

## **GOVERNANCE, MEETINGS, QUORUM AND ATTENDANCE**

### **Governance**

The Board of Directors (Board) is our highest governance body which ensures there is a strong and effective governance system in place throughout BPI/MS. The Board bears the primary responsibility for creating and enhancing the long-term shareholder value of BPI/MS and ensuring that this objective is achieved in all its business activities. It must ensure BPI/MS' ability to satisfy the needs of its customers, sustain its leadership and competitiveness, and uphold its reputation in order to maintain BPI/MS long-term success and viability as a business entity. Its mandate consists of setting the strategic business directions of BPI/MS, appointing its senior executive officers, confirming its organizational structure, approving all major strategies and policies, overseeing all major risk-taking activities, monitoring the financial results, measuring and rewarding the performance of management, and generating a reasonable investment return to shareholders. It shall also provide an independent check on Management.

The Chairman presides over the meetings of the board. Board and Committee meetings are conducted consistent with the BPI/MS amended By-Laws. The Corporate Secretary rules on all disputed questions of procedure. Discussion during the Board meetings are open and independent views are given due consideration. Board materials are made available to the directors at least five (5) days prior to the scheduled meeting.

### **Quorum**

The BPI/MS amended By-Laws provide that a majority of the members of the Board of Directors shall constitute a quorum at any meeting. The minimum quorum requirement for Board decisions is set at a majority of the Board members or at least 51% of the members of the board.

### **Meetings**

The Board holds quarterly meetings, and special meetings, when necessary, with the agenda that includes, but is not limited to, updates by the Chairman of the Board and the Board Committees, reports on financial performance by the Chief Finance Officer, and operational performance by the President. Board materials are provided to the Board members at least five (5) business days before the board meeting to provide ample time to review the materials.

The Board has separate and independent access to the Corporate Secretary, who oversees the adequate flow of information to the Board prior to meetings and advises directors about their duties. During Board meetings, discussions are open and independent views are given due consideration.

### **Attendance**

The participation of the members of the Board in its quarterly meetings in 2017 are shown in table below and the average attendance in 2017 was 97.5%.

TABLE 1  
2017 ATTENDANCE PROFILE OF THE MEMBERS OF THE BOARD OF DIRECTORS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017

NAME	DESIGNATION	STATUS OF APPOINTMENT	NO. OF MEETINGS HELD DURING THE YEAR*	NO. OF MEETINGS ATTENDED IN 2017	%
Cezar P. Consing	Chairman	Re-elected	4	4	100%
Aurelio R. Montinola	Director	Re-elected	4	3	75%
Koichiro Kawasaki	Director	Re-elected	4	4	100%
Simon Paterno	Treasurer/Director	Re-elected	4	4	100%
Alan J. Wilson	Director	Re-elected	4	4	100%
Rodolfo M. Bausa	Independent Director	Re-elected	4	4	100%
Romeo L. Bernardo	Independent Director	Re-elected	4	4	100%
Xavier P. Loinaz	Independent Director	Re-elected	4	4	100%
Masayuki Takahashi	President/CEO, Director	Newly elected**	3	3	100%
Hideyuki Tanaka	Director	Newly elected**	3	3	100%

\* As applicable based on the status of appointment during the calendar year. 2017 Schedule of BOD Meetings: March 9, June 6, September 19 and December 13, 2017.

\*\* Elected during the Annual Stockholders Meeting on June 6, 2017

Table below shows the participation of the members of the Board in the ASM and Organizational meetings:

TABLE 2  
2017 ASM & ORGANIZATIONAL MEETING ATTENDANCE (JUNE 06, 2017)

MEMBER	DESIGNATION	ATTENDANCE
Cezar P. Consing	Chairman/Director	Present
Masayuki Takahashi	President/ Chief Executive, Director	Present
Rodolfo Bausa	Independent Director	Present
Romeo Bernardo	Independent Director	Present
Koichiro Kawasaki	Director	Present
Xavier Loinaz	Independent Director	Present
Simon Paterno	Treasurer/Director	Present
Hideyuki Tanaka	Director	Present
Alan J. Wilson	Director	Present
Aurelio R. Montinola III	Director	Absent

