

Country	Philippines				
Name	Philam Equitable Life Assurance Company, Inc.				
StockCode					
Expert Name	JES				
Sector	Insurance				
Year	2012				
Date of Financial Year En					
		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.1	Clearly defined board responsibilities and corporate governance policy				
E.1.1	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	<ul style="list-style-type: none"> Articles of Incorporation (AOI) By-Laws Manual of Corporate Governance Annual Report Company Website 	Y	1	The roles and responsibilities of the Board of Directors of the Company are clearly set forth in the Company AOI, By-Laws and Manual of Corporate Governance Manual.
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?	<ul style="list-style-type: none"> Articles of Incorporation (AOI) By-Laws Manual of Corporate Governance Annual Report Company Website 	Y	1	The decisions requiring Board approval are clearly set forth in the agenda of meeting of the Board, as required by the Company AOI, By-Laws and Manual of Corporate Governance Manual.
E.1.3	Does the company disclose its corporate governance policy / board charter?	Annual Report, p.5	Y	1	The Company discloses its Corporate Governance Manual in the Company Website and Annual Report.
E.2	Code of ethics or conduct				
E.2.1	Does the company have a code of ethics or conduct?	<ul style="list-style-type: none"> Code of Conduct Market Conduct Guidelines 	Y	1	The Company has its own Code of Conduct and Market Conduct Guidelines, which are disclosed in the Company Website.
E.2.2	Are the details of the code of ethics or conduct disclosed?	Website	Y	1	The Company has its own Code of Conduct and Market Conduct Guidelines, which are disclosed in the Company Website.
E.2.3	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Website	Y	1	The policy requires all directors, senior management and employees to comply with the abovementioned Codes.
E.2.4	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Website	Y	1	The implementation and monitoring of the abovementioned codes are provided in the Company Website.

E	Responsibilities of the Board	Source Document/ Location of Information	Yes / No	Points	REMARKS
E.3	Corporate Vision/Mission				
E.3.1	Does the board of directors/commissioners periodically review and approve the vision and mission?	Manual of Corporate Governance/Website	Y	1	As part of its duties and responsibilities spelled out in the Manual of Corporate Governance, the Board of Directors periodically review and approve the vision and mission of the Company.
E.4	Board Structure & Composition				
E.4.1	Does the board of directors/ commissioners comprise at least five members and no more than 12 members? (i.e., between 5 - 12 members)	Website (By-Laws)	Y	1	The Board of Directors of the Company is currently composed of seven (7) members.
E.4.2	Do independent, non-executive directors/commissioners number at least three <u>and</u> make up more than 50% of the board of directors/commissioners?		N	0	
E.4.3	Does the company provide a definition of independence in its Annual Report?	Annual Report, p. 5	Y	1	The Annual Report expressly define the meaning and qualification of an independent director.
E.4.4	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Annual Report, p. 5	Y	1	The independent directors of the Company are well qualified and competent to hold said positions, and are independent of management and the major shareholders of the Company.
E.4.5	Does the company have a term limit of nine years or less for its independent directors/commissioners?		N/A	0	
E.4.6	Has the company set a limit of five board seats in publicly-listed companies that an individual director/commissioner may hold simultaneously?		N	0	
E.4.7	Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies?		N	1	The Company currently has no independent directors who serve on more than five boards of publicly-listed companies.
E.4.8	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?		N	1	

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.5	Skills and Competencies				
E.5.1	Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?	Corporate website (Profile)	N	0	
E.5.2	Does the company disclose a board of directors/commissioners diversity policy?	Manual of Corporate Governance, p. 2	Y	1	The Company currently has disclosed a board of directors diversity policy in its Manual of Corporate Governance.
E.6	Board Chairman				
E.6.1	Do different persons assume the roles of chairman and CEO?	Annual Report, p. 6	Y	1	The Chairman of the Board position is currently being held by Mr. Rex Ma. A. Mendoza, while the Chief Executive Officer position is currently being occupied by Mr. Jose Roel V. Teves
E.6.2	Is the chairman a non-executive director/commissioner?	Annual Report, p. 6	N	0	The Chairman of the Board, Mr. Rex Ma. A. Mendoza is considered as executive director of the Company.
E.6.3	Is the chairman an independent director/commissioner?	Annual Report, p. 6	N	0	The Chairman of the Board, Mr. Rex Ma. A. Mendoza, is considered as executive director of the Company.
E.6.4	Is the chairman the current or immediate past CEO?	Annual Report, p. 6	N	1	The Chairman of the Board, Mr. Rex Ma. A. Mendoza, is neither the current nor immediate past Chief Executive Officer of the Company.
E.6.5	Are the role and responsibilities of the chairman disclosed?	<ul style="list-style-type: none"> • Manual of Corporate Governance • By-Laws 	Y	1	The roles and responsibilities of the Chairman of the Board are explicitly spelled out in the Manual of Corporate Governance and Company By-Laws, and are disclosed in the Company Website.
E.7	Board meetings and attendance				
E.7.1	Are the board of directors/commissioners meetings scheduled before or at the beginning of the year?		N	0	
E.7.2	Does the board of directors/commissioners meet at least six times per year?		N	0	
E.7.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Website	Y	1	In 2012, the Board of Directors met six (6) times with overall attendance rate of 99.97%.
E.7.4	Does the company require a minimum quorum of at least 2/3 for board decisions?		N	0	

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E	Responsibilities of the Board				
E.7.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?		N	0	
E.8	Orientation Programme for New Directors				
E.8.1	Does the company have orientation programmes for new directors/commissioners?	Annual Report, p. 5	Y	1	In order for the directors have ample time to go over and review the documents to presented in the meeting, the Corporate Secretary ensures that the materials are received by the directors at least five (5) working days before the scheduled meeting.
E.9	Director Training				
E.9.1	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Website (Certificate of Attendance in Corporate Governance Seminar)	Y	1	The Company encourages the directors to attend continuous professional education programs such as Professional Directors' Program of the Institute of Corporate Directors. In fact, several directors of the Company are already ICD Fellows.
E.10	Access to information				
E.10.1	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	Website (By-Laws)	Y	1	In order for the directors have ample time to go over and review the documents to presented in the meeting, the Corporate Secretary ensures that the materials are received by the directors at least five (5) working days before the scheduled meeting.
E.10.2	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Website (By Laws, p. 10/Annual Report, p.5)	Y	1	As mandated by the Company By-Laws and the Manual of Corporate Governance, the Company Secretary plays a very significant role in supporting the Board in discharging its responsibilities.
E.10.3	Is the company secretary trained in legal, accountancy or company secretarial practices?	Website (Profile/Annual Report)	Y	1	
E.11	Nominating Committee				
E.11.1	Does the company have a Nominating Committee (NC)?	<ul style="list-style-type: none"> Annual Report, p. 17 Manual of Corporate Governance 	Y	1	PELAC's Nomination Committee is composed of Mr. Rex Ma. A. Mendoza as Chairman, and Ms. Adoracion R. Go and Mr. Ernesto R. Lagdameo as members.
E.11.2	Does the Nominating Committee comprise of a majority of independent directors/commissioners?		N	0	PELAC's Nomination Committee is composed of one (1) independent director and three (2) executive directors.

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E	Responsibilities of the Board				
E.11.3	Is the chairman of the Nominating Committee an independent director/commissioner?		N	0	PELAC's Nomination Committee is Chaired by Mr. Rex Ma. A. Mendoza
E.11.4	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Charter	Y	1	The Board has approved the Nomination Committee Charter, which basically sets forth the duties and responsibilities of the Committee.
E.11.5	Does the Annual Report disclose the number of Nominating Committee meetings held?	Annual Report, 17	Y	1	The Annual Report disclosed that the Nomination Committee met twice in 2012 with overall attendance rate of 100%.
E.11.6	Did the Nominating Committee meet at least twice during the year?	Annual Report, 17	Y	1	The Annual Report disclosed that the Nomination Committee met twice in 2012 with overall attendance rate of 100%.
E.11.7	Is the attendance of members at Nominating Committee meetings disclosed?	Annual Report, 17	Y	1	The Annual Report disclosed that the Nomination Committee met twice in 2012 with overall attendance rate of 100%.
E.12	Board Appointments and Re-Election				
E.12.1	Does the company disclose the <u>criteria used in selecting</u> new directors/commissioners?	Manual of Corporate Governance, p. 5	Y	1	The Manual of Corporate Governance explicitly provides the qualifications and disqualifications (permanent and temporary) which the Board should use in selecting new directors.
E.12.2	Does the company disclose the <u>process followed in appointing</u> new directors/commissioners?	<ul style="list-style-type: none"> • Annual Report, p. 5 • Nomination Committee Charter 	Y	1	The Company has disclosed in the Website and in the Annual Report the process followed in appointing and electing new directors.
E.12.3	Are all the directors/commissioners subject to re-election at least once every three years?	Website (By-Laws)	Y	1	All the directors have been subjected to re-election at least once every three (3) years.
E.13	CEO/Executive Management Appointments and Performance				
E.13.1	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?		N	0	The Company currently does not disclose how the board of directors plan for the succession of the CEO & President and key management.
E.13.2	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Annual Report, p. 5	Y	1	The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, and the Board-sanctioned Committees.
E.14	Board Appraisal				

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E	Responsibilities of the Board				
E.14.1	Is an annual performance assessment conducted of the board of directors/commissioners?	Annual Report, p. 5	Y	1	The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, and the Board-sanctioned Committees.
E.14.2	Does the company disclose the process followed in conducting the board assessment?	Annual Report, p. 5	Y	1	The Company discloses the processes and criteria being followed in conducting the board assessment.
E.14.3	Does the company disclose the criteria used in the board assessment?	Annual Report, p. 5	N/A	0	The Company discloses the processes and criteria being followed in conducting the board assessment.
E.15	Director Appraisal				
E.15.1	Is an annual performance assessment conducted of individual director/commissioner?	Annual Report, p. 5	Y	1	The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees.
E.15.2	Does the company disclose the process followed in conducting the director/commissioner assessment?	Annual Report, p. 5	Y	1	The Company discloses the processes and criteria being followed in conducting the assessment of the directors.
E.15.3	Does the company disclose the criteria used in the director/commissioner assessment?	Annual Report, p. 5	Y	1	The Company discloses the processes and criteria being followed in conducting the assessment of the directors.
E.16	Committee Appraisal				
E.16.1	Is an annual performance assessment conducted of the board of directors/commissioners committees?	Annual Report, p. 5	N/A	0	The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees.
E.17	Remuneration Committee/ Compensation Committee				
E.17.1	Does the company have a Remuneration Committee?	<ul style="list-style-type: none"> • Annual Report, p. 17 • Manual of Corporate Governance 	Y	1	PELAC has a Remuneration Committee composed of Mr. Rex Ma. A. Mendoza as Chairman, Ms. Adoracion R. Go and Ms. Ma. Adoracion R. Go
E.17.2	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	Annual Report, p. 17	N	0	PELAC' s Remuneration Committee is composed of one (1) independent director and two (2) executive directors.
E.17.3	Is the chairman of the Remuneration Committee an independent director/commissioner?	Annual Report, p. 17	N	0	PELAC's Remuneration Committee is chaired by Mr. Rex Ma. A. Mendoza an executive director.
E.17.4	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Charter	Y	1	The Board has approved the Compensation Committee Charter, which basically sets forth the duties and responsibilities of the Committee.

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.17.5	Does the Annual Report disclose the number of Remuneration Committee meetings held?	Annual Report, p. 17	Y	1	The Annual Report disclosed that the Compensation Committee met once in 2012 with overall attendance rate of 100%.
E.17.6	Did the Remuneration Committee meet at least twice during the year?	Annual Report, p. 17	N	0	The Annual Report disclosed that the Compensation Committee met once in 2012 with overall attendance rate of 100%.
E.17.7	Is the attendance of members at Remuneration Committee meetings disclosed?	Annual Report, p. 17	N	0	The Annual Report disclosed that the Compensation Committee met once in 2012 with overall attendance rate of 100%.
E.18	Remuneration Matters				
E.18.1	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?		N	0	The Company does not disclose its remuneration for its executive directors and CEO.
E.18.2	Is there disclosure of the fee structure for non-executive directors/commissioners?	Website (General Information Sheet)	Y	1	The General Information Sheet discloses the fee structure for non-executive directors, which was approved in the Annual Stockholders Meeting.
E.18.3	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?		N	0	
E.18.4	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?		N	1	

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.19	Audit Committee				
E.19.1	Does the company have an Audit Committee?	Website (Charter)	Y	1	PELAC has an Audit Committee composed of Mr. Ernesto R. Lagdameo, Jr. as Chairman, Ms. Victoria S. Licuanan and Ms. Ma. Adoracion R. Go
E.19.2	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?		N	0	PELAC' s Audit Committee is composed of 2 independent directors and 1 executive director.
E.19.3	Is the chairman of the Audit Committee an independent director/commissioner?	Annual Report, p. 17	Y	1	PELAC' s Audit Committee is chaired by Mr. Ernesto R. Lagdameo, Jr., an independent director of the Company.
E.19.4	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Website (Charter)	Y	1	The Board has approved the Audit Committee Charter, which basically sets forth the duties and responsibilities of the Committee.
E.19.5	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Annual Report, p. 9-10 and 11-16	Y	1	The Annual Report fully disclosed the profile and qualifications of the Audit Committee members.
E.19.6	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Annual Report, p. 9-10 and 11-16	Y	1	All members of the Audit Committee have significant account qualification and experience.
E.19.7	Does the Annual Report disclose the number of Audit Committee meetings held?	Annual Report, p. 17	Y	1	The Annual Report disclosed that the Audit Committee met twice (2) times in 2012 with overall attendance rate of 84%.
E.19.8	Did the Audit Committee meet at least four times during the year?	Annual Report, p. 17	N	0	The Annual Report disclosed that the Audit Committee met twice (2) times in 2012 with overall attendance rate of 84%.
E.19.9	Is the attendance of members at Audit Committee meetings disclosed?	Annual Report, p. 17	Y	1	The Annual Report disclosed that the Audit Committee met twice (2) times in 2012 with overall attendance rate of 84%.
E.19.10	Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?	Website (Charter)	Y	1	The Audit Committee has the primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor. Every year, the Audit Committee endorses and recommends to the Board for approval the external auditor of the Company.

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.20	Internal Audit				
E.20.1	Does the company have a separate internal audit function?	Website (Charter)	N	0	PELAC shares w/ its parent company's Internal Audit Department.
E.20.2	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?		N	0	
E.20.3	<u>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</u>	Website (Charter)	Y	1	The appointment and removal of PELAC's Internal Auditor require the approval of the Audit Committee.
E.21	Risk Oversight				
E.21.1	Does the company disclose the internal control procedures/risk management systems it has in place?		N	0	
E.21.2	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?		N	0	
E.21.3	Does the company disclose how key risks are managed?		N	0	
			76	51	