



PERFORMANCE APPRAISAL OF THE DBP BOARD OF DIRECTORS¹

Under the DBP Manual of Corporate Governance, the DBP Board of Directors has the responsibility to define governance policies and establish the means to ensure that such are followed and periodically reviewed for ongoing improvement. For the Board to effectively carry out this mandate, it has constituted the Governance Committee (GovCom) to assist it in fulfilling its corporate governance responsibilities. One of the responsibilities of the GovCom is to oversee the periodic performance evaluation of Board. Accordingly, the GovCom shall adopt an appraisal system for assessing the Board's effectiveness.

Guidelines

1. Every first quarter of each year or on a date decided upon by the Board, an appraisal of effectiveness for the Board of Directors shall be conducted using the criteria and rating system presented in the attached form.
2. The raters shall be the members of the Board, for at least three (3) months prior to the rating date. The Board may extend the rating date for director/s who has/have not reached the minimum three (3) months period.
3. The accomplished forms shall be submitted to the Corporate Governance Unit (CGU)-Office of the Corporate Secretary (OCS) which will consolidate, compute the average rating and present a summary report to the Board of Directors through the Governance Committee.
4. The numerical rating per each statement shall be as follows:

Rating	Description
5	Strongly Agree
4	Agree
3	Somewhat Agree
2	Disagree
1	Strongly Disagree

5. In order to arrive at the collective rating of the performance of the Board of Directors, the following computation shall be used:
 - a. Add all equivalent points for each item per category and divide by the total number of statements per category;
 - b. Multiply the results with the corresponding weight equivalents for each category;
 - c. Sum up all results and compare to the schedule below to obtain the average adjectival rating:

OUTSTANDING	-	5
VERY SATISFACTORY	-	Between 4.0-4.99
SATISFACTORY	-	Between 3.0-3.99
UNSATISFACTORY	-	Between 2.0-2.99
POOR	-	Between 1.0-1.99

¹ Approved by the DBP Board per Resolution No. 0263 dated 20 June 2018.



**PERFORMANCE APPRAISAL
DBP Board of Directors**

Name of Assessor : _____

Date Completed : _____

Period of Assessment : _____

Dear Board Member:

Enclosed is the self-assessment questionnaire for the performance of the DBP Board of Directors for the period stated.

Please read each statement and rank your response based on a 5-point scale. A rating of "5" indicates that you strongly agree with the statement and "1" indicates that you strongly disagree with the statement, thus:

Rating	Remarks
5	Strongly Agree
4	Agree
3	Somewhat Agree
2	Disagree
1	Strongly Disagree

A REMARKS column is also provided for further comments, if applicable.

Rest assured that accomplished self-assessment questionnaire will be treated with utmost confidentiality. A summary report will be distributed to the members of the DBP Board of Directors, through the Governance Committee after the tabulation and evaluation of the results, along with recommendations for possible consideration and action, if necessary.

Thank you.

**The Corporate Governance Unit
Office of the Corporate Secretary**

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
<u>I. Board Structure and Composition (20%)</u>		
1.) The Board of Directors shall consist of nine (9) members to be appointed by the President of the Philippines as provided for in Section 8 of the Revised Charter of the Bank under Executive Order No. 81, s. 1986, as amended by R.A. 8523.		
2.) The Chairman of the Board shall be appointed by the President of the Philippines from among the members of the Board.		
3.) The Chairman shall preside at meetings of the Board and of the stockholders.		
4.) The President of the Bank shall be vice-chairman of the Board, and as such, shall assist the Chairman and act in his stead in case of absence or incapacity.		
<u>II. Board Duties and Responsibilities (60%)</u>		
Primary Responsibility and Duty		
1.) The Board of Directors fosters the long-term success of the Bank and secures its sustained competitiveness consistent with its fiduciary responsibility, which it exercises in the best interest of the Bank, the Filipino People, and other stakeholders.		
2.) The Board of Directors conducts itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.		
3.) The Board affirms its primary responsibility for the governance of the Bank and holds itself primarily accountable to the State for the Bank's operational performance.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
General Responsibilities and Duties		
1.) The Board of Directors provides the corporate leadership of the Bank subject to the rule of law and the objectives set by the National Government through the Supervising Agencies and other regulatory bodies.		
2.) The Board of Directors ensures the establishment of the Bank's vision and mission as well as crafting of its values and standards.		
3.) The Board of Directors ensures formulation of policies necessary to carry out effectively the provisions of the DBP Charter.		
4.) The Board of Directors determines the organizational structure of the Bank, defines the duties and responsibilities of its officers and employees and adopts a compensation and benefit scheme consistent with GCG requirements.		
5.) The Board of Directors ensures that personnel selection and promotion shall be on the basis of merit and fitness and that all personnel actions shall be in pursuit of applicable laws, rules and regulations;		
6.) The Board of Directors ensures to provide sound written policies and strategic guidelines on the Bank's operating budget and major capital expenditures and approves the annual and supplemental budgets of the Bank.		
7.) The Board of Directors ensures compliance with all reportorial requirements as well as applicable laws, rules and regulations.		
8.) The Board of Directors ensures the formal adoption and annual conduct of the mandated Performance Evaluation System and the Performance Scorecard.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
9.) The Board of Directors ensures the fair and equitable treatment of all stakeholders and enhances the Bank's relations with its stakeholders.		
10.) The Board of Directors ensures approval and oversight of the implementation of the Bank's strategic objectives, risk strategies, corporate governance and corporate values.		
11.) The Board of Directors ensures that operations and governance are carried out in a transparent, responsible and accountable manner and with the utmost degree of professionalism and effectiveness.		
12.) The Board of Directors ensures faithful compliance with the reporting and evaluation system governing GOCCs, including the periodic disclosure and examination of their operations and management, their assets and finances, revenues and expenditure.		
13.) The Board of Directors determines and approves important policies that bear on the character of the Bank to foster its long-term success, ensures its long-term viability, and strengthens and secures its sustained competitiveness.		
14.) The Board of Directors ensures the approval of loans, fixes interest rates and prescribes such terms and conditions for loans and credits as may be deemed necessary.		
15.) The Board of Directors ensures the adoption of an annual budget for the effective operation and administration of the Bank.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
16.) The Board of Directors ensures good performance and sustainability of the Bank's "Provident Fund" which shall consist of contributions made both by the Bank and its officers and employees to a common fund for the payment of its benefits.		
Specific Duties and Functions		
1.) The members of Board of Directors execute a Formal Charter of Expectations at the start of their term and List of Disclosures as required by GCG, including a Statement confirming the truth and fairness of the GOCC's financial statements.		
2.) The Board of Directors meets regularly, ideally at least once every month, to properly discharge its responsibilities, with independent views expressed during such meetings being given due consideration, and all such meetings properly documented or minuted.		
3.) The Board of Directors determines the Bank's purpose and value, as well as adopt strategies and policies, including risk management policies and programs.		
4.) The Board of Directors ensures monitoring and evaluation on a regular basis of the implementation of corporate strategies and policies, business plans and operating budgets, as well as Management's over-all performance to ensure optimum results.		
5.) The Board of Directors ensures adoption of a competitive selection and promotion process, a professional development program, as well as a succession plan, to ensure that the officers of the Bank have the necessary motivation, integrity, competence and professionalism.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
6.) The Board of Directors monitors and manages potential conflicts of interest of Directors and Management including misuse of corporate assets and abuse in related-party transactions.		
7.) The Board of Directors ensures implementation of a system of internal checks and balances and ensures that such systems are reviewed and updated on a regular basis.		
8.) The Board of Directors ensures the integrity of the Bank's accounting and financial reporting systems, including independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.		
9.) The Board of Directors ensures availability of appropriate technology systems for the identification and monitoring of key risks and key performance areas.		
10.) The Board of Directors ensures the adoption, implementation and oversight of the process of disclosure and communications.		
11.) The Board of Directors conducts and maintains the affairs of the Bank within the scope of its authority, as prescribed in the Bank's Charter and applicable laws, rules and regulations.		
12.) The Board of Directors approves and oversees implementation of policies governing major areas of the Bank's operations.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
13.) The Board of Directors oversees the selection and performance of Senior Management through appointment/ employment, monitoring and assessment of the performance, succession, regular review of Bank policies, internal controls and provision of an over-all independent check on management.		
14.) The Board of Directors consistently conducts the affairs of the Bank with a high degree of integrity.		
15.) The Board of Directors defines appropriate governance policies and practices for the Bank and for the Board and establishes the means to ensure that such are followed and periodically reviewed for ongoing improvement.		
16.) The Board of Directors constitutes committees to increase efficiency and allow for deeper focus in specific areas.		
17.) The Board of Directors ensures compromise or release, in whole or in part, of any claim or settled liability to the Bank under such terms and conditions it may impose to protect the interest of the Bank.		
18.) The Board of Directors approves the appointment, promotion and removal of officers from the rank of Vice President or its equivalent, and other more senior officer's positions.		
19.) Overall, DBP has an effective Board of Directors.		

STATEMENTS/AREAS	ASSESSMENT	
	RATING (1 - Strongly Disagree; 5 – Strongly Agree)	REMARKS (Comments/Inputs)
<u>III. Performance of Individual Members of the Board (20%)</u>		
1.) I understand and faithfully uphold the vision, mission, values of DBP and I am aware of my duties and responsibilities as member of the Board of Directors.		
2.) I am fully aware of the DBP Revised Charter, By-Laws, and governing principles and policies and I keep myself updated on the latest best practices in corporate governance and abide by them.		
3.) I faithfully attend the Board meetings and maintain a good record of attendance.		
4.) I come to Board meetings on time, prepared and knowledgeable about the topics to be discussed based on the agenda.		
5.) I actively participate in Board discussions with a sense of independence, open mind and objectivity.		
6.) I am committed to accomplish all duties and responsibilities of a director and always perform in the best interest of the Bank.		

Assessor's Name and Signature