

COMPANY NAME : THE PHILIPPINE AMERICAN LIFE AND GENERAL INSURANCE (PHILAM LIFE) COMPANY
 COMPANY STRUCTURE : CLASS 2
 FINANCIAL YEAR END : 2017
 SECTOR : INSURANCE

| A. | Rights of shareholders | Y/N | Reference/Source document |
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| A.1 | Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures that govern general shareholders meeting. | | |
| A.1.1(B) | Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders? | N/A | Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) |
| B. | Equitable treatment of shareholders | | |
| B.1 | Notice of AGM | | |
| B.1.1(B) | Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting? | Y | <p>Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). Philam Life provided the Notice of Meeting with Agenda Items for Resolution at least 28 days prior to the actual meeting. For the 26 April 2017 Annual Stockholders' Meeting, the notice was sent on 29 March 2017, or 28 days prior to the actual meeting.</p> <p>Source Document: Notice of Annual Stockholders' Meeting Delivery Receipt</p> |
| C. | Roles of Stakeholders | | |
| C.1 | The rights of stakeholders that are established by law or through mutual agreements are to be respected | | |

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| C.1.1(B) | Does the company practice integrated report on its annual reports? | Y | The Company's Annual Report is a comprehensive and concise communication about the Company's strategies, governance, and financial performance for 2017. It contains comprehensive business updates relating to the agency, marketing, operations, technology, and employees. It also contains the Operating Philosophy, Best Corporate Governance and Corporate Social Responsibility practice of the Company. Source Document: 2017 Annual Report |
| D. | Disclosure and transparency | | |
| D.1 | Quality of Annual Report | | |
| D.1.1 (B) | Are the audited annual financial report /statement released within 60 days from the financial year end? | N | The Company's Audited Financial Report was released within 120 days from the financial year end in compliance with SEC requirements. The Audited Financial Statements of Philam Life was approved by the Stockholders on 24 April 2018, and submitted/released to the Securities and Exchange Commission and the Bureau of Internal Revenue on __ April 2018. |
| D.1.2 (B) | Does the company disclose details of remuneration of the CEO? | N | The company does not disclose its remuneration for its executive directors and CEO |
| E. | Responsibilities of the Board | | |
| E.1 | Board Competencies and Diversity | | |
| E.1.1(B) | Does the company have at least one female independent director/commissioner? | Y | For 2017, the Board has one female member, Ms. Doris Magsaysay Ho, who is the President and CEO of A. Magsaysay Inc. Her membership has definitely given the Board the added value, skills, expertise and experience necessary to perform its functions. |

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| | | | <p>Source Document: 2017 Annual Report, page 42 – Profile of Ms. Doris Magsaysay Ho</p> |
| E.2 | Nominating Committee | | |
| E.2.1(B) | Does the Nominating Committee comprise entirely of independent directors/commissioners? | N | <p>Under its Charter and the Manual of Corporate Governance, the Governance, Nomination and Compensation Committee shall consist of at least three (3) members of the Board of Directors, one of whom must be independent.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Governance, Nomination and Compensation Committee Charter ▪ 2017 Annual Report, page 38 – Governance, Nomination and Compensation Committee Composition |
| E.2.2(B) | Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions? | Y | <p>As provided in the Governance, Nomination and Compensation Committee, the Committee shall determine the nomination and election process, criteria and qualifications of the members of the Board and other appointments that require Board approval. The Committee shall consider the competencies, skills, and experience that the Board, as a whole, should possess, and the knowledge, competencies, skills and experience of each current director, based on the Company's business objectives and strategies. It shall review with the Board, as necessary and appropriate, the requisite skills and criteria for Board members, as well as the composition and size of the Board as a whole in order to ensure that the Board has the requisite expertise, that its membership consists of persons with sufficiently diverse and independent backgrounds and possesses a record of integrity and good repute, and that its membership consists of an appropriate mix of inside, outside, and independent directors.</p> <p>Source Document: Governance, Nomination and Compensation Committee Charter</p> |

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| E.3 | Board Appointments and Re-Election | | |
| E.3.1(B) | Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners? | Y | The Company the uses professional search firms to source qualified directors and senior executives. Some of the Executives of the Company are actually members of the Institute of Corporate Directors, which provide qualified directors that may be potentially tapped by various companies. |
| E.4 | Board Structure & Composition | | |
| E.4.1(B) | Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners? | Y | <p>The Philam Life Board of Directors has seven (7) members, composed of four (4) independent directors, two (2) non-executive directors, and one (1) executive directors. The independent directors are as follows: 1) Mr. Joaquin E. Quintos IV; 2) Mr. Antonino T. Aquino; 3) Ms. Doris Magsaysay-Ho; and Mr. Francis G. Estrada. Thus, 57% of the Board of Directors of Philam Life are independent directors.</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 - Board of Directors Profile</p> |
| E.5 | Board Performance | | |
| E.5.1(B) | Does the company have a separate level Risk Committee? | Y | <p>The Board has established a Board Risk Committee who is responsible for reviewing the Company's material controls and risk management systems, and for oversight of the Company's risk management activities. It determines the Risk Appetite, the Risk Management Statement, and the Risk Management Framework of Philam Life, and advises and assists the Board of Directors in the review and recommendation of these matters. In 2017, the Board Risk Committee met four times and validated that risk management processes are in place to ensure that the amount of risk taken is consistent with the company's Risk Appetite.</p> <p>Source Document: 2017 Annual Report, pages 45 to 47 – ENTERPRISE RISK MANAGEMENT</p> |