

BOD Performance Evaluation

Performance evaluation of the Bank's Board of Directors is central to corporate governance. Performance rating sheets developed by the Institute of Corporate Directors (ICD) are disseminated yearly to evaluate the performance of the Board and the Board-level Committees. The results of the performance assessments are evaluated and deliberated upon annually by the Corporate Governance Committee in a duly constituted meeting.

The rating scale for each item is from 1 to 5 (5 being the highest) and the total points are rated from 0% to 100% (95% - 100.00% as Superior, 85% - 94.99% as Ideal and 80% - 84.99% as Acceptable). There are 69 items in the Board rating instrument and 38 items in the Individual Rating of Board Members.

Percentage weight presentation:

- Board Rating

This rating instrument is divided into four categories with corresponding weights.

- I. Board Functions and Responsibilities (30%)
- II. Board Structure (10%)
- III. Board Process (30%)
- IV. Board Performance (30%)
 - Individual Rating of Board Members

This rating instrument is divided into five categories with corresponding weights.

- I. Competence and Independence (25%)
- II. Commitment to Corporate Governance (25%)
- III. Transparency (20%)
- IV. Audit & Risk Oversight (20%)
- V. Committee Activity (10%)

Computation of Results:

Each item in this rating instrument is computed through the following:

- Average score per item = the sum of all the rates divided by the total number of directors
- Average score per director = the sum of all the rates per category divided by the total number of items

Average score per category = the sum of all the average scores per director divided by the total number of directors multiplied by the percentage weight for each category