

## STATEMENT OF FULL COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

### CERTIFICATION

This is to certify that, to the best of my knowledge, the National Development Company (NDC) is compliant with the Code of Corporate Governance governing government-owned or controlled corporations (GOCCs), and has so far accomplished the following:

| REQUIREMENT  | COMPLIED (✓)<br>NOT COMPLIED (X)<br>NOT APPLICABLE (N/A) | REMARKS   |
|--|--|---|
| No Gift Policy   | ✓  | Posted on the NDC website under Section 43.5 <sup>1</sup> of GCG Memorandum Circular (MC) No. 2012-07 or the Code of Corporate Governance for GOCCs |
| Directors and Officers Liability Insurance (DOLI)                      | ✓  | Posted on the NDC website under Section 43.5 <sup>2</sup> of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs                       |
| Manual of Corporate Governance   | ✓  | Posted on the NDC website under Section 43.4 (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs                                |
| Creation of Board Committees   | ✓  | Posted on the NDC website under Section 43.2 (a), (c), and (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs                  |
| <b>Mandatory Website</b>   |  |   |
| <b>On Institutional Matters:</b>                                       |  |   |
| a. For chartered GOCCs, the latest version of its Charter;             | ✓  | Posted on the NDC website under Section 43.1 (a) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs                                |
| b. For non-chartered GOCCs, the latest General Information Sheet (GIS) |  |   |
| c. List of Subsidiaries and Affiliates                                 | ✓  | Posted on the NDC website under Section 43.1 (c) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs                                |


<sup>1</sup> Section 43.5 of GCG MC No. 2012-07: "Such other information or report that GCG may require"

<sup>2</sup> Id

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|--|---|--|
| d. Government Corporate Information Sheet (GCIS) as mandated by the GCG in its Memorandum Circular No. 2012-01   | ✓ | Posted on the NDC website under Section 43.1 (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| <b>On the Board and Officers</b>   |   |  |
| a. Complete listing of the Directors and Officers with attached resume, and their membership in Board Committees   | ✓ | Posted on the NDC website under Section 43.2 (a) of the GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| b. Complete compensation package of all the board members and officers, including travel representation, transportation and any other form of expenses or allowances | ✓ | Posted on the NDC website under Section 43.2 (b) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| c. Information on Board Committees and their activities  | ✓ | Posted on the NDC website under Section 43.2 (c) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| d. Attendance on Board Committees and their activities   | ✓ | Posted on the NDC website under Section 43.2 (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| <b>On Financial and Operational Matters</b>  |   |  |
| a. Latest Audited Financial and Performance Report   | ✓ | Posted on the NDC website under Section 43.3 (a) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| b. Audited Financial Statements in the immediate past three (3) years  | ✓ | Posted on the NDC website under Section 43.3 (b) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| c. Quarterly, and Annual Reports and Trial Balance   | ✓ | Posted on the NDC website under Section 43.3 (c) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| d. Current Corporate Operating Budget (COB)  | ✓ | Posted on the NDC website under Section 43.3 (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| e. Local and Foreign borrowings  | ✓ | Posted on the NDC website under Section 43.3 (e) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs     |
| f. Government subsidies and net lending  | ✓ | Posted on the NDC website under Section 43.3 (f) of GCG MC No.   |

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|--|-----|--|
|  |     | 2012-07 or the Code of Corporate Governance for GOCCs  |
| g. All borrowings guaranteed by the Government                       | N/A | N/A  |
| h. Any material risk factors and measures taken to manage such risks | ✓   | Posted on the NDC website under Section 43.3 (h) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| i. Performance Evaluation System (PES)                               | ✓   | Posted on the NDC website under Section 43.3 (k) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| <b>On Governmental Matters:</b>                                      |     |  |
| a. Charter Statement / Mission / Vision Statement                    | ✓   | Posted on the NDC website under Section 43.4 (a) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| b. Performance Scorecard and Strategy Map                            | ✓   | Posted on the NDC website under Section 43.4 (b) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| c. Organizational Chart  | ✓   | Posted on the NDC website under Section 43.4 (c) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| d. Manual on Corporate Governance                                    | ✓   | Posted on the NDC website under Section 43.4 (d) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| e. CSR Statement   | ✓   | Posted on the NDC website under Section 43.4 (e) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |
| f. Balanced Scorecard  | ✓   | Posted on the NDC website under Section 43.4 (f) of GCG MC No. 2012-07 or the Code of Corporate Governance for GOCCs |

This Certification is issued in compliance with the provisions of GCG Memorandum Circular No. 2012-07.

  
**RHOEL Z. MABAZZA**  
 Assistant General Manager /  
 Corporate Secretary