

COMPANY NAME : PHILAM EQUITABLE LIFE ASSURANCE COMPANY, INC.
COMPANY STRUCTURE : CLASS 1
FINANCIAL YEAR END : 2016
SECTOR : INSURANCE

C. Role of Stakeholders

C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	Y/ N	Reference / Source document
<i>Does the company disclose a policy that :</i>			
C.1.1	Stipulates the existence and scope of the company's efforts to address customers' welfare?	Y	<p>The Company's policies on customers' and stakeholders' health and safety are extensively covered by various announcements, policies and activities of HR, and are disclosed in the Company Website. In addition, the AIA Code of Conduct provides that AIA is committed to conducting business in a manner that protects the health, safety and security of AIA employees and customers.</p> <p>Source Document: page 8, AIA Code of Conduct</p>
C.1.2	Explains supplier/contractor selection practice?	Y	<p>PELAC complies with the AIA Code of Conduct, which provides that the Company select suppliers and vendors on the basis of performance and merit in accordance with a fair and transparent process. Appropriate due diligence is performed regarding potential agents, consultants and independent contractors prior to engaging their services.</p> <p>Like AIA, PELAC seeks supplier partnerships with diverse businesses and values suppliers that share the Company's dedication and commitment to diversity and social responsibility.</p> <p>Source Document: 2016 Annual Report, page 17, Supplier Selection</p>
C.1.3	Describes the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Y	<p>The Company's policy on the matter is sufficiently covered by its Security and Safety Policy, as well as the Corporate Social Responsibility Policy of the Company.</p> <p>Source Document: 2016 Annual Report, page 19, Social and Environmental Responsibilities</p>

C.1.4	Elaborates the company's efforts to interact with the communities in which they operate?	Y	<p>PELAC is a member of Philam Foundation, the corporate social responsibility arm of the Philam Group. It is our aim to promote Healthy Education through its flagship project, Philam Paaralan. With the said project, the company helps the Department of Education in classroom building in underserved and/or calamity stricken areas in the country.</p> <p>Philam Foundation has a KaAkbay Philam Volunteer Corps program which continues to support and encourage Philam Group employees to join various advocacies through its various activities like, Brigada Eskwela, Tree planting etc.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ 2016 Annual Report, Corporate Social Responsibility, page 19 ▪ AIA Code of Conduct, page 24
C.1.5	Describe the company's anti-corruption programmes and procedures?	Y	<p>PELAC adheres to the Company's Anti-Corruption & Bribery Policy, which is applied alongside the AIA Code of Conduct.</p> <p>The Anti-Corruption & Bribery Policy provides guidance on giving and accepting gifts and entertainment. The Anti-Corruption Guidelines specifies the roles, responsibilities and procedural controls for transactions involving government officials. All relevant laws countering bribery and corruption is upheld. If local laws and regulations require higher compliance standards vis-a-vis the guidelines of the AIA Code of Conduct, then PELAC is required to meet the higher standards.</p> <p>The Anti-Corruption & Bribery Policy basically prohibits all employees, agent, or independent contractor in providing bribes or other benefits to another person in order to obtain or retain business or unfair advantage in any business interaction involving AIA and PELAC, its customers and employees.</p> <p>Source Documents:</p> <p>2016 Annual Report, Anti-Corruption, page 16</p>

C.1.6	Describes how creditors' rights are safeguarded?	Y	<p>Philam Life adheres to its Fair Dealing Policy, which ensures that businesses with the customers, service providers, supplier and competitors are conducted in a fair manner.</p> <p>Following AIA's model, Philam Life seeks competitive advantages only through legal and ethical business practices. Every employee must conduct business in a fair manner with customers, service providers, suppliers and competitors. Disparaging competitors or their products and services is discouraged. Improperly taking advantage of anyone through manipulation, concealment, abuse of privileged information, intentional misrepresentation of facts or any other unfair practice is not and will not be tolerated at Philam Life much more in the AIA Group.</p> <p>It is the policy of Philam Life to uphold creditor's rights by honoring its contractual obligations with all its creditors and counterparties, in accordance with the provisions of their contracts and the law. In the conduct of its business dealings with third parties, Philam Life undertakes to honour all its commitments, stipulations and conditions set forth in their binding agreements.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ AIA Code of Conduct, page 15 – Fair Dealing ▪ 2016 Annual Report, page 18 - Fair Dealing
<i>Does the company disclose the activities that it has undertaken to implement the above mentioned policies?</i>			
C.1.7	Customer health and safety	Y	<p>The Company regularly discloses the activities it has undertaken to implement the above-mentioned policies through various company announcements and CSR Report.</p> <p>Source Document: 2016 Annual Report, Corporate Social Responsibility, page 19</p>
C.1.8	Supplier/Contractor selection and criteria	Y	<p>The Company regularly discloses the activities it has undertaken to implement the above-mentioned policies through various company announcements and CSR Report.</p> <p>Source Document: 2016 Annual Report, Supplier Selection, page 17</p>

C.1.9	Environmentally-friendly value chain	Y	<p>The Company regularly discloses the activities it has undertaken to implement the above-mentioned policies through various company announcements and CSR Report.</p> <p>Source Document: 2016 Annual Report, Corporate Social Responsibility, page 19</p>
C.1.10	Interaction with the communities	Y	<p>The Company regularly discloses the activities it has undertaken to implement the above-mentioned policies through various company announcements and CSR Report.</p> <p>Source Document: 2016 Annual Report, Corporate Social Responsibility, page 19</p>
C.1.11	Anti-corruption programmes and procedures	Y	<p>PELAC complies with its Anti-Corruption & Bribery Policy, which is applied alongside the AIA Code of Conduct.</p> <p>PELAC sets out guidelines to conduct business in an honest and ethical manner. Bribery and corruption of any form is not acceptable. Employees are prohibited from offering, paying, any bribe or any form of payment with corrupt intent. In addition, the company conducts due diligence on third party vendors to ensure they are reputable, honest, and they adhere to the spirit of the Anti-Corruption Policy. The Company monitors payment to government officials and Compliance approval is required before making these payments.</p> <p>Source Document: 2016 Annual Report, Anti-Corruption & Bribery & Gifts and Entertainment, page 16</p>
C.1.12	Creditors' rights	Y	<p>PELAC seeks competitive advantages only through legal and ethical business practices. Every employee must conduct business in a fair manner with customers, service providers, suppliers and competitors. Disparaging competitors or their products and services is discouraged. Improperly taking advantage of anyone through manipulation, concealment, abuse of privileged information, intentional misrepresentation of facts or any other unfair practice is not and will not be tolerated at PELAC much more in the AIA Group.</p> <p>It is the policy of PELAC to uphold creditor's rights by honouring its contractual obligations with all its creditors and counterparties, in</p>

			<p>accordance with the provisions of their contracts and the law. In the conduct of its business dealings with third parties, PELAC undertakes to honour all its commitments, stipulations and conditions set forth in their binding agreements.</p> <p>Source Document: 2016 Annual Report, page 18 – FAIR DEALING POLICY AND CREDITORS RIGHTS</p>
C.1.13	Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	Y	<p>The Annual Report contains the Corporate Responsibility Report of PELAC, the corporate social responsibility arm of Philam Group.</p> <p>Source Document: 2016 Annual Report, Corporate Social Responsibility, page 19</p>
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.		
C.2.1	Does the company 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	<p>PELAC makes sure that all its stakeholders (i.e. customers, suppliers, general public etc.) have the avenue to voice their concerns and/or complaints. In its Contact Us section in the Company Website, PELAC provides its stakeholders different channels through which stakeholders can get in touch with the Company. The contact details include an e-mail address, the head office telephone number, and each branch's address and telephone number. There is also a form, which the stakeholder can fill out.</p> <p>Any employee (or anyone else) may also raise concerns of misconduct or wrongdoing within AIA and PELAC through multiple means provided in the AIA Code of Conduct. The report may also be made by using the AIA Group Ethics and Compliance Hotline (PLDT) 1010-5511-00-00-245-4179 or (Globe) 105-11-800-245-4179.</p> <p>Source Document: 2016 Annual Report, page 18</p>
C.3	Performance-enhancing mechanisms for employee participation should be permitted to develop.		

C.3.1	Does the company explicitly disclose the health, safety, and welfare policy for its employees?	Y	<p>The Company explicitly discloses the health, safety, and welfare policy for its employees. PELAC explicitly discloses the health, safety, and welfare policy for its employees through the AIA Code of Conduct and Physical Examination Policy. PELAC is committed to conducting business in a manner that protects the health, safety and security of its employees and customers.</p> <p>Source Document: AIA Code of Conduct, page 8</p>
C.3.2	Does the company publish relevant information relating to health, safety and welfare of its employees?	Y	<p>The Company publish the health, safety, and welfare policy of its employees through its Company Website and intranet facility accessible only to employees of the Company. In the Intranet, the Company regularly updates the employees about various policies and information, such as those pertaining to employee training and development, health, safety, welfare and security.</p> <p>Source Document: Email Announcement</p>
C.3.3	Does the company have training and development programmes for its employees?	Y	<p>The Company provides various training and development programs for its employees. Aside from the Company Website, it has an intranet facility accessible only to employees of the Company. In the Intranet, the Company regularly updates the employees about various policies and information, such as those pertaining to employee training and development.</p> <p>Source Document: Email Announcement on Employee Training</p>
C.3.4	Does the company publish relevant information on training and development programmes for its employees?	Y	<p>PELAC regularly updates the employees about various policies and information, such as those pertaining to employee training development, through Webmaster, Yammer, and E-mail Announcements. A calendar for available trainings during the whole year is also provided to its employees.</p> <p>Source Document: Email Announcement on Employee Training</p>

C.3.5	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	N	
C.4	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.		
C.4.1	Does the company have procedures for complaints by employees concerning illegal (including corruption) and unethical behaviour?	Y	<p>PELAC has and follows its procedures for complaints concerning illegal and unethical behaviour. Employees in PELAC are required to report any illegal and unethical behaviours including corruption. The procedures are disclosed in the AIA Code of Conduct and the Whistleblower Protection Policy.</p> <p>Source Document: 2016 Annual Report, page 18, Whistleblow Program</p>
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?	Y	<p>PELAC complies with the AIA Code of Conduct, which provides for the general provision regarding the protection extended to employees who reported or is going to report any illegal or unethical behaviour. It specifically pointed to the AIA Group Whistleblower Protection Policy. To reinforce the AIA Code of Conduct, there is also the AIA Group Compliance Whistleblower Programme Standard Operating Procedure which particularly mentions the protection program including protection from retaliatory acts from the alleged erring employee. Speak up culture is being encouraged and widely promoted in Philam Life. Posters are displayed and brochures are distributed to promote reporting whenever employees see or suspect potential misconduct or fraud. An AIA Ethics line was developed to support the program wherein an employee may choose to be anonymous. It is an independently managed website and hotline (telephone) service, receiving reports in local language, 24 hours a day, and 7 days a week.</p> <p>Source Document: 2016 Annual Report, page 18, Whistleblow Program</p>