



PORO POINT MANAGEMENT CORPORATION

A Member of the Bases Conversion and Development Authority Group

Annual Performance Assessment of Board of Directors

Section 4.1.7 and Section 5.8 of the PPMC Manual of Corporate Governance provides that:

4.1.7 CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee shall assist the Board of Directors in fulfilling its corporate governance responsibilities. The Committee shall be composed of at least three (3) members of Board, and chaired by the Chairman of the Board" The Committee shall be responsible for the following:

- a. Oversee the periodic performance evaluation of the Board and its committees and Management; and shall also conduct an annual self-evaluation of their performance;
- b. Decide whether or not a Director is able to and has been adequately carrying out his/her duties as director bearing in mind the director's contribution and performance (e.g., competence, candor, attendance, preparedness and participation). Internal guidelines shall be adopted that address the competing time commitments that are faced when directors serve on multiple boards;
- c. Recommend to the Board regarding the continuing education of Directors, assignment to Board Committees, succession plan for the Executive Officers, and their remuneration commensurate with corporate and individual performance;
- d. Recommend the manner by which the Board's performance may be evaluated and propose an objective performance may be evaluated and propose an objective criteria approved by the Board. Such performance indicators shall address how the Board will enhance long-term shareholders' value.

5.8 ANNUAL PERFORMANCE EVALUATION OF THE PPMC BOARD

Subject to rules and regulations issued by the GCG, a systematic evaluation process of the PPMC Board shall be developed as a necessary tool in enhancing its professionalism and as a useful incentive for Board Members to devote sufficient time and effort to their duties. (Section 16, of RA 10149).