

Board Approval of Corporate Strategic Plans and Annual Financial Reports

Under Section 3.1(d) of the Manual for Corporate Governance, the PSALM Board, as the governing body of the Corporation, has the responsibility to establish, or update as may be necessary, the Corporation's vision and mission, strategic objectives, policies and procedures, as well as defining or redefining the Corporation's values and standards through: mission statements; road maps; and other control mechanism mandated by best business practices. The Board is responsible for the review and approval of the corporate strategic plan which includes the performance scorecard, as well as the accomplishments and performance rating.

In the implementation of the said policy, PSALM Management adopts a corporate strategy map and corporate priorities anchored on its twin mandates of privatization and liability management under Republic Act 9136 (EPIRA). During the corporation's annual corporate strategic planning workshops, PSALM Management determines and proposes, subject to the review and approval of the Board, the corporate strategic plans/ initiatives to achieve its mandate.

The PSALM Board exercises its oversight power over the implementation of the corporate plans/initiatives through review and assessment of the Corporate Performance Scorecard (CPS), which has to be submitted to the Governance Commission for GOCCs (GCG). Specifically, the Board Review Committee (BRC) evaluates, assesses, reviews and endorses the CPS to the Board for approval.

Under Board Resolution No. 2014-0904-03, PSALM, in compliance with the GCG prescribed template, adopted and approved the following:

- a. Charter Statement;
- b. The strategy map to achieve the mission and vision which is aligned to the following perspectives: (a) financial; (b) customers/stakeholders; (c) internal processes; and (d) learning and growth with its corresponding objectives and measures for each perspective;
- c. 2014 Reassessed and 2015-2017 Performance Scorecard;
- d. Strategic initiatives Profile; and
- e. Indicative Privatization Schedule

In addition, the Annual Financial Statements (FS) and its Notes are submitted to the Board through the BRC, for its information and notation, and approval on the issuance to the Commission on Audit.

All other matters that have gone through the review of the BRC and AuditCom are endorsed to the Board for approval/action.