

INTRODUCTION

The Philippine American Life and General Insurance Company (“Philamlife”) Board of Directors recognizes its responsibility to provide effective corporate governance oversight of the Company’s affairs. Accordingly, the Board has adopted corporate governance guidelines to assist it in the discharge of its duties and responsibilities.

These guidelines are in addition to and are not intended to change any applicable law or regulation, or the Charter or By-laws of the Company. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with the duties and responsibilities owed to the Company and its shareholders and/or stakeholders.

DUTIES AND RESPONSIBILITIES OF PHILAMLIFE BOARD OF DIRECTORS

In fulfilling its mission, the duties and responsibilities of Philamlife Board of Directors include, but are not limited to, the following:

- Review and approval of strategic and business plans, including operating and capital plans of the Company.
- Oversee the conduct of Philamlife’s business to ensure that the business is being properly managed and dealings with policyholders, claimants, and creditors are fair and equitable.
- Identify principal business risks and ensure the implementation of appropriate risk management system to specifically manage the underwriting, reinsurance, investment, financial, and operational risks of the Company.
- Approve corporate policies in core areas of operations, specifically underwriting, investments, reinsurance, and claims management.
- Develop and implement an investor relations program or adopt shareholder communications policy for Philamlife.
- Review the adequacy and the integrity of Philamlife’s internal control systems and management information systems including systems for compliance with the Insurance Code and other applicable laws, regulations, rules, directives, and guidelines.
- Declaration of Policyholders dividends.
- Election of Directors to fill vacancies on the Board.
- Election of Philamlife’s Chairman of the Board and Chief Executive Officer
- Planning for succession of the Philamlife Chairman of the Board and Chief Executive Officer
- Determination of compensation for Non-employee Directors.
- Select and appoint officers who are qualified to administer insurance affairs soundly and effectively and to establish an adequate selection process for all personnel.
- Apply fit and proper standards on personnel. It must have integrity, technical expertise, and experience in the institution’s business, either current or planned, which is the key consideration in the selection process.
- Establish an appropriate compensation package for all personnel that are consistent with the interest of all its stakeholders.