

In order to sustain good corporate governance within the organization, a 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 its roles is crucial.

As mandate of the Governance Commission for GOCC (GCG) Memorandum Circular No. 2015-07, the Board of Directors ("Board") as a policy and practice will conduct an annual assessment exercise through an assessment questionnaire given to each director to ensure the effectiveness of their governance, to highlight specific strengths and to identify areas of improvement. The assessment covers appraisal of the Board as a governing unit, and of the different Board Committees.

## Criteria and Process

The assessment criteria include the efficiency, and effectiveness of the Board, participation and engagement of each member of the Board, contribution of each member director to their respective Committees. The criteria also reflect the specific duties, responsibilities and accountabilities of each party assessed as provided in the PPA Manual for Corporate Governance, Charter and other GCG governing policies.

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

E - Excellent

G-Good

VS - Very Satisfactory

S - Satisfactory

NI – Needs Improvement

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.

The annual self-assessment form shall be accomplished by each individual director. The Corporate Board Secretary shall give summary thereafter.

Subject to the approval of the Board, the assessment form may be amended as deemed necessary, provided that the same shall be compliant with sound corporate governance standards prescribed by law or GCG issuance.

## BOARD ASSESSMENT FORM Philippine Ports Authority

Please accomplish this form by checking the item that corresponds to your answer. Each item represents the following:

S – Satisfactory NI – Needs Improvement						
Name :			<del>-</del> 0	Si	gnature :	
PART 1 BOARD APPRAISAL						
<ol> <li>The Board, as a while, possessed the right skills and background for the current issues facing the Authority.</li> </ol>	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
2. The Board has sufficient diversity and independence among its directors, allowing it to constructively challenge one another and management in carrying out respective functions and duties aligned with the Authority's strategic directions.	( )E	( ) G	( ) VS	()5	( ) NI	Comments:
3. The Board receives on- going education, allowing directors to stay up to date with developments and to understand their impact.	( )E	( ) G	( ) VS	()S	( ) NI	Comments:
4. The frequency, duration and scheduling of Board meetings per year were adequate to ensure proper coverage of the Board's responsibilities.	( ) E	( ) G	( ) VS	()S	( ) NI	Comments:
5. Directors receive adequate materials before the Board meeting.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:



E – Excellent G – Good

VS - Very Satisfactory

with sufficient materials, limited presentation, and an atmosphere that encourages open dialogue.	( ) E	( ) G	( ) VS	( )S	( ) NI	Comments:
7. The Board has regular executive or private sessions to allow directors to discuss sensitive topics.	( ) E	( ) G	( ) VS	( )S	( ) NI	Comments:
8. The Board receives appropriate information on industry trends and business environment to enable it to have sufficient insight when considering management's proposed plan/strategy.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
9. The Board evaluates the proposed plan/strategy including key assumptions, major risks, and required resources, and addresses critical issues.	( ) E	( ) G	( ) VS	( )S	( ) NI	Comments:
10. The Board constructively debates proposed plan/strategy before granting approval.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
11. The Board monitors the continued viability of the plan/strategy ensuring that it is adjusted as needed to respond to the evolving environment.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
12. The Board thoroughly reviews major capital expenditures before approval and evaluates ultimate outcomes.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
13. Directors strengthen the tone at the top by clearly demonstrating the required ethical values.	( )E	( ) G	( ) VS	()S	( ) NI	Comments:
14. The Board regularly reviews and approves the Authority's vision, mission and value statements to	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:



and applicability thereof.					
15. The Board demonstrates commitment to good corporate governance practices and provides oversight to ensure that the Authority is operated in a moral, legal, and ethical manner.	( ) E	( ) G	()VS ( <sub>1</sub> )S	( ) NI	Comments:
16. The Board ensures that the Authority has a sound and effective internal control system in place, and understands Management's role implementing such system.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
17. There are sound policies, procedures and a system in place for related party transactions, which a dedicated Committee effectively implements.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
PART II COMMITTEE APPRAISAL					
1. The delegation of power from the Board to its Committees is appropriate.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
2. 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.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
3. The frequency of meetings for each Committee is sufficient, allowing its members to perform their responsibilities according to the functions of the Committee.	( ) E	( ) G	()VS ()S	( ) NI	Comments:



ensure continued relevance

## PART III INDIVIDUAL DIRECTOR APPRAISAL

1. I understand and faithfully uphold the vision, mission, values and strategies of the Authority.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
2. I keep myself updated on the latest best practices in corporate governance and ensure I abide by them.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
3. I avoid entering into situations where I may be placed in a conflict of interest with that of the Authority and I promptly disclose any conflict, which may occur.	( )E	( ) G	()VS ()S	( ) NI	Comments:
4. I have a good record of Board and Committee meeting attendance.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
5. I come to Board/Committee meetings on time, prepared and knowledgeable about the topics to be discussed.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
6. I actively participate in Board/Committee discussions with a sense of independence and objectivity.	( )E	( ) G	()VS ()S	( ) NI	Comments:
7. I am aware of all policies and procedures the Board is subjected to and actively adopt these in my function as a member of the Board.	( ) E	( ) G	()VS ()S	( ) NI	Comments:
8. I am committed to accomplish all duties and responsibilities of a director and member of my Committee/s, and will perform in the best interest	( ) E	( ) G	()VS ()S	( ) NI	Comments:



of the Authority.

A. I believe the Board should foc	us on the	followi	ng priorit	ties for	the upco	ming year:
1						
2						
3						
B. Are there changes that would	improve	the Boa	rd's effe	ctivene	ss that yo	ou would suggest?
1						
2						
3						
PART IV BOARD AND MANAGEMENT APPRAISAL						
1. The Board is comfortable with Management's (i.e., including Pres. & CEO) plans to implement the approved strategy, goals and targets and is confident and satisfied in Management's ability to carry out its responsibilities in the interest of the Authority.	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:
2. Management has in place an effective process to identify risks and assess their potential impact.	( ) E	( ) G	( ) VS	()S	( ) NI	Comments:
3. Management informs the Board of all key risks and the Board is confident management addresses them appropriately.	( ) E	( ) G	( ) VS	()S	( ) NI	Comments:
<ol> <li>The Board sufficiently challenges and supports Management.</li> </ol>	( ) E	( ) G	( ) VS	( ) S	( ) NI	Comments:



5. The Board is effective in monitoring Management's implementation of the Authority's strategy.	( ) E	( ) G	( ) VS	()S	( ) NI	Comments:
7. There is open-line of communication and constructive interaction between Directors and Management.	( ) E	( ) G	( ) VS	()S	( ) NI	Comments:
8. The Board continually monitors Management's performance against clear and measurable objectives, providing constructive feedback and reinforces Management's role in setting the tone at the top.	( )E	( ) G	( ) VS	()S	( ) NI	Comments:

