

## CORPORATE GOVERNANCE SCORECARD REPORT A

Name of GOCC: Civil Aviation Authority of the Philippines  
 Sector: Utilities and Communications Sector  
 Date submitted: N/A  
 Year being assessed: 2020

COMPONENT				GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	Comments
<b>I. Stakeholder Relationship</b>								
I	1.a	Does the GOCC disclose a policy that: Stipulates the existence and scope of its effort to address customer's welfare?	Y	The GOCC must 1.) identify its stakeholders and 2.) state the policies that were created for the welfare of its customers.  The stated policies must not be ambiguous and should include their underlying principles and guidelines.	Sample: The Manual of Corporate Governance identified the various stakeholders of the GOCC. The GOCC issued a memorandum circular (GOCC MEMO Circular No. 2017-XX on the GOCC Duties towards its Stakeholders the...	Y	Sample: GOCC Manual of Corporate Governance GOCC MEMO Circular No. 2017-XX "GOCC Duties towards its Stakeholders the..." <a href="http://gov.ph">http://gov.ph</a>	No CGSR Submission
I	1.b	Does the GOCC disclose a policy that: Elaborates its efforts to interact with the communities in which they operate?	Y	The GOCC must clearly identify its policy on interacting with the communities around it.  The identified policy must not be ambiguous and should include its principles and guidelines.				No CGSR Submission
I	1.c	Does the GOCC disclose a policy that: Ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Y	The GOCC must clearly identify its policy on 1) keeping its value chain environmentally friendly or 2) promoting sustainable development.  The identified policy must not only show how the GOCC complies with existing environmental regulations but should also show how it employs value processes that reduce waste and damage to the environment. The policy should also not be ambiguous and should include its principles and guidelines.				No CGSR Submission
I	2.a	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Customer health and safety)	Y	The GOCC must state the activities it has undergone during the year being assessed to implement its policies on customer health and safety.  The GOCC must state the dates when the aforementioned activities took place.				No CGSR Submission
I	2.b	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Interaction with the communities)	Y	The GOCC must state the activities it has undergone during the year being assessed to implement its policies on community interaction.  The GOCC must state the dates when the aforementioned activities took place.				No CGSR Submission
I	2.c	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Environmentally-friendly value chain)	Y	The GOCC must state the activities it has undergone during the year being assessed to implement its policies on promoting sustainable development and/or environmentally-friendly value chain.  The GOCC must state the dates when the aforementioned activities took place.				No CGSR Submission
I	3	Does the GOCC have a separate corporate social responsibility (CSR) report/section or sustainability report/section?	Y	The GOCC must identify both (1) the social and environmental issues of its stakeholders and (2) the activities it undertook to address the said issues during the year being assessed.  No points will be given if only the stakeholders and their CSR issues are identified.				No CGSR Submission
I	4	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights. Does the GOCC provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	Y	The GOCC must have contact details (phone number or email address) specifically for concerns and/or complaints.				No CGSR Submission



I	5.a	Performance-enhancing mechanisms for employee participation should be permitted to develop. Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	Y	<i>The GOCC must clearly identify its policy on employee health, welfare and safety.</i>  <i>The identified policy must not be ambiguous and should include its principles and guidelines.</i>				N	No CGSR Submission
I	5.b	Does the GOCC publish data relating to health, safety and welfare of its employees?	Y	<i>The GOCC must publish data related to health, safety and welfare of its employees such as, but not limited to, absenteeism and occupational injuries/diseases.</i>				N	No CGSR Submission
I	5.c	Does the GOCC have training and development programmes for its employees?	Y	<i>The training and development programs for employees must have occurred during the year being assessed and there should be a brief description describing each of the programs.</i>				N	No CGSR Submission
I	5.d	Does the GOCC publish data on training and development programmes for its employees?	Y	<i>The GOCC must give the name of the program and either the 1.) number of participants per program or 2.) average hours per training held</i>				N	No CGSR Submission
I	6.a	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this. Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	Y	<i>The GOCC must disclose the actual procedures of their whistleblowing policy for their employees or grievance machinery. Merely stating that they have a policy will not suffice.</i>				N	No CGSR Submission
I	6.b	Does the GOCC have procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?	Y	<i>The GOCC should explicitly disclose the procedures/mechanism in place that protects the whistleblower from retaliation</i>				N	No CGSR Submission

COMPONENT				GOCC SUBMISSION			GCG VALIDATION	
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<b>II. Disclosure and Transparency</b>								
II	7.a	Does the GOCC's website disclose the following items: Corporate objectives	Y	<i>The GOCC's corporate objectives must be specific, measurable, achievable, realistic and timely. Showing the GOCC's performance scorecard will also be given points.</i>				N No CGSR Submission
II	7.b	Does the GOCC's website disclose the following items: Financial performance indicators	Y	<i>Apart from declaring the financial performance indicators in the annual report and audited financial statements, declaring the financial strategic measures in the GOCC's performance scorecard will also merit points.</i>				N No CGSR Submission
II	7.c	Does the GOCC's website disclose the following items: Non-financial performance indicators	Y	<i>Apart from declaring the non-financial performance indicators in the annual report and accomplishment reports, declaring the non-financial strategic measures in the GOCC's performance scorecard will also merit points.</i>				N No CGSR Submission
II	7.d	Does the GOCC's website disclose the following items: Details of whistle-blowing policy	Y	<i>The GOCC must disclose the actual procedures of their whistleblowing policy for their stakeholders. Merely stating that they have a whistleblowing policy will not suffice.</i>				N No CGSR Submission
II	7.e	Does the GOCC's website disclose the following items: Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Y	<i>All of the biographical details of ex officio and appointive directors being asked by the item must be provided, otherwise no point will be given should there be a missing detail.</i>				N No CGSR Submission
II	7.f	Does the GOCC's website disclose the following items: Training and/or continuing education programme attended by each director/commissioner	Y	<i>All the trainings of Appointive Directors up until the year being assessed must be disclosed. If the Appointive Director did not attend a meeting on the year being assessed, a statement regarding his lack of training must be made in order to garner points for this item.</i>				N No CGSR Submission
II	9	Does the GOCC's website contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	Y	<i>The GOCC must state that it fully complies with the code of corporate governance and if there is non-compliance, it must explain the reason for the non-compliance.</i>  <i>Merely stating that the GOC "generally complies" with the code of corporate governance will not be taken as full compliance and will not garner any points</i>				N No CGSR Submission

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GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
<b>III. Board Responsibility</b>									
III	11.a	Has the Board of Directors reviewed the vision and mission/ strategy in the last financial year?	Y	<i>The GOCC must disclose that the Board has reviewed the mission, vision and strategy during the year being assessed. The date of review must also be indicated. Merely stating the GOCC's mission, vision and strategy, and posting documents (strategy map and scorecard) will not be given points.</i>				N	No CGSR Submission
III	11.b	Does the Board of Directors monitor/oversee the implementation of the corporate strategy?	Y	<i>There should be a disclosure on how the Board oversees the implementation of the corporate strategy.</i>				N	No CGSR Submission
III	13.a	Are the details of the code of ethics or conduct disclosed?	Y	<i>The details of the Code of Ethics or Conduct must be disclosed. Merely stating that the GOCC has a Code of Ethics without divulging information on the coverage of the Code or how breaches are handled will not suffice.</i>				N	No CGSR Submission
III	13.b	Does the GOCC disclose that all Directors/Commissioners, senior management and employees are required to comply with the code?	Y	<i>It must be explicitly stated that all the Directors, senior management and the employees are required to comply with the Code. If the Code is only for employees, the item will be marked as "N."</i>				N	No CGSR Submission
III	13.c	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	<i>Examples of activities done in order to implement or monitor compliance with the Code of Ethics/Conduct are:  - communicating the code to all existing and new employees and directors - making the code available on the company intranet for ease of access - requiring all parties to declare annually that they have complied with the code of ethics or conduct</i>				N	No CGSR Submission
III	14	Does the Board appoint a Nomination Compensation / Remuneration Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Nomination, Compensation / Remuneration Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>				N	No CGSR Submission
III	15	Did the Nomination Compensation/Remuneration Committee meet at least twice during the year?	Y	<i>The GOCC must publish the meeting attendance records during the year being assessed.</i>				N	No CGSR Submission
III	16	If yes, is the report of the Nomination Compensation/Remuneration Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>				N	No CGSR Submission
III	17	Does the Board appoint an Audit Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Audit Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>				N	No CGSR Submission
III	18	If yes, is the report of the Audit Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>				N	No CGSR Submission
III	19	Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?	Y	<i>The educational qualifications and/or work experience of the Audit Committee Members should be disclosed. At least one of the Audit Committee Members must have an audit, accounting or finance educational or work background in order to garner points for this item.</i>				N	No CGSR Submission
III	20	Did the Audit Committee meet at least four times during the year?	Y	<i>The GOCC must disclose all the audit committee meetings held during the year being assessed.</i>				N	No CGSR Submission
III	21	Does the Board appoint a Risk Management Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Risk Management Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>				N	No CGSR Submission
III	22	If yes, is the report on Risk Management Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>				N	No CGSR Submission
III	23	Does at least one member of the Risk Management Committee have a background in finance and investments?	Y	<i>The educational qualifications and/or work experience of the Risk Management Committee Members should be disclosed. At least one of the Risk Management Committee Members must have an investment and finance educational or work background in order to garner points for this item.</i>				N	No CGSR Submission



III	24.a	Are the Board of Directors meetings scheduled at the beginning of the year? (end of Q1)	Y	The GOCC must explicitly disclose that the meetings held on the year being assessed were scheduled well in advance and when they were scheduled.				N	No CGSR Submission
III	24.b	Does the Board of Directors meet at least monthly?	Y	The GOCC must show its attendance records that there were monthly meeting held.				N	No CGSR Submission
III	24.c	Did the Board of Directors meet on at least 75% on their scheduled meetings?	Y	In order to garner points for this item, the GOCC must be able to first prove that meetings were scheduled in advance (Q. 24.a.) Afterwhich, a schedule of actual meetings held must be shown to prove that the Board met on at least 75% of their scheduled meetings.				N	No CGSR Submission
III	24.d	Has each of the directors/commissioners attended at least 90% of all the board meetings held during the year?	Y	All of the attendance of Appointive and Ex Officio/Alternate Directors must be considered and all of them should have attended at least 90% of the board meetings held during the year in order to garner points for this item.				N	No CGSR Submission
III	24.e	Did the Board of Directors meet separately at least once during the year without the President/CEO present?	Y	The GOCC must explicitly state a meeting held on a specific date wherein the Board met without the President/CEO present.				N	No CGSR Submission
III	25.a	Does the GOCC have a policy that stipulates board papers for Board of Directors/Commissioners meetings be provided to the Board at least three (3) working days in advance of the board meeting?	Y	The GOCC must clearly disclose that the Board was provided with the board papers for the upcoming meeting at least 3 working days in advance of the said meeting.				N	No CGSR Submission
III	25.b	Is the Board Secretary trained in legal, accountancy or company secretarial practices?	Y	The GOCC should disclose the educational and work background of the Corporate Secretary. In order to garner points for this item, there should be proof that the Corporate Secretary has legal, accountancy or secretarial educational/work background.				N	No CGSR Submission
III	26.a	Does the company have a separate internal audit function?	Y	There should be a clear showing that there is a separate internal audit function in the GOCC, whether it be a singular internal auditor, an entire internal audit department or an external firm. If it is a secondary function of an existing staff or department, the GOCC will not garner points for this item.				N	No CGSR Submission
III	26.b	Does the appointment and removal of the internal auditor require the recommendation of the Audit Committee?	Y	The GOCC should explicitly state that the appointment and removal of the internal auditor require the approval of the Audit Committee. Should the charter of the GOCC provide for another mode of appointment/removal of the internal auditor, this should also be stated in order for the assessors to consider such issue.				N	No CGSR Submission
III	27.a	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	The GOCC must name all the key internal control procedures and its risk management system. There should also be an assignment of responsibilities in order to garner points for this item.				N	No CGSR Submission
III	27.b	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Y	The GOCC's annual report must explicitly state that the Board conducted a review of the company's risk management system and material controls during the year being assessed.				N	No CGSR Submission
III	27.c	Does the company disclose how key risks are managed?	Y	The GOCC must disclose all of its key risks (operational, compliance and financial) and how they are being managed. Merely disclosing a list of risks will not garner any points.				N	No CGSR Submission
III	27.d	Does the Annual Report contain a statement from the Board of Directors or Audit Committee commenting on the adequacy of the GOCC's internal controls/risk management systems?	Y	The GOCC's Board or Audit Committee must explicitly state that the GOCC's risk management systems and internal controls are adequate.				N	No CGSR Submission
III	28	Do different persons assume the roles of Chairman and CEO?	Y	The GOCC's PCEO and Chairman during the year being assessed must be clearly identified in the website. An N/A rating will be given should the GOCC's charter provide that the Chairman and PCEO positions must be held by a single person.				N	No CGSR Submission
III	29.a	Does the GOCC have orientation programs for new Directors?	Y	The GOCC must not only state that it has an orientation programs for Directors. Details and/or coverage of the orientation program must be disclosed in order to garner points for this item.				N	No CGSR Submission

III	29.b	Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education programs?	Y	<i>Apart from stating the GOCC's training policy and continuous education programs for its Directors, the GOCC may also state that it has a training budget allocated for the Directors on the year being assessed.</i>				N	No CGSR Submission
III	29.c	Did all Appointive Directors attend at least 1 training for the calendar year?	Y	<i>The GOCC must disclose that each Appointive Director attended at least one (1) training during the year being assessed. If there is an Appointive Director who did not attend at least one (1) training the GOCC will not garner points for this item.</i>				N	No CGSR Submission
III	30.a	Is an annual performance assessment conducted of the Board of Directors?	Y	<i>The GOCC should conduct its own Board Appraisal which is different from GCG's Internet-Based Performance Evaluation for Directors (IPED). It must be readily apparent when the said Board Appraisal was conducted in order to garner points for this item.</i>				N	No CGSR Submission
III	30.b	Does the GOCC disclose the process followed in conducting the Board assessment?	Y	<i>The GOCC must disclose the entire process involved in undertaking the Board Appraisal.</i>				N	No CGSR Submission
III	30.c	Does the GOCC disclose the criteria used in the Board assessment?	Y	<i>The GOCC should clearly state all the criteria that the Board Members used in their Board Appraisal.</i>				N	No CGSR Submission
III	31	Is an annual performance assessment conducted of the Board of Directors Committees?	Y	<i>The GOCC should conduct an Appraisal of its Committees' performance during the year being assessed. It must be readily apparent when the said Committee Appraisal was conducted in order to garner points for this item.</i>				N	No CGSR Submission



Name of GOCC: Civil Aviation Authority of the Philippines  
Sector: Utilities and Communications Sector  
Date submitted: N/A  
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<b>II. Disclosure and Transparency</b>									
II	8	Are the annual reports downloadable from the GOCC's website?	Y	<i>Annual reports/Financial statements on the year being assessed must be</i>				N	No CGSR Submission
II	10.a	Are the audited annual financial report/statement uploaded on the website within 60 days upon receipt from COA?	Y	<i>The GOCC must explicitly state the 1.) date of receipt of the AFS from COA and 2.) the date when the AFS was released/published online.</i>  <i>An N/A rating will be given for this item if the COA-audited financial report is not yet available or not yet transmitted to the GOCC, provided that the evidence/ proof of their financial reports have already been submitted for audit and that they disclose their unaudited financial reports instead.</i>				N	No CGSR Submission
II	10.b	Is the annual report released within 90 days from release of audited financial report?	Y	<i>The GOCC must explicitly state the 1.) date of receipt of the AFS from COA and 2.) the date when the Annual Report was released/published online</i>				N	No CGSR Submission
II	10.c	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?	Y	<i>There should be a statement online made by the Directors and/or relevant officers confirming the truth/veracity and fairness of the GOCC's financial statements.</i>				N	No CGSR Submission
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<b>III. Responsibilities of the Board</b>									
III	12	Did the GOCC achieve 90% in the PES?	Y	<i>The GOCC must publish the GCG-validated performance scorecard on the year being assessed.</i>				N	No CGSR Submission
COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
<b>IV. Bonus</b>									
IV	1 Stakeholder Relationship	Does the GOCC practice Global Reporting Index (GRI) on its annual reports?	Y	<i>The GOCC must publicly disclose that it has adopted integrated reporting based on the GRI framework for its disclosures.</i>				N	No CGSR Submission
IV	2 Timely release of annual financial report	Is the audited annual financial report/statement released within 30 days upon receipt from COA?	Y	<i>The GOCC must explicitly state the date when the AFS was released from COA and when it was published.</i>				N	No CGSR Submission
<b>V. Penalty</b>									

V	1	Are there members of the Board of Directors who hold more than five (5) positions in GOCCs and PLCs?	N	<i>The GOCC must name all the directorships of their Appointive Directors to other GOCCs and PLCs. Should the Director have more than 5 positions in other GOCCs and PLCs, the GOCC will be marked N on this item.</i>				N	No CGSR Submission
V	2	Is there non-compliance with Good Governance Conditions?	N	<i>The GOCC must disclose the results of GCG's evaluation of its good governance conditions. Should the GOCC fail to comply with two or more conditions, it will be marked N on this item.</i>				N	No CGSR Submission

Final CGS Rating Equivalent	FAIL
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