



PORO POINT MANAGEMENT CORPORATION

A Member of the Bases Conversion and Development Authority Group

Monitoring/Overseeing of the Corporate Strategy

Section 3.1 of the PPMC's Manual of Corporate Governance provides that:

- 3.1 Mandate and responsibility for PPMC Board. The responsibilities of Board are provided in its Article of Incorporation, and other relevant legislation, rules and regulations:
- a. Provide the corporate leadership of PPMC subject to rule of law, and the objectives set by the government and PPMC/BCDA;
 - b. Establish PPMC's vision and mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance;
 - c. Define PPMC's values and standards;
 - d. Foster the long-term success of PPMC and secure its sustained competitiveness;
 - e. Approve corporate plans and programs consistent with the policy directions of BCDA (Sec. 3.1.1 EO 62 s. 1993);
 - f. Approve and adopt internal administrative and operating rules and regulations for implementation by the officials and management;
 - g. Establish financial and operations performance targets for management as basis for evaluating and monitoring corporate performance. (Section. 3.1.3, E.O.62 s. 1993);
 - h. Determine the organizational structure of the PPMC, define the duties and responsibilities of all officials and employees and adopting a compensation and benefit scheme for the same;
 - i. Ensure that personnel selection shall be on the basis of merit and fitness and that all personnel action shall be in pursuance of the applicable laws, rules and regulations;
 - j. Prepare and approve the annual and supplemental budget of PPMC;
 - k. Comply with reportorial requirements, as required in PPMC's Articles of Incorporation and By-Laws, as well as applicable laws, rules and regulations;
 - l. Carry out the mandate of PPMC, as provided in its Articles of Incorporation;
 - m. Act as an effective and independent check on Management.

Further, Section 3.2 of the PPMC Manual of Corporate Governance states that the PPMC Board shall monitor and evaluate on a regular basis the implementation of corporate strategies and policies, business plans and operating budgets, as well as Management's over-all performance to ensure optimum results.

- The PPMC Board of Directors also monitors/oversees the implementation of the corporate strategies by reviewing and approving the Monthly Status Reports.