.	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?	GCG MC No. 2012-07 Chapter VIII Sec. 42 (d)	0.025	OECD Principle V (C) OECD Principle V (E) OECD Principle V-(A). ICGN 7.2 Timely disclosure ICGN 7.3 Affirmation of financial statements
				Sub Total	0.350
III. Responsibilities of the Board (50%)					
11	Corporate Vision/Mission			0.030	
	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) GCG MC No, 2012-06 Chapter III Sec. 27.1 (b)	0.015	Yes. See page 2, AR 2016, (Vision/ Mission)
	b.	Does the Board of Directors monitor/oversee the implementation of the corporate strategy?		0.015	Yes. See page 61, AR 2016 "Compliance with the Provisions of the Code of Corporate Governance"
12	Did the GOCC achieve 90% in the PES?			0.040	Yes. See LBP website, click on the

					Transparency Seal, Balance Scorecard	
13	Code of ethics or conduct	GCG MC No. 2012-07 Chapter VIII Sec. 41	OECD PRINCIPLE VI Transparency Seal	0.030	Yes. See p. 09-10, SR 2016, G4-56 Code of Conduct	
	a.	Are the details of the code of ethics or conduct disclosed?		Code of Conduct for LBP EES	0.010	Yes. 1. See p. 09-10, SR 2016, G4-56 Code of Conduct 2. Yes. See p. 21, SR 2013- "In 2010, the Bank has formulated the Guidelines on Conflict of Interest, which cover the Landbank workforce from the members of the Board of Directors up to the rank-and-file employees. The issuance of said guidelines is in line with the Code of Conduct for LBP Employees, upholding the principle that a public office is a public trust." 3. See Code of Conduct for LANDBANK Employees
	b.	Does the GOCC disclose that all Directors/Commissioners, senior management and employees are required to comply with the code?	SR 2014		0.010	1. Yes. See p. 09-10, SR 2016, G4-56 Code of Conduct 2. Yes. See p. 21, SR 2013- "In 2010, the Bank has formulated the Guidelines on Conflict of Interest, which cover the Landbank workforce from the members of the Board of Directors up to the rank-and-file employees. The issuance of said guidelines is in line with the Code of Conduct for LBP Employees, upholding the principle that a public office is a public trust." 3. See Code of Conduct for LANDBANK Directors Board Resolution

					No. 17-034, approved on January 10, 2017	
	c.	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	SR 2014		0.010	<p>Yes. The Code of Conduct Month which is celebrated every January of the year applies both for LANDBANK Directors and employees.</p> <p>2. See LANDBANK 2016 Sustainability Report GRI Content Index, page 9-10</p> <p>3. Yes. See p. 32-33, SR 2013- "All Landbank employees are expected to comply strictly with the Bank's Code of Conduct and to follow all rules and regulations, internal policies, and procedures pertinent to their functions and positions. The Bank also routinely conducts employee seminars on core values, corporate ethics, social responsibility and anti-money laundering, depicting Landbank's position as an institution with a strong moral fiber."</p>
14		Does the Board appoint a <u>Nomination Compensation / Remuneration Committee</u> ?	<p>GCG MC No. 2012-07 Chapter III Sec. 16.2.4.</p> <p>RA No. 10149 Chapter IV Sec.23</p> <p>GCG MC No. 2012-07 Chapter VIII. Sec. 41</p> <p>SR 2014</p>	<p>OECD Principle II. The State Acting as an Owner, F. (2)</p> <p>ICGN Global Corporate Principles 5.0 Remuneration & 5.4 Transparency</p> <p>2013 ASEAN Corporate Governance Scorecard E.2.10 & E.2.16</p> <p>SEC MC No. 2. s. 2002 Sec. 9 (B)(b)</p>	0.005	<p>Yes, See p. 08, SR 2016; see p. 69 AR 2016. The equivalent to this is the Corporate Governance Committee which has the same functions, except that it cannot approve any increase in Compensation/Remuneration without GCG approval.</p>
15		Did the Nomination Compensation/Remuneration Committee meet at least twice during the year?			0.015	<p>Yes. See p. 69, "Corporate</p>

					Governance Committee", AR 2016. 10 meetings
16	If yes, is the report of the Nomination Compensation/Renumeration Committee publicly disclosed?			0.015	Yes. See p. 101 AR 2016
#	Question	Guiding Reference		Weight	Y/N
17	Does the Board appoint an Audit Committee ?	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	OECD Principle V. Transparency and Disclosure, B. 2013 ASEAN Corporate Governance Scorecard E.2.22 SEC MC NO.2 s. 2002 Sec. 9 (A)	0.005	Yes. Please refer to AR 2016 pages 63 and 69
18	If yes, is the report of the Audit Committee publicly disclosed?			0.015	Yes. Please refer to AR 2016 page 69
19	Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?			0.015	Yes. The following AC Com members have Finance Background: 1. Director Victor Gerardo D. Bulatao 2. Director Tomas T. De Leon Jr. 3. Director Crispino T. Aguelo (Please see LBP Website, "About us" icon – Board of Directors and Management Team)
20	Did the Audit Committee meet at least four times during the year?			0.015	Yes. Please refer to AR 2016 page 70
21	Does the Board appoint a Risk Management Committee ? Under Hierarchy Governance Structure or Risk Oversight Committee (RISKCOM) of the Institutional Viability	GCG MC No. 2012-07 Chapter III Sec. 16.2.5. GCG MC No. 2012-07 Chapter III Sec. 8 (b), (h)	OECD Principle VI D (6)	0.005	Yes. See pages 60 of the AR 2016
22	If yes, is the report on Risk Management Committee publicly disclosed? Under RISKCOM of the Institutional Viability			0.015	Yes. See pages 71 of the AR 2016
23	Does at least one member of the Risk Management Committee have a background in finance and investments? Under RISKCOM of the Institutional Viability or the Independent Auditor's Report	GCG MC No. 2012-07 Chapter III Sec. 16.2.5.		0.015	Yes. See pages 71 of the AR 2016
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	Yes. As a rule, Board meetings are scheduled twice a month, every second and fourth Monday of the month. A memo is sent to all of the members of the Board every January

						of each year. See Transparency Seal, Board Meetings and Attendance, Item II.B.4. See p. 72, AR 2016, "Attendance of Board Members to Meetings"
	b.	Does the Board of Directors meet at least monthly?	GCG MC No. 2012-07 Sec. 8 (a)		0.015	Yes. See AR 2016, page 72, "Attendance of Board Members to Meetings"
	c.	Did the Board of Directors meet on at least 75% on their scheduled meetings?		INDO SCORECARD	0.015	Yes. See AR 2016, page 73, "Directors' Attendance to Board and Committee Meetings"
	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	Yes. See the Transparency Seal in the website, II B.5
	e.	Did the Board of Directors meet separately at least once during the year without the President/CEO present?		WORLDBANK PRINCIPLE 6	0.015	Yes. The LBP Board of Directors approved on 30 March 2016 the enhancement in the Manual of Corporate Governance which provides that the Board will meet at least once a year without the President present.
25	Access to information				0.020	
	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	Yes. Board materials are provided to the Board within 3 working days before the meeting
	b.	Is the Board Secretary trained in legal, accountancy or company secretarial practices?			0.010	Yes. VP Felix Manlangit, Corporate Secretary is a lawyer. See Transparency Seal, Board Meetings and Attendance
26	Internal Audit				0.030	
	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	Yes. Please refer to AR 2016 page 60
	b.	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?			0.010	Yes. Please refer to AR 2016 page 60
	c.	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?		OECD PRINCIPLE VI (D) (7) WORLDBANK PRINCIPLE 6 ASX Principles on CG	0.010	Yes. Please refer to AC Com Charter, Item 6.1.a
27	Risk Oversight				0.040	
	a.	Does the company disclose the internal control procedures/risk management systems it has in place? Under RISKCOM of the Institutional Viability		OECD PRINCIPLE 6 (VI) (D) (7)	0.010	Yes. See page 80 of the AR 2016

	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? Under Reinforcing Risk Management Measures and Controls and Pursuing New Initiatives for Effective Governance of the Institutional Viability		UK CODE (JUNE 2010)	0.010	Yes. See page 80 of the AR 2016
	c.	Does the company disclose how key risks are managed? Under ① Credit Risk Management (from page 60 to 63); ② Market Risk Management (from page 63 to 68); ③ Liquidity Risk Management (from page 68 to 72); and ④ Operational Risk Management (from page 72 to 73) of the Institutional Viability		OECD PRINCIPLE V (A)	0.010	Yes. See page 80 to 93 of the AR 2016
	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? Under Risk Management Philosophy & Culture of the Institutional Viability			0.010	Yes. See page 90 of the AR 2016
#		Question		Guiding Reference	Weight	Y/N
28	Board Chairman				0.010	
		Do different persons assume the roles of Chairman and CEO?		OECD PRINCIPLE VI ICGN: 2.5 Role of the Chair	0.010	Yes. See p. 64, Annual Report 2016. The Chairman is Finance Secretary Carlos G. Dominguez, while the Pres. & CEO is Alex V. Buenaventura
29	Board of Directors Development				0.045	
	a.	Does the GOCC have orientation programmes for new Directors?	R.A. No. 10149 Sec. 16, GCG MC No. 2012-05 Art. 5 (f)		0.015	Yes. See Transparency Seal Page, Board of Directors page
	b.	Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education programmes?		OECD PRINCIPLE VI (E)	0.015	Yes. See Transparency Seal Page, Board of Directors Page
	c.	Did all Appointive Directors attend at least 1 training for the calendar year?			0.015	Yes. See p. 63, Annual Report 2016, "i. Attend orientation and training"
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 Corporate Governance Scorecard E.5.5 & E.5.6	0.015	Yes. See Annual Report 2016 (page 72, "Evaluation of the Board's Performance"
	b.	Does the GOCC disclose the process followed in conducting the Board assessment?			0.015	Yes. See Annual Report 2016 (page 72, "Evaluation of the Board's Performance"
	c.	Does the GOCC disclose the criteria used in the Board assessment?			0.015	Yes. See Annual Report 2016 (page 72, "Evaluation of the Board's

					Performance"																																			
31	Committee Appraisal		UK CODE (JUNE 2010)	0.015																																				
	Is an annual performance assessment conducted of the Board of Directors Committees?			0.015	Yes. See Transparency Seal, page 76, Chapter 13, Corporate Governance Manual 2015																																			
			Sub Total	0.500																																				
BONUS																																								
Stakeholder Relationships																																								
1	Does the GOCC practice Global Reporting Index (GRI) on its annual reports?		International <IR> Framework - DRAFT ,IIRC Council Item 3b Meeting of	0.020	Yes. LANDBANK Sustainability Report 2016																																			
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?		OECD Principle V (C) OECD Principle V (E) ICGN 7.2 Timely disclosure ICGN 7.3 Affirmation of	0.020	No. 30 th day deadline: August 10, 2016																																			
			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																																				
<table border="1"> <thead> <tr> <th colspan="2">CORPORATE GOVERNANCE SCORECARD</th> <th>SCORE</th> <th>WEIGHT</th> <th>AVERAGE</th> </tr> </thead> <tbody> <tr> <td>I</td> <td>Stakeholder Relationships (35%)</td> <td>15</td> <td>15.00%</td> <td>100.00%</td> </tr> <tr> <td>II</td> <td>Disclosure and Transparency (30%)</td> <td>35</td> <td>35.00%</td> <td>100.00%</td> </tr> <tr> <td>III</td> <td>Responsibilities of the Board (35%)</td> <td>50</td> <td>50.00%</td> <td>100.00%</td> </tr> <tr> <td></td> <td>Bonus</td> <td>4</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Penalty</td> <td>4</td> <td></td> <td></td> </tr> <tr> <td colspan="2"></td> <td>100</td> <td>100.00%</td> <td>100%</td> </tr> </tbody> </table>						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					100	100.00%	100%
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