

COMPANY NAME : THE PHILIPPINE AMERICAN LIFE AND GENERAL INSURANCE (PHILAM LIFE) COMPANY
 COMPANY STRUCTURE : CLASS 2
 FINANCIAL YEAR END : 2018
 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>Philam Life complies with the AIA Code of Conduct, which provides for the ethical guidelines for conducting business. It specifies, among others, the Company's commitment to conduct the business in a manner that protects the health, safety, and security of the employees, customers and other stakeholders.</p> <p>It is fundamental policy for both AIA and Philam Companies that customers are treated fairly at all times. The Company's products, services, and advice must be appropriate to meet customer needs. Thus, The Company always ensure that marketing, advertising and sales related materials and services must always be truthful and accurate, and product solutions and advices offered to customers must be based on their needs.</p> <p>Philam Life also values its customers' privacy and data security. The Company ensures that it carefully handle and safeguard the business and the customers' personal information. The Company never compromises a customer's trust by disclosing their information, and undertakes to always strictly observe the country's Data Privacy Law, and I's Data Privacy Policy and Guidelines.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ AIA Code of Conduct, page 10. ▪ 2018 Annual Report, page ____ . Data Privacy
C.1.2	Explains supplier/contractor selection practice?	Y	<p>Philam Life has a policy on supplier/contractor selection practice that is extensively covered by its Supplier Manual. Philam Life discloses the Supplier Manual together with other relevant information and key notes for suppliers in its Supplier Information Portal found in the "Doing Business with Philam Life" section of the Philam Life Website.</p> <p>Philam Life also 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, Philam Life seeks supplier partnerships with diverse businesses</p>

			<p>and values suppliers that share the Company's dedication and commitment to diversity and social responsibility.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Company Website, About Us - "Doing Business with Philam Life" ▪ 2018 Annual Report, page 38 - SUPPLIER SELECTION
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>Philam Life adheres to the AIA Code of Conduct, which provides a Policy on Social and Environment Responsibilities, where the Company is committed to contribute positively to the social and economic development of the communities in which it operates, and reduce the impact of its operations on the environment and raising awareness about sustainability by taking part in activities that highlight these issues.</p> <p>Philam Life adheres to I's Policy that Ensures Environment-Friendly Value Chain. For 100 years, AIA has provided protection to individuals and families when they have needed it most. As a market leader, AIA focuses on the sustainability of our financial results, but it also focuses on helping to address the challenges faced by the markets. We believe that this focus on sustainability is integral to our long-term growth and the sustainable and inclusive development of our communities.</p> <p>Philam Life also acknowledges the direct impact of the environment on the health and well-being of its customers, our employees and the communities, the reason it values and strives to influence positive environmental practices within the country.</p> <p>AIA has released its ESG Report 2018, which sets out in detail the ESG priorities and the commitments it is making toward its promise of enabling Healthier, Longer, Better Lives across the Asia Pacific region. The report is a milestone in I's journey to further improve and report on our environmental, social and governance performance and impact. The ESG Report has been structured to demonstrate how we manage our impact and address priority sustainability issues. The Report includes, unless otherwise indicated, ESG data from operations in the Philippines, Hong Kong, Thailand, Singapore, Malaysia, China, Korea, and Australia, among others.</p>

				<p>Source Document:</p> <ul style="list-style-type: none"> ▪ AIA Code of Conduct, page 26. Social and Environment Responsibilities. ▪ AIA Website, ESG Report 2018 (http://www.aia.com/en/about-aia/esg.html)
C.1.4	Elaborates the company's efforts to interact with the communities in which they operate?		Y	<p>Philam Life's policy on the matter is covered by the Corporate Social Responsibility arm of the Company, which is Philam Foundation, Inc. The AIA Code of Conduct also provides the social and environmental responsibilities of Philam Life. Through Philam Foundation, Inc., Philam Life continues to build an educated nation empowered for the future. Philam Foundation conducts a consultation with the communities where it plan to establish a Philam Paaralan. Philam Life is passionate about promoting the sustainable development, financial security and social well-being of the communities that it serves. Philam Life is committed to bring about positive change in the lives of more Filipinos.</p> <p>In 2018, Philam Foundation, Inc. continues to fulfil Philam Life's commitment to support nation-building through its "Healthy, Wealthy and Wise" programs, represented by the Alliance for the Philippines' Health and Advocacy (LPH), Philam Savings Awareness and Values Education Sessions (Philam SAVES) and Philam Paaralan, respectively.</p> <p>Source Document: 2018 Annual Report, pages 26 to 27-PHILAM FOUNDATION</p>
C.1.5	Describe the company's anti-corruption programmes and procedures?		Y	<p>The Anti-Corruption and Bribery Policy is applied alongside the AIA Code of Conduct, providing guidance on giving and accepting gifts and entertainment. The Policy specifies the roles, responsibilities and procedural controls for transactions involving government officials. All relevant laws countering bribery and corruption must be upheld. If local laws and regulations require higher compliance standards vis-à-vis the guidelines of the AIA Code of Conduct, the higher standard will be applied.</p> <p>The Anti-Corruption and Bribery Policy prohibits all employees, agents, or independent contractors from providing bribes or other benefits to another person to obtain or retain business or unfair advantage in any business interaction involving AIA and Philam Life, its customers, and employees.</p> <p>The company is not allowed to use improper means to influence business judgment. All employees and officers are required to report to the</p>

				<p>Compliance Officer any gift/entertainment provided to Government/ Government officials.</p> <p>Source Document: 2018 Annual Report, pages 38 to 39, OPERATING PHILOSOPHY, Anti-Corruption and Bribery</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, suppliers and competitors are conducted in a fair manner. Following I'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. It is also 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 honor 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 ▪ 2018 Annual Report, pages 39 to 40 - OPERATING PHILOSOPHY, 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	OECD Principle IV (A) & Global Reporting Initiative	Y	<p>In 2018, Philam Life has launched its renewed enterprise-wide focus on customer centricity, by engaging various activities focused mainly on what the customers need. To cultivate a customer centric culture, in depth trainings led by Philam Life's Management Committee were conducted to ensure that employees are equipped with the right mindset and attitude towards their customers.</p> <p>On top of delivering better services to customers, initiatives to engage new customers were launched through an improved on-boarding process and streamlined communications. Customers are also informed of e-Plan, Philam Life's customer portal that gives them online access to empower them to transact on their own anytime, anywhere.</p>

			<p>In 2018, Philam Life has also streamlined its operational processes to promote the core strategy of customer centricity.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ 2018 Annual Report. Pages 19 and 21. ▪ Customer Centricity Activity
C.1.8	Supplier/Contractor selection and criteria	Y	<p>In its commitment to improve the way it does business with the suppliers, Philam Life, together with AIA Group Limited, has implemented an online procure-to-pay (P2P) solution. The solution simplifies and standardizes the purchasing, contracting, and invoicing activities within the Group. It changes the trading experience of Philam and its strategic suppliers - allowing improvements in the operational and administrative efficiencies for both parties. Key notes for suppliers and other relevant information are located at the Supplier Information Portal of the Company's Website. The portal will enable our suppliers to participate in this new trading exchange.</p> <p>In October 2018, the Company has adopted its Guidelines on Contract Management, which aims to support the Philam Group in developing a sound, consistent and effective approach to manage its diverse range of contracts. It deliberately focuses on the activities associated with the operational phase of the contract from negotiations period up to after the contract has been awarded and is up and running. To facilitate proper implementation, the Guidelines was cascaded to our records coordinators and contract managers.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Company Website. About Us, "Doing Business with Philam Life" ▪ 2018 Annual Report, page 37, OPERATING PHILOSOPHY, Supplier Selection ▪ 2018 Annual Report, page 31, Contract Management
C.1.9	Environmentally-friendly value chain	Y	<p>Philam Life has implemented various activities to promote an environment-friendly value chain and sustainable development.</p> <p>Source Document:</p> <p>2018 ACTIVITIES TO IMPLEMENT ENVIRONMENTALLY-FRIENDLY VALUE CHAIN PROGRAM</p>
C.1.10	Interaction with the communities	Y	<p>Philam Life, thru its CSR arm Philam Foundation, continues to fulfil its commitment to support nation-building through the Foundation's "Healthy, Wealthy and Wise" Programs,</p>

			<p>represented by the Alliance for the Philippines' Health and Advocacy (ALPHA), Philam Savings Awareness and Values Education Sessions (Philam SAVES) and Philam Paaralan, respectively.</p> <p>Source Document: Annual Report, pages 26 to 27 - Philam Foundation.</p>
C.1.11	Anti-corruption programmes and procedures	Y	<p>Philam Life's Anti-Corruption Policy sets a high standard that is observed across operations. Anti-corruption training is compulsory for all employees. Reviews and assessments are conducted from time to time to monitor compliance with the Policy. Other activities to promote and implement the Anti-Corruption Programmes and Procedures, such as internal website reminders and annual certifications are also being done. Philam Group conducts a Code of Conduct Annual Certification Program, which requires all employees to confirm and certify their knowledge of, and compliance to the AIA Code of Conduct, which includes the Policy on Anti-Corruption and Bribery Policy.</p> <p>Source Document: <ul style="list-style-type: none"> ▪ Annual Report, Pages 38 to 39. ▪ Code of Conduct Trainings </p>
C.1.12	Creditors' rights	Y	<p>In its commitment to improve the way it does business with the suppliers, Philam Life, together with AIA Group Limited, has implemented an online procure-to-pay (P2P) solution. The solution simplifies and standardizes the purchasing, contracting, and invoicing activities within the Group. It changes the trading experience of Philam and its strategic suppliers - allowing improvements in the operational and administrative efficiencies for both parties. Key notes for suppliers and other relevant information are located at the Supplier Information Portal of the Company's Website. The portal will enable our suppliers to participate in this new trading exchange.</p> <p>In October 2018, the Company has adopted its Guidelines on Contract Management, which aims to support the Philam Group in developing a sound, consistent and effective approach to manage its diverse range of contracts. It deliberately focuses on the activities associated with the operational phase of the contract from negotiations period up to after the contract has been awarded and is up and running. To facilitate proper implementation, the Guidelines was cascaded to our records coordinators and contract managers.</p>

				<p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Company Website. About Us, "Doing Business with Philam Life" ▪ 2018 Annual Report, page 36, OPERATING PHILOSOPHY, Supplier Selection ▪ 2018 Annual Report, page 31, Records Management
C.1.13	Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	<p>OECD Principle V (A): Disclosure should include, but not be limited to, material information on: (7) Issues regarding employees and other stakeholders.</p> <p>Companies are encouraged to provide information on key issues relevant to employees and other stakeholders that may materially affect the long term sustainability of the company.</p>	Y	<p>The Annual Report contains the Corporate Responsibility Report of Philam Foundation, the corporate social responsibility arm of Philam Life.</p> <p>Source Document: 2018 Annual Report, pages 26 to 27 - PHILAM FOUNDATION</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?	<p>OECD Principle IV (B): Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</p> <p>The governance framework and processes should be transparent and not impede the ability of stakeholders to communicate and to obtain redress for the violation of rights.</p>	Y	<p>Philam Life ensures that all its stakeholders (i.e. customers, suppliers, general public etc.) are given a venue to voice their concerns and/or complaints. In its Contact Us section in the Company Website, Philam Life provides its stakeholders different channels through which stakeholders can get in touch with the Company, such as phone and email. For those who want the Company to call them in case they have inquiries, they are asked to fill up a form with their details. Link to the Company Website contact us page: http://www.philamlife.com/en/help-support/contact-us.html#get-in-touch.html.</p> <p>Any employee (or anyone else) may also raise concerns of misconduct or wrongdoing within AIA and Philam Life through multiple means provided in the AIA Code of Conduct.</p> <p>The report may also be made by using the AIA Ethics Hotline (PLDT) 1010-5511-00 + 800-245-4179 or 105-11 + 800-245-4179.</p> <p>Source Document: 2018 Annual Report, page 56 - Contact Details</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?	<p>OECD Principle IV (C): Performance-enhancing mechanisms for employee participation should be permitted to develop. In the context of corporate governance, performance enhancing mechanisms for participation may benefit</p>	Y	<p>Philam Life adheres to the AIA Code of Conduct, which provides a Policy on Safe, Healthy and Secure Workplace, and is committed to conducting business in a manner that protects the health, safety and security of its employees and customers while they are on company premises. The Policy is properly disclosed in Philam Life's</p>

		<p>companies directly as well as indirectly through the readiness by employees to invest in firm specific skills.</p> <p>Firm specific skills are those skills/competencies that are related to production technology and/or organizational aspects that are unique to a firm.</p> <p>Examples of mechanisms for employee participation include: employee representation on boards; and governance processes such as works councils that consider employee viewpoints in certain key decisions. With respect to performance enhancing mechanisms, employee stock ownership plans or other profit sharing mechanisms are to be found in many countries.</p>		<p>Intranet and is readily accessible to all employees.</p> <p>Source Document: AIA Code of Conduct. Page 8. Safe, Healthy and Secure Workplace.</p>
C.3.2	Does the company publish relevant information relating to health, safety and welfare of its employees?		Y	<p>Philam Life, through its internal web platform, the PhilamWebmaster, regularly updates the employees about various policies and developments relating to employee welfare.</p> <p>The Philam Group has its own program that allows people to take charge of their health by helping them lead a healthier lifestyle, in fulfilment of its brand promise of helping people live healthier, longer and better lives. Philam Vitality is the cornerstone of all the health and wellness programs within the organization. Employees are encouraged to lead a healthier lifestyle so they can live better and get more out of life. Wellness initiatives are implemented to encourage and motivate employees in their journey towards total wellness in a fun and collaborative way. Wellness-related benefits and activities such as the annual physical exam, flu vaccination, blood donation drive, Larong Philam, PLIA tournaments, Get Active! Activities (Zumba, Yoga etc.) are made available to employees. In 2018, the “Race to Gold” program was launched to encourage employees to work together as a team and participate in a friendly competition to reach Gold status in Philam Vitality. All activities are anchored on further promoting health & wellness, productivity, engagement and a culture of collaboration within the organization.</p> <p>Source Document: <ul style="list-style-type: none"> ▪ 2018 Annual Report, pages 20 to 21 – PROMOTING HEALTH AND WELL BEING ▪ E-mail announcements </p>
C.3.3	Does the company have training and development programmes for its employees?		Y	<p>Philam Life provides various training and development programs for its employees and follows the 70-20-10 training framework. Philam Life also implements a CDP Policy, Employee Training and Development Policy, and Educational Incentive Program.</p> <p>Philam Life subscribes to a comprehensive and holistic development in the belief that each employee can make a difference. The organization’s holistic development opportunities ensure a proportionate way for employees to make the best out of their learning journey.</p> <p>Source Document: 2018 Annual Report, pages 19 to 21 - OUR PEOPLE</p>

C.3.4	Does the company publish relevant information on training and development programmes for its employees?		<p>Y</p> <p>Philam Life 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. Philam Life values its people and wants them to grow professionally and personally during their time in the Company. As The Real Life Company, Philam Life is not only truly engaged in its customers' lives, but is equally committed to helping each individual develop the skills and capabilities they will need to succeed as a Philam Life employee. This is why Philam Life makes sure to regularly update its employees about opportunities and training and development programmes prepared for them.</p> <p>Some of the programs implemented by the organization to support the different developmental needs of its employees include: 1) New Employee Orientation Program; 2) Your Role in Safeguarding I's Interest 3) Manage Base Camp; 4) The Best of Me Program; 5) The AIA Manager Program; 6) People Manager Acceleration Program; 7) Performance Development Dialogue Series; and 8) the AIA Manager as Coach Program.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ 2018 Annual Report, pages 19 to 21 - OUR PEOPLE ▪ E-mail announcements
C.3.5	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?		<p>Y</p> <p>The Company has long-term incentive programs that provides officers and employees certain grant/shares depending on the performance of the company, and satisfaction of certain conditions. Under the Restricted Share Unit (RSU) Scheme, it gives selected officers and employees conditional right to receive a number of AIA Group Limited shares on the vesting date without having to pay for them. Aside from the RSU Scheme, the Company. also has Employee Share Purchase Plan (ESPP), Agent Share Purchase Plan (ASPP) Scheme, and Share Option (SO) Scheme.</p> <p>Some of the programs implemented by the organization to support the different developmental needs of its employees include: 1) New Employee Orientation Program; 2) Your Role in Safeguarding I's Interest 3) Manage Base Camp; 4) The Best of Me Program; 5) The AIA Manager Program; 6) People Manager Acceleration Program; 7) Performance Development Dialogue Series; and 8) the AIA Manager as Coach Program.</p> <p>Source Document:</p>

				2018 Annual Report. Page 21. Rewarding Performance
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>Philam Life does business with integrity and adheres to the highest ethical standards. Any employee (or anyone else) may raise concerns of misconduct or wrongdoing within AIA and Philam Life that can allow investigation to fix any problems. This Policy guides all employees on how to raise ethical concerns and managers on how they should respond when this happens.</p> <p>The Whistleblow Program applies to all employees within the AIA Group. 'Whistleblower' refers to someone (an AIA employee, business partner, agent, consultant, vendor, customer or other party) who informs AIA or Philam Life of suspected illegal or improper ways of doing business involving violation of laws, regulations, policies, and other unethical actions that might negatively impact I's and Philam Life's reputation.</p> <p>Employees who are aware of possible wrongdoing within AIA and Philam Life have a responsibility to disclose information to management. Reports are taken seriously and investigated confidentially. Employees or other individuals will not suffer retaliation for reporting suspected wrongdoing in good faith.</p> <p>Source Document: 2018 Annual Report, page 40 - OPERATING PHILOSOPHY, The 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>The AIA Code of Conduct 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 the company. Posters are displayed, brochures are distributed to promote reporting whenever employees see or suspect potential misconduct or fraud. A hotline and a link is made available and the employee may choose to be anonymous.</p> <p>Source Document: <ul style="list-style-type: none"> ▪ 2018 Annual Report, page 40 - OPERATING PHILOSOPHY, The Whistleblow Program </p>

				<ul style="list-style-type: none">AIA ethics and Compliance Hotline: www.aiaethicsline.com
--	--	--	--	---