

CORPORATE GOVERNANCE ASSESSEMENT SEAL

BOARD OF DIRECTORS

Requirement	Full Compliance				
1. Does the Board appoint a Nomination Compensation/Remuneration committee?	<ul style="list-style-type: none"> ✓ The PHILGUARANTEE Board has a Corporate Governance Committee which functions as the Nomination and Compensation/Remuneration Committee. The members of the Committee are: <ul style="list-style-type: none"> - Director Stephen A. Antig - Director Bernadette T. Romulo-Puyat - Director Senen L. Matoto ✓ See page 12 PHILGUARANTEE Manual of Corporate Governance and Board-level Committee for CY 2022 for the members of the Committee. 				
2. Did the Nomination Compensation/Remuneration Committee meet at least twice during the year?	<ul style="list-style-type: none"> ✓ Yes. The Corporate Governance Committee had four (4) meetings for CY 2022, viz: <ul style="list-style-type: none"> - March 21, 2022 - May 13, 2022 - June 20, 2022 - July 28, 2022 - August 16, 2022 - November 21, 2022 ✓ See Item 4 of the Corporate Governance Committee Accomplishment Report for CY 2022 ✓ The Corporate Governance Committee had the following number of meetings per year: <table border="1" style="margin-left: 40px; margin-top: 10px;"> <thead> <tr> <th style="background-color: #f4a460;">CY</th> <th style="background-color: #f4a460;">No. of Meetings</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">6</td> </tr> </tbody> </table> 	CY	No. of Meetings	2022	6
CY	No. of Meetings				
2022	6				
3. If yes, is the report of the Nomination Compensation/Remuneration Committee publicly disclosed?	<ul style="list-style-type: none"> ✓ Yes. See Item 5 of the Corporate Governance Committee Accomplishment Report for CY 2022. 				
4. Does the Board appoint an Audit Committee?	<ul style="list-style-type: none"> ✓ Yes. The PHILGUARANTEE Board has an Audit Committee. The members are: <ul style="list-style-type: none"> - Director Senen L. Matoto - Director Blesila A. Lantayona - Director Michael Roberto P. Reyes ✓ See Members of the Board-level Committees as of CY 2022 and Audit Committee Accomplishment Report for CY 2022 and page 16 of the PHILGUARANTEE Manual of Corporate Governance. 				
5. If yes, is the report of the Audit Committee publicly disclosed?	<ul style="list-style-type: none"> ✓ Yes. See Item 5 of the Audit Committee Accomplishment Report for CY 2022. 				

<p>6. Does at least one member of the Audit Committee have an audit accounting or finance background (qualification or experience)?</p>	<ul style="list-style-type: none"> ✓ Yes. The members of the Audit Committee have audit, accounting or financial background. ✓ Chairperson Matoto holds an MBA degree, Director Lantayona is an economics major and holds an MBA degree, and Director Reyes is a candidate for an MBA degree (Thesis for completion). ✓ See Item 1 of the Audit Committee Accomplishment Report for CY 2022 for the qualification and experience of the members and individual Brief Profile of Directors Matoto, Lantayona, and Reyes. 				
<p>7. Did the Audit Committee meet at least four times during the year?</p>	<ul style="list-style-type: none"> ✓ Yes. The Audit Committee had six (6) meetings, viz: <ul style="list-style-type: none"> - February 8, 2022 - February 18, 2022 - April 21, 2022 - July 8, 2022 - July 13, 2022 - October 18, 2022 ✓ See Item 4 of the Audit Committee Accomplishment Report for CY 2022 for the number of meetings convened for each year. <table border="1" data-bbox="878 1102 1507 1171" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #f4a460;">CY</th> <th style="background-color: #f4a460;">No. of Audit Com. Meeting</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">6</td> </tr> </tbody> </table>	CY	No. of Audit Com. Meeting	2022	6
CY	No. of Audit Com. Meeting				
2022	6				
<p>8. Does the Board appoint a Risk Management Committee?</p>	<ul style="list-style-type: none"> ✓ Yes. The PHILGUARANTEE Board has a Risk Oversight Committee. The members of the Committee are: <ul style="list-style-type: none"> - Director Alberto E. Pascual - Director Blesila A. Lantayona - Director Senen L. Matoto ✓ See Members of the Board-level Committees for CY 2022, Item 1 of the Risk Oversight Committee Accomplishment Report for CY 2022 and page 14 of the PHILGUARANTEE Manual of Corporate Governance. 				
<p>9. If yes, is the report on Risk Management Committee publicly disclosed?</p>	<ul style="list-style-type: none"> ✓ Yes. See Item 5 of the Risk Oversight Committee Accomplishment Report for CY 2022. 				
<p>10. Does at least one member of the Risk Management Committee have a background in finance and investments?</p>	<ul style="list-style-type: none"> ✓ Yes. The members of the Risk Oversight Committee have a background on business, finance and investments. ✓ See Item 1 of the Risk Oversight Committee Accomplishment Report for CY 2022 for the background of the members and individual Brief 				

	Profile of Directors Pascual, Lantayona, and Matoto.				
11. Are the Board of Directors meetings scheduled at the beginning of the year?	<p>✓ Yes. The Annual Board and Board-level Committees Schedules are submitted for notation/approval of the Board every end of the year.</p> <table border="1" data-bbox="878 499 1507 569"> <thead> <tr> <th>CY</th> <th>Noted by the Board</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>December 20, 2022</td> </tr> </tbody> </table> <p>✓ For CY 2022, it was approved on December 20, 2022 as contained in the Item 4 of the Board Accomplishment Report for CY 2022 and 2022 Schedule of Board & Board-level Committee Meetings.</p>	CY	Noted by the Board	2022	December 20, 2022
CY	Noted by the Board				
2022	December 20, 2022				
12. Does the Board of Directors meet at least monthly?	<p>✓ Yes. The Board meets at least once a month.</p> <p>✓ See Summary of Meetings for CY attached to the Board Accomplishment for CY 2022.</p>				
13. Did the Board of Directors meet on at least 75% on their scheduled meetings?	<p>✓ Yes. The Board of Directors was able to meet 12 out of 12 regular scheduled meetings.</p>				
14. Has each of the directors/commissioners attended at least 90% of all the Board meeting held during the year?	<p>✓ One (1) Board member have attended less than 90% of the board meetings held in year 2022. See Attendance Record of Board and Committees for CY 2022.</p>				
15. Did the Board of Directors meet separately at least once during the year without the President/CEO present?	<p>✓ Yes. During the March 29, 2022 meeting of the Board of Directors, the President and CEO stepped out of the meeting room when the Board was discussing the Nomination and Election of the President and CEO and Oath of Office of Mr. Alberto E. Pascual effective March 20, 2022. The same was also done during the June 28, 2022 meeting when the Board was discussing the Implementation of Step 8 Base Pay Progression for the President and CEO.</p> <p>✓ See Item 5 of the Board Accomplishment Report for CY 2022 showing the items discussed. Board Minutes are available for validation.</p>				
16. Does the GOCC have a policy that stipulates Board papers for Board Directors/Commissioners meetings be provided to the Board at least three (3) working days in advance of the board meeting?	<p>✓ Yes. It is stipulated in Board Resolution No. 2006, Series of 2008. See Item 2 of the Board Accomplishment Report for CY 2022.</p>				
17. Is the Board Secretary trained in legal, accountancy or company secretarial practices?	<p>✓ Yes. PHILGUARANTEE's Corporate Secretary is a lawyer and has background, experience and trainings as Corporate Secretary.</p>				

	<ul style="list-style-type: none"> ✓ See Item 1 of the Board Accomplishment Reports for CY 2022. 		
<p>18. Does the company have a separate internal audit function?</p>	<ul style="list-style-type: none"> ✓ Yes. PHILGUARANTEE has an established independent Internal Audit Office as shown in the PHILGUARANTEE Manual of Corporate Governance and organizational structure of the Corporation. ✓ See page 18 of the PHILGUARANTEE Manual of Corporate Governance and organizational structure of the Corporation. 		
<p>19. Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</p>	<ul style="list-style-type: none"> ✓ Yes. It is provided on page 2 of the Internal Audit Charter and Item 7.3.7 of the Audit Committee Charter both approved on March 3, 2020. ✓ See page 2 of the Internal Audit Charter and Item 7.3.8 of the Audit Committee Charter both approved on March 3, 2020 		
<p>20. Do different persons assume the roles of Chairman and CEO</p>	<ul style="list-style-type: none"> ✓ Yes. The roles of the Chairperson and President/CEO are held by different person. ✓ For CY 2022, the Chairperson is Finance Secretary Benjamin E. Diokno with his First Alternate, National Treasurer Rosalia De Leon. ✓ See List of Governing Board for CY 2022 <table border="1" data-bbox="824 1073 1507 1199"> <tr> <td style="background-color: #f4a460;">CY 2022</td> <td> Chairperson – Benjamin E. Diokno First Alternate Chairperson- TOP Rosalia V. De Leon Pres./CEO- Alberto E. Pascual </td> </tr> </table>	CY 2022	Chairperson – Benjamin E. Diokno First Alternate Chairperson- TOP Rosalia V. De Leon Pres./CEO- Alberto E. Pascual
CY 2022	Chairperson – Benjamin E. Diokno First Alternate Chairperson- TOP Rosalia V. De Leon Pres./CEO- Alberto E. Pascual		
<p>21. Does the GOCC have orientation programs for new Directors?</p>	<ul style="list-style-type: none"> ✓ All newly designated and appointed Board members are given Board orientation (on-boarding) about institutional, governance, general business process flow, compliance and conduct of meetings and etc., and provided with an on-boarding kit. On August 10, 2022, Secretary Benjamin E. Diokno was given Board orientation (on-boarding) and provided with an on-boarding kit. The same was also done with Director Eduardo G. Bobier on February 9, 2022 and Director Bernadette T. Romulo-Puyat on August 8, 2022. ✓ See V. Other Reports, Item A (5) (2022) 		
<p>22. Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education?</p>	<ul style="list-style-type: none"> ✓ Yes. See page 35 "VIII. Training Process" of the PHILGUARANTEE Manual of Corporate Governance 		
<p>23. Did all Appointive Directors attend at least 1 training for the calendar year?</p>	<ul style="list-style-type: none"> ✓ Yes. All Appointive Directors have attended at least one training for CY 2022. ✓ See Trainings and Seminar for CY 2022 		

<p>24. Is annual performance assessment conducted of the Board of Directors?</p>	<ul style="list-style-type: none"> ✓ The Board member/s accomplishes the following: (a) PHILGUARANTEE Performance/Corporate Governance Assessment on an annual basis to assess the Board's performance and effectiveness as a body, performance of the Corporation, various Committees and the President & CEO; and (b) GCG required internet-based Director Performance Review ✓ See V. Other Reports – Board Appraisal System – Criteria, Procedures and Corporate Assessment Forms
<p>25. Does the GOCC disclose the process followed in conducting the Board assessment?</p>	<ul style="list-style-type: none"> ✓ The conduct of the PHILGUARANTEE Performance/Corporate Governance assessment including the mechanics, procedures and assessment forms for 2021 were endorsed by the Corporate Governance Committee on March 21, 2022 and approved by the Board on March 29, 2022. The forms used are: (a)Corporate Governance Assessment Form; (b)Corporate Governance Self-Assessment; (c)Peer Assessment of Directors, (d) Performance Assessment of the President/CEO; and (e) Self-Assessment on the Performance of the Board Committees. ✓ For CY 2022, the PHILGUARANTEE Performance and Corporate Governance Assessment forms are yet to be endorsed to the Corporate Governance Committee. ✓ See V. Other Reports – Board Appraisal System – Criteria, Procedures and Corporate Assessment Form. <ul style="list-style-type: none"> a. Corporate Governance Self-Assessment b. Peer Assessment of Directors c. Performance Assessment of the President/CEO d. Self-Assessment on the Performance of the Board Committees
<p>26. Does the GOCC disclose the criteria used in the assessment?</p>	<ul style="list-style-type: none"> ✓ Yes. The criteria for Board assessment are clearly stated in the mechanics, procedures and assessment forms. ✓ See V. Other Reports – Board Appraisal System – Criteria, Procedures and Corporate Assessment Form. <ul style="list-style-type: none"> a. Corporate Governance Self-Assessment

	<ul style="list-style-type: none"> b. Peer Assessment of Directors c. Performance Assessment of the President/CEO d. Self-Assessment on the Performance of the Board Committees
<p>27. Is an annual performance assessment conducted of the Board of Directors Committees?</p>	<ul style="list-style-type: none"> ✓ Yes. For CY 2021, the PHILGUARANTEE Performance and Corporate Governance Assessment forms were distributed/conducted starting April 2022 to all Board members and the results were discussed by the Corporate Governance Committee on its May 13, 2021 meeting and reported to the Board in its May 31, 2021 meeting. ✓ For CY 2022, the PHILGUARANTEE Performance and Corporate Governance Assessment forms are yet to be endorsed to the Corporate Governance Committee. ✓ See Item 9 Board Accomplishment Report for CY 2021 and V. Other Reports - Board Appraisal System - Criteria, Procedure and Corporate Assessment Forms.
<p>28. Are there members of the Board of Directors who hold more than five (5) positions in GOCCs and PLCs?</p>	<ul style="list-style-type: none"> ✓ The Appointive Directors as of December 31, 2022 do not hold more than five (5) positions in GOCCs and PLCs. ✓ See Individual Brief Profiles of the Appointive Directors for CY 2022.