



100 YEARS OF ADVANCING BUSINESS AND COMMUNITIES

BOARD ASSESSMENT FORM

| | | | |
|--|------|--------------|--|
| Name of Respondent: | | Designation: | |
| Period Covered: | 2020 | | |
| Read carefully each statement and check the box that corresponds to your answer. | | | |

I. BOARD ASSESSMENT

| A. Board Composition and Structure | | Yes | No |
|---|--|-----|----|
| 1 | The Board is composed of Directors who each add value and contribute relevant knowledge, independent judgment, industry experience, and diversity of perspective to the formulation of sound corporate strategies and policies to foster the long-term success of the Company. | | |
| 2 | The Board has a sufficient mix of individuals with diverse qualifications, backgrounds, experiences, and skills to contribute independent perspectives, challenge traditional assumptions, as well as facilitate discussion and objective decision-making. | | |
| 3 | The number of Directors is appropriate for the size and business of the Company. | | |
| 4 | The number of Independent Directors is sufficient. | | |
| <i>How can the Company improve its Board composition and structure?</i> | | | |

| B. Leadership Functions | | Yes | No |
|---|---|-----|----|
| 5 | The Board oversees the objectives and strategies of the various strategic business units and ensures that these are consistent or in line with the Company's overall goals and strategies. | | |
| 6 | The Board has appointed competent, professional, honest, and highly motivated key officers and Chief Executive Officers of strategic business units to ensure that appropriate processes are effectively adopted to avoid any leadership gap. | | |
| <i>What measures can be implemented to improve the Board's leadership function?</i> | | | |

| C. Internal Control Functions / Risk Management | | Yes | No |
|---|--|-----|----|
| 7 | The Board ensures that the Company has an adequate and effective internal control system and enterprise risk management (ERM) framework in the conduct of its businesses. | | |
| 8 | Where applicable, the key financial decisions related to investment/capital expenditure made by various businesses in which the Company has an interest undergo appropriate processes and Board approval, if applicable. | | |
| <i>What measures can be implemented to improve the Board's internal control / risk management function?</i> | | | |

| D. Governance | | Yes | No |
|---|---|-----|----|
| 9 | The Board regularly reviews, and ensures the proper and effective implementation and compliance monitoring of, the Company's Code of Ethics, governance principles, and related policies. | | |
| 10 | The Board promotes continuous training and development programs to deepen their understanding of the industries where the Company operates and of the issues and challenges facing them. | | |
| <i>What measures can be implemented to improve the Board's governance function?</i> | | | |



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| E. Transparency and Fair Dealings | | Yes | No |
|--|--|------------|-----------|
| 11 | The Board provides comprehensive, accurate, reliable and timely reports to shareholders and stakeholders in order to provide a fair and complete picture of a company's financial condition, results, and business operations. | | |
| 12 | The Board ensures that related party transactions (RPT) of the Company are conducted in a manner that complies with the RPT Policy that ensures fairness and transparency. | | |
| 13 | The Board, in the conduct of its functions, ensures that potential conflicts of interest are identified, monitored, and adequately managed. | | |
| <i>What measures can be implemented to promote fair dealings?</i> | | | |
| | | | |
| F. Board and Board Committee Meetings and Facilities | | Yes | No |
| 14 | The frequency, length, and agenda discussed during Board and Board Committee meetings are sufficient to address matters that require Board attention. | | |
| 15 | The Board and Board Committee ensure proper and orderly conduct of Annual Shareholder Meetings and any other special shareholder meetings that may be required. | | |
| 16 | The quality of the presentations and/or reports are very satisfactory in form and substance. | | |
| 17 | The reporters are competent, articulate, clear, concise, and responsive to queries from the Board. | | |
| 18 | The materials were furnished to the Board and Board Committees before the scheduled Board meeting, giving the members of the Board sufficient time to read the materials | | |
| 19 | The meeting venues provided by the Company (both physical meetings and online meeting platforms), as well as the digital platform for dissemination of board materials, facilitate productive discussions during Board and Board Committee meetings. | | |
| <i>What measures can be implemented to improve the preparation, conduct, and facilities of Board and Board Committee meetings?</i> | | | |
| | | | |
| <i>For the next five (5) years, the Board should concentrate on the following issues:</i> | | | |
| | | | |

II. BOARD COMMITTEE ASSESSMENT

A. Performance

Using a scale of 1 to 5 (5 being the highest) rate the performance of the respective Board Committees for the year in review. You do not need to be a member of the respective committee to rate its performance.

| | | 1 | 2 | 3 | 4 | 5 |
|---|---|----------|----------|----------|----------|----------|
| 1 | Board Executive Committee | | | | | |
| 2 | Board Environmental, Social, and Corporate Governance Committee | | | | | |
| 3 | Board Risk and Reputation Management Committee | | | | | |
| 4 | Board Audit Committee | | | | | |
| 5 | Board Related Party Transactions Committee | | | | | |

B. Board Committee Structure

| | | Yes | No |
|---|--|------------|-----------|
| 6 | The Board Committees have the right size and composition for their specific board functions. | | |
| 7 | The types of committees are appropriate considering the size and needs of the Company. | | |
| 8 | The members of the Board are properly assigned to the committees based on their expertise and strengths. | | |



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What measures can be implemented to improve the Company's Board Committee structure?

C. Board Committee Responsibilities

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|----|--|--|--|
| 9 | The Board Committees regularly review and update their respective Committee Charters, the Manual on Corporate Governance (the "Manual", and recommends appropriate changes or improvements to the Board, in compliance with governance rules, applicable laws, and best practices. | | |
| 10 | The Committee members are aware of the mandate of their Committees and ensure faithful execution of their duties and responsibilities. | | |
| 11 | The Committee members dedicate sufficient time and effort to review meeting materials, governance best practices, and industry trends to enable them to provide relevant insights and inputs during meetings. | | |

What measures can be implemented to assist the Company's Board Committee to perform its duties and responsibilities?

III. ASSESSMENT OF KEY OFFICERS

A. CHAIRMAN OF THE BOARD OF DIRECTORS - MR. ENRIQUE M. ABOITIZ

| | | Yes | No |
|---|---|-----|----|
| 1 | The Chairman effectively oversees the conduct of the Board meeting in line with the approved protocol. | | |
| 2 | The Chairman manages the agenda of the Board meetings by taking into consideration the relevant and appropriate issues concerning the Company. | | |
| 3 | The Chairman effectively chairs the Board meetings, ensuring proper consideration of matters for discussion and recommendation to the full Board. | | |
| 4 | The Chairman ensures that each member of the Board has full opportunity to express relevant views and contribute effectively to discussion. | | |
| 5 | The Chairman ensures that appropriate record of Board deliberations and conclusions are maintained. | | |

What area/s could the Chairman improve on his performance?

B. PRESIDENT AND CHIEF EXECUTIVE OFFICER - Mr. Sabin M. Aboitiz

LEADING WITH ABOITIZ CORE VALUES

| | | Yes | No |
|---|--|-----|----|
| 6 | Integrity. The CEO effectively builds a culture where teams are held accountable to deliver on what they promised, practice fair processes, and are accountable for our actions and their consequences. | | |
| 7 | Teamwork. The CEO actively identifies opportunities and takes action in building strategic relationships between one's area and other areas, teams, departments, units or organizations to help achieve business goals. | | |
| 8 | Innovation. The CEO creates new and imaginative approaches to work-related issues and shows willingness to question traditional assumptions. | | |
| 9 | Responsibility. The CEO actively promotes the Company's Sustainability and Environmental, Social, and Governance programs and activities. | | |

LEADERSHIP SKILLS

| | | Yes | No |
|----|--|-----|----|
| 10 | Strategic Thinking. The CEO demonstrates a broad-based view of issues, events, and activities, in order to create strategies to balance short-term requirements with long-term business plans consistent with the Company's vision and mission. | | |



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| 11 | Communication. The CEO clearly conveys information and ideas through a variety of platforms to individuals or groups in a manner that engages the audience and helps them understand and retain the message. | | |
| 12 | Motivating Others. The CEO builds the corporate culture and motivates the employees of the Company. | | |
| 13 | Resilience. The CEO maintains effective work behavior in the face of setbacks or pressure. He remains calm, stable and in control, regardless of pressure. | | |
| 14 | Business Leadership. The CEO supervises, directs, controls, and manages the business operations, affairs, and properties of the Company in a sound and prudent manner. | | |
| 15 | Board Relations. The CEO works with the Board to create an optimal governance environment. | | |
| 16 | Financial Management. The CEO has a solid, up-to-date understanding of the Company's financial statements and other measures relevant to its business and financial situation. | | |
| <i>What area/s could the CEO improve on his performance?</i> | | | |
| <i>What assistance or resources are needed to address his developmental needs?</i> | | | |

| C. Group Internal Audit Head - Ms. Marie Y. Tanate | | Yes | No |
|--|---|------------|-----------|
| 17 | Annually reviews the Company's Audit Charter and, if necessary, presents improvements to the Board Audit Committee for discussion and approval. | | |
| 18 | Conducts regular audits of the Company's related party transactions to ensure that there are no conflict of interests, and that transactions are within the approval levels of financial transactions and duly approved by the Board. | | |
| 19 | Determines and conducts audits that are in the regular course of business and those that are unusual or subject to a conflict of interest. | | |
| 20 | Submits reports on the following: a. Progress of the internal audit plan; and b. Summary of internal audit activities and significant reports. | | |
| 21 | Ensures improvement of the various internal control procedures to increase efficiency and mitigate potential risks, and thereafter recommends to the Board Audit Committee for approval. | | |
| <i>What area/s, if any, could the Group Internal Audit Head improve on her personal performance?</i> | | | |
| <i>What assistance or resources are needed to address her developmental needs?</i> | | | |

| D. Chief Risk Officer - Ms. Santanina Apolinaria B. Castro | | Yes | No |
|---|---|------------|-----------|
| 22 | Annually reviews the Company's Chief Risk & Reputation Committee Charter and presents to the Board committee for approval. | | |
| 23 | Spearheads the development and implementation of the Company's Enterprise Risk Management (ERM). | | |
| 24 | Identifies the Company's top risks and implements risk management strategies and action plans to the Board Risk & Reputation Committee. | | |



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|---|---|--|--|
| 25 | Reviews effectiveness of the risk measures and ensures improvement of the risk measures and strategies. | | |
| <i>What area/s, if any, could the Chief Risk Officer improve on her personal performance?</i> | | | |
| <i>What assistance or resources are needed to address her developmental needs?</i> | | | |

| E. Chief Compliance Officer - Mr. Manuel Alberto R. Colayco | | Yes | No |
|---|--|------------|-----------|
| 26 | Ensures proper onboarding of new Directors (i.e., orientation on the Company’s business charters, Articles of Incorporation, By-Laws, and Manual on Corporate Governance) | | |
| 27 | Monitors, reviews, and evaluates the compliance and accuracy of all documentary submissions of the Company, its Directors and Corporate Officers with the relevant laws, provisions and requirements of the Manual on Corporate Governance, the rules and regulations of the Securities and Exchange Commission (SEC) and other regulatory agencies. | | |
| 28 | Ensures the compliance and attendance of directors and key officers to relevant trainings yearly. | | |
| 29 | Identifies possible areas of compliance issues and work towards the resolution and improvements. | | |
| <i>What area/s, if any, could the Chief Compliance Officer improve on his personal performance?</i> | | | |
| <i>What assistance or resources are needed to address his developmental needs?</i> | | | |

| IV. INDIVIDUAL DIRECTOR’S SELF-ASSESSMENT | | | |
|---|---|------------|-----------|
| | | Yes | No |
| 1 | Character. I conduct myself in a manner characterized by transparency, accountability, integrity, and fairness, being fully aware that the office of a director is one of trust and confidence. | | |
| 2 | Fiduciary Duty. In the performance of my duties and responsibilities as a director, I consider the long-term success of the Company, its sustained competitiveness and profitability, its best interest and that of its shareholders and stakeholders. | | |
| 3 | Active Participation. I regularly attend and actively participate in all meetings of the Board, Committees, and shareholders, except when prevented by justifiable cause. | | |
| 4 | Expert Contribution. I willingly offer alternative viewpoints during discussions to reflect my own professional expertise and opinions. | | |
| 5 | Innovation. I seek to find ways to continuously improve the efficiency and effectiveness of the Board or any Committee that I am a member of, taking any relevant suggestions to the Board Chairman or Committee Chairman, as the case maybe, for his consideration. | | |
| 6 | Independence. I bring fully to the Board an objective and independent position, not afraid to take an unpopular position consistent with what I believe is in the best interests of the Company. | | |
| <i>How can the Company assist me in the performance of my duties and responsibilities as a member of the Board?</i> | | | |