

WESTERN GUARANTY CORPORATION

ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS)

PART E: RESPONSIBILITIES OF THE BOARD

E.1	Board Duties and Responsibilities		
	<i>Clearly defined board responsibilities and corporate governance policy</i>		
E.1.1	Does the company disclose its corporate governance policy/board charter?	Yes	Corporate Governance Mnaual
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	Yes	Corporate Governance Mnaual
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	Yes	Corporate Governance Mnaual
	<i>Corporate Vision/Mission</i>		
E.1.4	Does the company have a vision and mission statement?	Yes	Company Profile
E.1.5	Has the board review the vision and mission/strategy in the last financial year?	Yes	Annual Report
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	Yes	CGM
E.2	Board Structure		
	<i>Code of Ethics or conduct</i>		
E.2.1	Are the details of the code of ethics or conduct disclosed?	Yes	CGM
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Yes	CGM
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Yes	CGM

Board Structure & Composition			
E.2.4	Do independent directors/commissioners make up to at least 50% of the board of directors/commissioners?	No	2 independent directors
E.2.5	Are the independent directors/commissioners independent of the management and major/substantial shareholders?	Yes	CGM and AGM
E.2.6	Does the company have term limit of nine years or less for its independent directors/commissioners?	Yes	
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	N/A	
E.2.8	Does the company have any independent directors/commissioners who serve on a total of more than five boards of publicly-listed companies?	N/A	
E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	None	
Nominating Committee			
E.2.10	Does the company have a Nominating Committee (NC)?	Yes	CGM
E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	No	
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	No	
E.2.13	Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee?	No	
E.2.14	Did the Nominating Committee meet at least twice during the year?	Yes	
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	Yes	
Remuneration Committee/Compensation Committee			
E.2.16	Does the company have a Remuneration Committee?	Yes	
E.2.17	Does the remuneration Committee comprise of a majority of independent directors/commissioners?	No	

E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	No	
E.2.19	Does the company disclose the terms of reference/governance structure/charter of the Remuneration Committee?	Yes	
E.2.20	Did the Remuneration Committee meet at least twice during the year?	Yes	
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	Yes	
Audit Committee			
E.2.22	Does the company have an Audit Committee?	Yes	CGM
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	No	At least 1 independent director
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	Default	
E.2.25	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Yes	
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Yes	
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Yes	
E.2.28	Did the Audit Committee meet at least four times during the year?	Yes	
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	Yes	
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Yes	

E.3 Board Processes			
<i>Board meetings and attendance</i>			
E.3.1	Are the board of directors meeting scheduled before the start of the financial year?	Yes	
E.3.2	Does the board of directors/commissioners meet at least six times per year?	Yes	
E.3.3	Has each of the directors/commissioners attende at least 75% of all the board meetings held during the year?	Yes	
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Yes	
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	Yes	
<i>Access to information</i>			
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	Yes	
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Yes	CGM
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	Yes	
<i>Board Appointments and Re-Election</i>			
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Yes	
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	Yes	
E.3.11	Are all the directors/commissioners subject to the re-election at least once every three years?	Default	

Remuneration Matters			
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Yes	
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	Yes	
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Yes	
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	No	
Internal Audit			
E.3.16	Does the company have a separate internal audit function?	Yes	
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Yes	J.A. Banaria & Company, CPAs
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Yes	
Risk Oversight			
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	Yes	
E.3.20	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?	Yes	CGM
E.3.21	Does the company disclose how key risks are managed?	Yes	
E.3.22	Does the annual report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	Yes	

E.4 People on the Board			
<i>Board Chairman</i>			
E.4.1	Do different persons assume the roles of chairman and CEO?	No	
E.4.2	Is the chairman a non-executive director/commissioner?	No	
E.4.3	Has the chairman been the company CEO in the last three years?	No	
E.4.4	Are the role and responsibilities of the chairman disclosed?	Yes	CGM
<i>Skills and Competencies</i>			
E.4.5	Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?	Yes	
E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	Yes	
E.5 Board Performance			
<i>Directors Development</i>			
E.5.1	Does the company have orientation programmes for new directors/commissioners?	Yes	CGM
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going continuous professional education programmes?	Yes	CGM
<i>CEO/Executive Management Appointments and Performance</i>			
E.5.3	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/managing Director/President and ke management?	Yes	CGM, Succession Plan
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Yes	CGM
<i>Board Appraisal</i>			
E.5.5	IS the annual performance assessment conducted of the board of directors/commissioners?	Yes	
E.5.6	Does the company disclose the process followed in conducting the board assessment?	Yes	

E.5.7	Does the company disclose the criteria used in the board assessment?	Yes	
<i>Director Appraisal</i>			
E.5.8	Is an Annual performance assessment conducted of individual director/commissioner?	Yes	CGM
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?	Yes	
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?	Yes	
<i>Committee Appraisal</i>			
E.5.11	Is an Annual performance assessment conducted of the board of directors/commissioners committee?	Yes	