

## OPERATING PHILOSOPHY

### The AIA Code of Conduct

Honesty and integrity are the cornerstones of the AIA business. AIA serves millions of customers across the most dynamic growth region in the world – and is known and admired for its unwavering commitment to these values.

This reputation and the trust it inspires is critical to the success of the organization. Dedication and commitment to high standards have helped build the organization in the past and for the present. It can only maintain that reputation into the future when each employee strives harder to do what is right and by being prepared to take their personal responsibilities in observing the highest standards of integrity and conduct at all times.

This is what the AIA Code of Conduct is about. It sets out AIA's and its member companies' commitment to the Operating Philosophy of "Doing the Right Thing, in the Right Way, with the Right people... and the results will come." This establishes the unique culture of AIA across all 18 markets within the Asia Pacific region that includes Philam Life.

The AIA Code of Conduct sets out the ethical guidelines for conducting business which is the same code that Philam Life observes. This serves as guide in managing the company's compliance, ethics, and risk issues.

The standards set forth in the Code also applies to the business partners including agents, contractors, subcontractors, suppliers, distribution partners, and those who act on behalf of AIA and Philam Life. Thus, the corporation, its directors, senior management and employees are mandated and required to comply with the policies. The Compliance Department is tasked to implement these policies and monitor compliance therewith.

Like AIA, Philam Life has always believed in the power of diverse, talented people to create value and deliver on customer and shareholder expectations. Thus, it competes vigorously to create new opportunities for its customers and for itself. However, competitive advantages are sought only through legal and ethical business practices. With the products, services and responsible business practices, Philam Life strives to improve the quality of life of every Filipino. Promoting compliance with local laws and local regulatory requirements that apply to the business is at the foundation of Philam Life's good corporate citizenship.

### Code of Conduct - Annual Certification Program

To ensure that all Philam Life employees are aware of the provisions of the Code, an annual certification program is conducted whereby all employees confirm their knowledge and understanding about the rules and guidelines written in the Code.

### New Employees Orientation Program (NEOP)

At the same time, it is company policy that all new hires attend the New Employees Orientation Program (NEOP) wherein Company and all other relevant compliance policies are discussed. This program is offered on a monthly basis and is conducted either by Compliance or Training Dept.

## ETHICAL PRACTICES

### Treating Customers Fairly

The Treating Customers Fairly policy demands that customers should be treated fairly at all times and that products, services, and advice must be appropriate to meet customer needs. Marketing, advertising and sales related materials and services must always be truthful and accurate and misrepresenting or attempting to mislead or deceive customers by use of unsupported or fictitious claims about Philam Life products or those of its competitors is not acceptable.

Philam Life should provide high standards of service and should respond promptly and fairly to customer feedback.

Philam Life adopts a structured framework in handling complaints related to market misconduct. The Customer Complaints Handling Process ensures that all customer complaints and grievances are immediately addressed. The process defines the step-by-step approach in addressing and handling complaints as a result of any of its sales personnel's misconduct.

There is a Compliance Disciplinary Committee that evaluates all complaints and determines whether a sales personnel has committed any wrongdoing. Any sales personnel found guilty of any market conduct related offense is subjected to appropriate sanctions. Misconduct includes, but is not limited to, misrepresentation of product features, mis-selling, policy replacement, misappropriation of client monies, and any other infringement of the Market Conduct Guidelines.