

## PCIC BOARD PRIMER FOR CY 2023

### Composition

Pursuant to Presidential Decree (PD) No. 1467, as amended by PD 1733 and Republic Act No. 8175, the powers of PCIC are vested in and exercised by its Board of Directors.

For 2023, the Board is composed of the following:

Benjamin E. Diokno	-	Ex-Officio Chairperson (Department of Finance Secretary)
Francisco P. Tiu Laurel, Jr. <sup>1</sup>	-	Ex-Officio Vice Chairperson (Department of Agriculture Secretary)
Domingo F. Panganiban <sup>2</sup>	-	Ex-Officio Vice Chairperson (Department of Agriculture Senior Undersecretary)
Jovy C. Bernabe	-	PCIC President
Lynette V. Ortiz <sup>3</sup>	-	Ex-Officio Board Member, Land Bank of the Philippines President and CEO
Cecilia C. Borromeo <sup>4</sup>	-	Ex-Officio Board Member, Land Bank of the Philippines President and CEO
Jose Arnulfo A. Veloso	-	Ex-Officio Board Member, Government Service Insurance System President and General Manager
Dr. Gina C. Terencio	-	Subsistence Farmer's Sector Representative

<sup>1</sup>Term started on November 5, 2023

<sup>2</sup>Term ended on November 3, 2023

<sup>3</sup>Term started on May 24, 2023

<sup>4</sup>Term ended on May 23, 2023

### Meetings and Attendance

In 2023, the Board of Directors held 11 meetings. On December 13, 2022, the Board scheduled the meetings for CY 2023 on every third Thursday of the month. Below is a summary of the Board meetings held in CY 2023:

Date of Board Meeting	Held on the Third Thursday of the Month?
January 19, 2023	Yes
February 16, 2023	Yes
March 16, 2023	Yes

April 27, 2023	No
May 18, 2023	Yes
June 20, 2023	No
July 20, 2023	Yes
August 17, 2023	Yes
September 28, 2023	No
October 23, 2023	No
December 14, 2023	No

For 2023, the Committee on Governance held five (5) meetings while the Committee on Audit and Risk Management had four (4) meetings.

The attendance of the Board Members to the Board and Committee meetings is attached as annex A of this report.

### **Board Accomplishments**

In 2023, the Board's top accomplishment is the approval of the following frameworks which will help PCIC improve the provision of agricultural insurance.

Board Resolution Nos. 2023-12

Issued PCIC's Insurance Product Pricing Framework

-Will serve as PCIC's guide in the review and/or repricing of its insurance products.

Board Resolution No. 2023-13

Issued PCIC's Insurance Product Governance Framework

-Puts into writing product oversight, governance, and development processes

### **Committee Accomplishments**

PCIC has two Board Committees, the Committee on Governance and the Committee on Audit and Risk Management, which were created to assist the Board in performing its duties and responsibilities.

The Committee on Governance assists the Board in fulfilling its corporate governance responsibilities. It also covers the functions of the Committee on Nomination and Compensation/Remuneration. For 2023, it held five (5) meetings.

For 2023, the composition of the Committee on Governance is as follows:

Chairperson	-	Sec. Benjamin E. Diokno
Vice-Chairperson	-	GSIS PGM Jose Arnulfo A. Veloso
Members	-	Secretary of Agriculture
		PCIC Pres. Jovy C. Bernabe

For the Committee on Governance's accomplishments for CY 2023, it reviewed the reports of management on the following topics before presentation to the Board (if applicable):

- Performance Scorecards for CYs 2023 and 2024
- Insurance Product Pricing Framework
- Insurance Product Governance Framework
- Amendments to the PCIC Charter bill
- Increase in the amount of cover for rice and corn
- Setting of salaries of certain position at higher step increments under the Compensation and Position Classification System (CPCS)

The Committee on Audit and Risk Management assists the Board in fulfilling its oversight responsibilities on internal audit and control, risks faced by the Corporation, and compliance with applicable laws and regulations. For 2023, it held four (4) meetings.

For 2023, the composition of the Committee on Audit and Risk Management is as follows:

Chairperson	-	Secretary of Agriculture <sup>1</sup> LBP Pres. Cecilia C. Borromeo <sup>2</sup>
Members	-	GSIS PGM Jose Arnulfo A. Veloso Dr. Gina C. Terencio

<sup>1</sup>Chairpersonship started on June 20, 2023

<sup>2</sup>Term ended on May 23, 2024

For the Committee on Audit and Risk Management's accomplishments for CY 2023, it reviewed the reports of management on the following topics before presentation to the Board (if applicable):

- Corporate Operating Budgets for FYs 2023 and 2024
- Financial statements for FY 2022
- Declaration of dividends for FY 2022
- Internal audit plan for CY 2023
- COA Annual Audit Report on PCIC for FY 2022
- Internal audit reports on the PCIC Regional Offices
- Opening of Settlement Account for the PCIC Fund with the BTr
- Fire Surplus Reinsurance Treaty with Nat Re
- Highlights of operations
- Updates on Management's compliance with the COA recommendations

## **Corporate Secretary**

For CY 2023, PCIC's corporate secretary is Atty. Joyce M. Briones. She is a graduate of the Ateneo de Manila University School of Law and was admitted to the Philippine Bar on May 2, 2008. She also works for the Department of Finance as Director IV of the Legal Affairs Office.

## **Board Matters**

Review of vision, mission, and strategy and  
Monitoring of the implementation of the corporate strategy

In line with Part 3, Section 3.3.3 of the PCIC Manual on Corporate Governance and the setting of organizational targets for GOCCs thru a Performance Scorecard set by the GCG, the Board of Directors, on a regular basis, reviews the vision, mission, and strategy of PCIC. It also monitors and evaluates the implementation of corporate strategies and policies, business plans, and operating budgets, as well as Management's overall performance. These were done through the reports and discussions during Board meetings, particularly on reports on the Performance Scorecard and Highlights of Operations.

Aside from those mentioned above, the said meetings also serve as a venue for the Board and management to discuss performance targets, assess insurance production accomplishments, review overall corporate performance, identify operational issues and challenges, and formulate strategies to attain the targets.

For FY 2023, the Board meetings wherein the Performance Scorecard and Highlights of Operations were presented were held on January 19, 2023, February 16, 2023, April 27, 2023, July 20, 2023, September 28, 2023, and October 23, 2023.

### **Meeting materials**

As a matter of policy and as much as possible, Board and Committee meeting materials are sent to the Board Members at least three working days prior to the meeting. This is done so that the Board Members will have sufficient time to review the agenda, proposals, and documents to be discussed.

### **Orientation programs for new directors**

PCIC, through the corporate secretary and/or the compliance officers, conducts orientation programs for new directors. A briefing may also coincide with the first meeting that the new directors will attend.

In the introductory orientation program or briefing, the vision, mission, corporate objectives, mandate, line of work, and highlights of operations of PCIC are presented to

the directors. An introductory kit is also provided to the directors. This includes the PCIC Charter, briefer on PCIC, implementing guidelines of the agricultural insurance programs being implemented, and flowcharts of the underwriting and claims processes.

PCIC also provides the directors with reading and study materials or asks them to attend seminars on agricultural insurance and corporate governance. The Corporation will support further initiatives toward the development of the directors in these areas. All directors are also updated of new/recent laws, rules, regulations, and issuances in relation to PCIC.

#### Continuous professional education programs for directors

Part 3.1 of the PCIC Manual on Corporate Governance mandates the Committee on Governance to encourage directors to attend on-going or continuous professional education programs. Attendance of the Directors to orientations, seminars, workshops, other educational programs recommended by PCIC and/or the said Committee is considered part of their service to the Corporation. The budget for these programs is annually incorporated in PCIC's budget allocation for trainings.

### **Board and Committee Assessment**

Aside from the performance assessment done through the iPED pursuant to GCG MC No. 2014-03, the Board Members also conducted an overall performance assessment for the Board as a whole in order to assess/determine its effectiveness in carrying out its responsibilities, strengthen its governance performance and practices, and help it determine its development priorities.

In order to assess/evaluate the overall performance of the Board, the Board Members were made to answer Board-appraisal forms.

The criteria for the Board's overall performance assessment are divided into two important measures with corresponding weights, as shown below:

Board's Performance Review Rating – 40%  
Performance Evaluation System (PES) Rating – 50%  
Corporate Governance Scorecard (CGS) Rating – 10%

The performance review rating can be identified as the Board's self-reflection of its performance while the Performance Scorecard rating shows how the Board fulfills its duty of setting the overall direction of PCIC and overseeing the implementation of the corporate strategies approved/developed.

For the assessment of the Board's FY 2022 performance, the appraisal forms were sent to eligible Board Members in June 2023. These were subsequently submitted to the Compliance Officers on/before July 28, 2023.

An annual performance assessment is also conducted for each Board Committee. Committee Members were also asked to answer Committee-appraisal forms developed in view of the duties and responsibilities of the Committee. Board Members who are not part of the Committee were also asked to evaluate the performance of the Committee in order to gain an outside perspective/impression on the effectiveness of the Committee in carrying out its key functions.

For the assessment of the FY 2022 performance of the Board Committees, the appraisal forms were sent to eligible Committee Members in June 2023. These were subsequently submitted to the Compliance Officers on/before July 28, 2023.

The minimum determination for the eligibility of Board/Committee members for the Board/Committee assessment is that they should have attended at least 10 Board/Committee meetings in the year being assessed.

## PCIC BOARD OF DIRECTORS' MEETINGS

JANUARY TO DECEMBER 2023

	01/19/2023	02/16/2023	03/16/2023	04/27/2023	05/18/2023	06/20/2023	07/20/2023	08/17/2023	09/28/2023	10/23/2023	12/14/2023
SEC. BENJAMIN E. DIOKNO	NA	✓	NA	✓	✓	✓	NA	NA	NA	NA	NA
TOP ROSALIA V. DE LEON <sup>1</sup>	✓	NA	✓	NA	NA	NA	✓	✓	NL	NL	NL
OIC TOP SHARON P. ALMANZA <sup>2</sup>	NY	NY	NY	NY	NY	NY	NY	NY	✓	✓	✓
SEC. FRANCISCO P. TIU LAUREL, JR.	NY	NY	NY	NY	NY	NY	NY	NY	NY	NY	NA
SR. USEC. DOMINGO F. PANGANIBAN	NA	NA	NA	NA	NA	NA	NA	NA	NA	X	NL
ED JOCELYN ALMA R. BADIOLA <sup>3</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA	✓
PRES. JOVY C. BERNABE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
PRES. LYNETTE V. ORTIZ	NY	NY	NY	NY	NY	✓	NA	NA	NA	NA	NA
PRES. CECILIA C. BORRAMEO	NA	✓	✓	NA	NA	NL	NL	NL	NL	NL	NL
AVP EDGARDO S. LUZANO <sup>4</sup>	NY	NY	NY	NY	✓	NA	NA	✓	✓	✓	✓
AVP GENEROSO S. DAVID <sup>5</sup>	NA	NA	NA	NA	NA	NA	✓	NA	NA	NA	NA
VP ESPERANZA N. MARTINEZ <sup>6</sup>	✓	NA	NA	✓	NL	NL	NL	NL	NL	NL	NL
PGM JOSE ARNULFO A. VELOSO	NA	NA	NA	✓	NA	NA	NA	NA	NA	NA	NA
EVP NORA M. MALUBAY <sup>7</sup>	✓	NL	NL	NL	NL	NL	NL	NL	NL	NL	NL
SVP GEORGE S. ONGKEKO, JR. <sup>8</sup>	NA	NA	✓	NA	✓	✓	✓	✓	✓	✓	✓
SVP LEOPOLDO A. CASIO, JR. <sup>9</sup>	NY	✓	✓	NL	NL	NL	NL	NL	NL	NL	NL
DIR. GINA C. TERCENIO	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓

<sup>1</sup>Alternate of DOF Sec. Diokno until September 19, 2023

<sup>2</sup>Alternate of DOF Sec. Diokno starting September 20, 2023

<sup>3</sup>Alternate of DA Senior Usec. Panganiban until November 3, 2023 and alternate of DA Sec. Laurel starting November 8, 2023

<sup>4</sup>Alternate of LBP Pres. Borromeo starting May 2, 2023 and until May 23, 2023 and alternate LBP Pres. Ortiz starting June 26, 2023

<sup>5</sup>Alternate of LBP Pres. Ortiz for the July 20, 2023 Board meeting

<sup>6</sup>Alternate of LBP Pres. Borromeo until May 1, 2023

<sup>7</sup>Alternate of GSIS PGM Veloso until January 31, 2023

<sup>8</sup>Alternate of GSIS PGM Veloso

<sup>9</sup>Alternate of GSIS PGM Veloso until March 20, 2023

✓ - Present

X - Absent

NA - Not applicable

NY - Not yet a member

NL - No longer a member

## JANUARY TO DECEMBER 2023

<sup>1</sup>Alternate of DOF Sec. Diokno until September 19, 2023

<sup>3</sup>Alternate of GSIS PGM Veloso until January 31, 2023

<sup>5</sup>Alternate of GSIS PGM Veloso starting April 24, 2023

<sup>6</sup>Alternate of DA Senior Usec. Panganiban until November 3, 2023 and alternate of Sec. Laurel starting November 8, 2023

**✓** - Present                      **X** - Absent                      **NA** - Not applicable

**NY** - Not yet a member      **NL** - No longer a member



## PCIC COMMITTEE ON AUDIT AND RISK MANAGEMENT MEETINGS

January to December 2023

	02/10/2023	04/14/2023	07/17/2023	10/19/2023
SR. USEC. DOMINGO F. PANGANIBAN	<b>X</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
ED JOCELYN ALMA R. BADIOLA <sup>1</sup>	<b>NA</b>	✓	✓	✓
PRES. LYNETTE V. ORTIZ	<b>NY</b>	<b>NY</b>	<b>X</b>	<b>X</b>
PRES. CECILIA C. BORROMELO	✓	✓	<b>NL</b>	<b>NL</b>
PGM. JOSE ARNULFO A. VELOSO	<b>NA</b>	<b>X</b>	<b>NA</b>	<b>NA</b>
SVP GEORGE S. ONGKEKO, JR. <sup>2</sup>	✓	<b>NA</b>	✓	✓
SVP VALERIE K. MARQUEZ <sup>3</sup>	<b>NY</b>	<b>NY</b>	✓	<b>NA</b>
DIR. GINA C. TERCICIO	✓	✓	✓	✓

<sup>1</sup>Alternate of DA Senior Usec. Panganiban until November 3, 2023

<sup>2</sup>Alternate of GSIS PGM Veloso

<sup>3</sup>Alternate of GSIS PGM Veloso starting April 24, 2023

✓ - Present                      **X** - Absent                      **NA** - Not applicable  
**NY** - Not yet a member                      **NL** - No longer a member