

CRITERIA AND PROCEDURE IN THE BOARD APPRAISAL SYSTEM

I. BOARD SELF-ASSESSMENT (Self-Appraisal as Board Member)

A. Method and Process

The Board Self-Assessment questions evaluate the Board's performance on its compliance to GCG principles. It also provides an opportunity for the participants to identify areas for improvement on the Board's performance and effectiveness. Every member of the Board are given copies of the Self-Assessment Form questionnaire to which they shall complete their responses. Individual responses are treated with the highest level of confidentiality and are processed by the Compliance Officer for the comprehensive results. When necessary, the members of the Board may have discussions with the Compliance Officer or the Board Secretary for clarification or interpretation. The summary of the evaluation results are reported to the Board, through the Audit and Governance Committee, who, in turn develops recommendations for Board consideration or action, whenever necessary.

B. Criteria

The criteria for the Board Self-Assessment are primarily based on the GCG corporate governance principles of fairness, accountability, transparency and recognition of member rights. It also aimed to measure leadership and policy knowledge and expertise, Board and committee focus, and strategy.

II. BOARD COMMITTEE'S SELF ASSESSMENT (Board Committees Performance)

A. Method and Process

The Board Committee's Self-Assessment is intended to review the board committee's effectiveness in carrying out its mandate according to its charter. Every member of our Board are given copies of the Committee's Self-Assessment questionnaire to which they shall complete their responses.

B. Criteria

The criteria for the Board Committee's Self-Assessment are primarily based on the committees' effectiveness in carrying out its functions, their adherence to protocols, their focus to achieve company goals and the exercise of their collective judgment about important matters.

III. INDIVIDUAL DIRECTOR'S SELF-APPRAISAL/ASSESSMENT (Peer Appraisal)

A. Method and Process

The Individual Director's Self-Appraisal is designed to help each director in reviewing his performance and contribution to the Board's effectiveness. The Individual/Peer Assessment questions focus on each Director's obligation under our Manual on Corporate Governance and are aligned with the leading practices on corporate governance principles being promoted by the GCG. Every member of our Board are given copies of the Self-Assessment Evaluation questionnaire to which they shall complete their responses. Individual responses are treated with the highest level of confidentiality and are processed by the Compliance Officer for the comprehensive results. When necessary, the members of the Board may have discussions with the Compliance Officer or the Board Secretary for clarification or interpretation. The summary of the evaluation results are reported to the Board, through the Audit and Governance Committee, who, in turn develops recommendations for Board consideration or action, whenever necessary.

B. Criteria

The criteria for the Individual Director's Self-Appraisal are primarily based on the corporate governance principles of fairness, accountability, transparency, equitable treatment of shareholders and recognition of the roles and rights of all stakeholders. It also aimed to measure leadership and business knowledge and expertise, Board and committee focus, strategy, and working relationship with the Management.

IV. CHAIRMAN'S EVALUATION

A. Method and Process

The Chairman's Evaluation is designed to identify the Chairman's strengths, including areas that should be further developed based on opinions by the Board participants. Every member of our Board are given copies of the Peer Assessment Form (Chairman) questionnaire to which they shall complete their responses. Individual responses are treated with the highest level of confidentiality and are processed by the Compliance Officer for the comprehensive results. When necessary, the members of the Board may have discussions with the Compliance Officer or the Corporate Secretary for clarification or interpretation. The summary of the evaluation results are reported to the Board, through the Audit and Governance Committee, who, in turn develops recommendations for Board consideration or action, whenever necessary.

B. Criteria

The criteria for the Chairman's Evaluation are primarily based on the Chairman's performance in carrying out his mandate, his ability to promote

effective participation among the Board members, his leadership and communication skills in terms of fostering collegiality of Board members, and his working relationship with the President.

V. ADMINISTRATOR'S EVALUATION

A. Method and Process

The Administrator's Evaluation is intended to review the Administrator's performance primarily focused on leadership, management style, and working relationship with the Board. It also includes a qualitative section whereby directors were asked to give their views on the Administrator on the following:

1. Major accomplishments over the past year, and identify the traits/skills exhibited in making them happen
2. Key goals for the past year and the status of achievement of each
3. Areas where to improve personal performance and how those areas could be developed; and
4. Key goals for the organization in the upcoming year and an outline of how each goal will be accomplished

Every member of our Board are given copies of the Peer Assessment Form (Administrator) questionnaire to which they shall complete their responses. Individual responses are treated with the highest level of confidentiality and are processed by the Compliance Officer for the comprehensive results. When necessary, the members of the Board may have discussions with the Compliance Officer or the Board Secretary for clarification or interpretation. The summary of the evaluation results are reported to the Board, through the Audit and Governance Committee, who, in turn develops recommendations for Board consideration or action, whenever necessary.

B. Criteria

The criteria for the Administrator's Evaluation are primarily based on the Administrator's leadership and management skills, his working relationship with the Board and his financial management skills.