

Country Name Philippines
The Philippine American Life and General Insurance Company (Philam Life)

StockCode
Expert Name

Sector Insurance
Year 2013

Date of Financial Year E

			REMARKS
E	Responsibilities of the Board		
	Questions	Answers	Remarks & Source Document
E.1	Clearly defined board responsibilities and corporate governance policy		
E.1.1	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	Y	<p>Remarks: The roles and responsibilities of the Board of Directors of the Company are clearly set forth in the Company AOI, By-Laws and Manual of Corporate Governance Manual.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Articles of Incorporation (AOI) • By-Laws • Manual of Corporate Governance • Annual Report • Company Website
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?	Y	<p>Remarks: The decisions requiring Board approval are clearly set forth in the agenda of meeting of the Board, as required by the Company AOI, By-Laws and Manual of Corporate Governance Manual.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Articles of Incorporation (AOI) • By-Laws • Manual of Corporate Governance • Annual Report • Company Website
E.1.3	Does the company disclose its corporate governance policy / board charter?	Y	<p>Remarks: The Company discloses its Corporate Governance Manual in the Company Website and Annual Report.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report • Company Website

			REMARKS
E	Responsibilities of the Board		

E.2	Code of ethics or conduct		
E.2.1	Does the company have a code of ethics or conduct?	Y	<p>Remarks: The Company has its own Code of Conduct and Market Conduct Guidelines, which are disclosed in the Company Website.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, 20– • Market Conduct Guidelines
E.2.2	Are the details of the code of ethics or conduct disclosed?	Y	<p>Remarks: The Company has its own Market Conduct Guidelines, which are disclosed in the Company Website.</p> <p>Source Document: Website</p>
E.2.3	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Y	<p>Remarks: The policy requires all directors, senior management and employees to comply with the abovementioned Codes.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Website • AnnualReport
E.2.4	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	<p>Remarks: The implementation and monitoring of the abovementioned codes are provided in the Company Website.</p> <p>Source Document: Website</p>

E.3	Corporate Vision/Mission		
E.3.1	Does the board of directors/commissioners periodically review and approve the vision and mission?	Y	<p>Remarks: As part of its duties and responsibilities spelled out in the Manual of Corporate Governance, the Board of Directors periodically review and approve the vision and mission of the Company.</p> <p>Source Document: Manual of Corporate Governance and Company Website</p>

E	Responsibilities of the Board		REMARKS
E.4	Board Structure & Composition		
E.4.1	Does the board of directors/ commissioners comprise at least five members and no more than 12 members? (i.e., between 5 - 12 members)	Y	<p>Remarks: The Board of Directors of the Company is currently composed of eleven (11) members.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 19 • General Information Sheet (GIS), p. 3
E.4.2	Do independent, non-executive directors/commissioners number at least three <u>and</u> make up more than 50% of the board of directors/commissioners?	Y	<p>Remarks: Of the eleven (11) members of the Board of Directors, eight (8) are considered independent, non-executive directors.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p.19 • General Information Sheet (GIS), p. 3
E.4.3	Does the company provide a definition of independence in its Annual Report?	Y	<p>Remarks: The Manual of Corporate Governance and the Annual Report expressly define the meaning and qualification of an independent director.</p> <p>Source Document:</p> <p>Manual of Corporate Governance, p. 5</p>
E.4.4	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Y	<p>Remarks: The independent directors of the Company are well qualified an competent to hold said positions, and are independent of management and the major shareholders of the Company.</p> <p>Source Document:</p> <p>Annual Report, p. 16</p>
E.4.5	Does the company have a term limit of nine years or less for its independent directors/commissioners?	N	<p>Remarks: The Company currently has no term limit of nine years or less for its independent directors.</p> <p>Source Document:</p>
E.4.6	Has the company set a limit of five board seats in publicly-listed companies that an individual director/commissioner may hold simultaneously?	N	<p>Remarks: The Company currently has not set a limit of five (5) board seats in publicly-listed companies that its individual director may hold simultaneously.</p> <p>Source Document:</p>

			REMARKS
E	Responsibilities of the Board		
E.4.7	Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies?	Y	<p>Remarks: The Company currently has independent directors who serve on more than five boards of publicly-listed companies.</p> <p>Source Document: Annual Report</p>
E.4.8	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	N	<p>Remarks: The Company currently has no executive directors who are serving on more than two boards of listed companies outside of the Philam Life Group.</p> <p>Source Document: Annual Report, p. 28-30</p>
E.5 Skills and Competencies			
E.5.1	Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?	Y	<p>Remarks: The Company currently has non-executive directors, such as Mr. Edmund Tse and Amb. Jose L. Cuisia, Jr., who have prior working experience in the major industry the company is operating in.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 22-23 & 26-27 • Corporate Website (Profile)
E.5.2	Does the company disclose a board of directors/commissioners diversity policy?	Y	<p>Remarks: The Company currently has disclosed a board of directors diversity policy in its Manual of Corporate Governance.</p> <p>Source Document: Manual of Corporate Governance, p. 2</p>
E.6	Board Chairman		
E.6.1	Do different persons assume the roles of chairman and CEO?	Y	<p>Remarks: The Chairman of the Board position is currently being held by Mr. Edmund Tse, while the Chief Executive Officer position is currently being occupied by Mr. Rex Ma. A. Mendoza.</p> <p>Source Document: Annual Report, p. 22 & 24/Company Website</p>

			REMARKS
E	Responsibilities of the Board		
E.6.2	Is the chairman a non-executive director/commissioner?	Y	<p>Remarks: The Chairman of the Board, Mr. Edmund Tse, is considered as non-executive director of the Company.</p> <p>Source Document: Annual Report, p. 22/Company Website</p>
E.6.3	Is the chairman an independent director/commissioner?	N	<p>Remarks: The Chairman of the Board, Mr. Edmund Tse, is not considered an independent director of the Company.</p> <p>Source Document: Annual Report, p. 22/Company Website</p>
E.6.4	Is the chairman the current or immediate past CEO?	N	<p>Remarks: The Chairman of the Board, Mr. Edmund Tse, is neither the current nor immediate past Chief Executive Officer of the Company.</p> <p>Source Document: Annual Report, p. 22</p>
E.6.5	Are the role and responsibilities of the chairman disclosed?	Y	<p>Remarks: The roles and responsibilities of the Chairman of the Board are explicitly spelled out in the Manual of Corporate Governance and Company By-Laws, and are disclosed in the Company Website.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Manual of Corporate Governance • By-Laws, p. 5-6

E.7	Board meetings and attendance		
E.7.1	Are the board of directors/commissioners meetings scheduled before or at the beginning of the year?	Y	<p>Remarks: The Company Corporate Secretary schedules the quarterly meetings of the Board at the beginning of the year, subject to changes depending on the availability of the directors.</p> <p>Source Document: Annual Report, p. 20</p>
E.7.2	Does the board of directors/commissioners meet at least six times per year?	Y	<p>Remarks: In 2013, the Board of Directors met eight (8) times with overall attendance rate of 89.77%.</p> <p>Source Document: Annual Report, p.20</p>

			REMARKS
E	Responsibilities of the Board		
E.7.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Y	<p>Remarks: In 2013, the Board of Directors met eight (8) times with overall attendance rate of 89.77%.</p> <p>Source Document: Annual Report, p. 20</p>
E.7.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	N	<p>Remarks: The presence of at least six (6) out of eleven (11) directors is necessary to have a quorum and the affirmative votes of the majority of the directors present required to decide a matter except where the law or by-laws require a higher number of votes.</p> <p>Source Document: Company By-Laws</p>
E.7.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	Y	<p>Remarks: The non-executive directors of the Company have met separately at least once during the year without any executives present.</p> <p>Source Document: Annual Report, p. 20</p>

E.8	Orientation Programme for New Directors		
E.8.1	Does the company have orientation programmes for new directors/commissioners?	Y	<p>Remarks: The Company provides orientation programmes and seminars for new directors. During the last Annual Stockholders Meeting however, there was no new director elected in the Board.</p> <p>Source Document: Annual Report, p. 16</p>

			REMARKS
E	Responsibilities of the Board		
E.9	Director Training		
E.9.1	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Y	<p>Remarks: The Company encourages the directors to attend continuous professional education programs such as Professional Directors' Program of the Institute of Corporate Directors. In fact, several directors of the Company are already ICD Fellows.</p> <p>Source Document: Annual Report, p. 16</p>

E.10	Access to information		
E.10.1	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	Y	<p>Remarks: In order for the directors have ample time to go over and review the documents to presented in the meeting, the Corporate Secretary ensures that the materials are received by the directors at least five (5) working days before the scheduled meeting.</p> <p>Source Document: Annual Report, p. 20</p>
E.10.2	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Y	<p>Remarks: As mandated by the Company By-Laws and the Manual of Corporate Governance, the Company Secretary plays a very significant role in supporting the Board in discharging its responsibilities.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 16-17 • Manual of Corporate Governance
E.10.3	Is the company secretary trained in legal, accountancy or company secretarial practices?	Y	<p>Remarks: Atty. Carla J. Domingo has significant training and experience to efficiently and competently perform her duties as Philam Life's Corporate Secretary.</p> <p>Source Document: Annual Report, p.16-17</p>

			REMARKS
E	Responsibilities of the Board		
E.11	Nominating Committee		
E.11.1	Does the company have a Nominating Committee (NC)?	Y	<p>Remarks: Philam Life has a Nomination & Governance Committee composed of Mr. Edmund S.W. Tse as Chairman, and Mr. Francis G. Estrada, Amb. Jose L. Cuisia, Jr. and Mr. Gordon T. Watson as members.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 19 • Charter • Manual of Corporate Governance
E.11.2	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	N	<p>Remarks: Philam Life' s Nomination & Governance Committee is composed of one (1) independent director and three (3) non-executive directors.</p> <p>Source Document:</p>
E.11.3	Is the chairman of the Nominating Committee an independent director/commissioner?	N	<p>Remarks: Philam Life' s Nomination & Governance Committee is chaired by Mr. Edmund S.W. Tse.</p> <p>Source Document:</p>
E.11.4	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Y	<p>Remarks: The Board has approved the Nomination & Governance Committee Charter, which basically sets forth the duties and responsibilities of the Committee.</p> <p>Source Document: Charter (Website)</p>
E.11.5	Does the Annual Report disclose the number of Nominating Committee meetings held?	Y	<p>Remarks: The Annual Report disclosed that the Nomination & Governance Committee met once in 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 19</p>
E.11.6	Did the Nominating Committee meet at least twice during the year?	Y	<p>Remarks: The Annual Report disclosed that the Nomination & Governance Committee met once in 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 20</p>

			REMARKS
E	Responsibilities of the Board		
E.11.7	Is the attendance of members at Nominating Committee meetings disclosed?	Y	<p>Remarks: The Annual Report disclosed that the Nomination & Governance Committee met once in 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 20</p>
E.12	Board Appointments and Re-Election		
E.12.1	Does the company disclose the <u>criteria used in selecting</u> new directors/commissioners?	Y	<p>Remarks: The Manual of Corporate Governance explicitly provides the qualifications and disqualifications (permanent and temporary) which the Board should use in selecting new directors.</p> <p>Source Document: Manual of Corporate Governance, p. 5</p>
E.12.2	Does the company disclose the <u>process followed in appointing</u> new directors/commissioners?	Y	<p>Remarks: The Company has disclosed in the Website and in the Annual Report the process followed in appointing and electing new directors.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 16 • Nomination Committee Charter
E.12.3	Are all the directors/commissioners subject to re-election at least once every three years?	Y	<p>Remarks: All the directors have been subjected to re-election at least once every three (3) years.</p> <p>Source Document: Annual Report</p>
E.13	CEO/Executive Management Appointments and Performance		
E.13.1	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	N	<p>Remarks: The Company currently does not disclose how the board of directors plan for the succession of the CEO & President and key management.</p> <p>Source Document:</p>

			REMARKS
E	Responsibilities of the Board		
E.13.2	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Y	<p>Remarks: The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, and the Board-sanctioned Committees.</p> <p>Source Document: Annual Report, p. 16</p>

E.14	Board Appraisal		
E.14.1	Is an annual performance assessment conducted of the board of directors/commissioners?	Y	<p>Remarks: The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, and the Board-sanctioned Committees.</p> <p>Source Document: Annual Report, p. 16</p>
E.14.2	Does the company disclose the process followed in conducting the board assessment?	Y	<p>Remarks: The Company discloses the processes and criteria being followed in conducting the board assessment.</p> <p>Source Document: Annual Report, p. 16</p>
E.14.3	Does the company disclose the criteria used in the board assessment?	Y	<p>Remarks: The Company discloses the processes and criteria being followed in conducting the board assessment.</p> <p>Source Document: Annual Report, p. 16</p>

			REMARKS
E	Responsibilities of the Board		
E.15	Director Appraisal		
E.15.1	Is an annual performance assessment conducted of individual director/commissioner?	Y	<p>Remarks: The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees.</p> <p>Source Document: Annual Report, p. 16</p>
E.15.2	Does the company disclose the process followed in conducting the director/commissioner assessment?	Y	<p>Remarks: The Company discloses the processes and criteria being followed in conducting the assessment of the directors.</p> <p>Source Document: Annual Report, p. 16</p>
E.15.3	Does the company disclose the criteria used in the director/commissioner assessment?	Y	<p>Remarks: The Company discloses the processes and criteria being followed in conducting the assessment of the directors.</p> <p>Source Document: Annual Report, p. 16</p>
E.16	Committee Appraisal		
E.16.1	Is an annual performance assessment conducted of the board of directors/commissioners committees?	Y	<p>Remarks: The Company conducts an annual performance assessment of the President & CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees.</p> <p>Source Document: Annual Report, p. 16</p>

			REMARKS
E	Responsibilities of the Board		
E.17	Remuneration Committee/ Compensation Committee		
E.17.1	Does the company have a Remuneration Committee?	Y	<p>Remarks: Philam Life has a Compensation Committee composed of Mr. Edmund S.W. Tse as Chairman, Mr. Washington Z. Sycip and Mr. Gordon T. Watson.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 19 • Charter • Manual of Corporate Governance
E.17.2	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	N	<p>Remarks: Philam Life' s Remuneration Committee is composed of one (1) independent director and two (2) non-executive directors.</p> <p>Source Document:</p>
E.17.3	Is the chairman of the Remuneration Committee an independent director/commissioner?	N	<p>Remarks: Philam Life' s Remuneration Committee is chaired by Mr. Edmund S.W. Tse, a non-executive director.</p> <p>Source Document:</p>
E.17.4	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Y	<p>Remarks: The Board has approved the Compensation Committee Charter, which basically sets forth the duties and responsibilities of the Committee.</p> <p>Source Document: Charter/Website</p>
E.17.5	Does the Annual Report disclose the number of Remuneration Committee meetings held?	Y	<p>Remarks: The Annual Report disclosed that the Compensation Committee met once twice in 2012 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 20</p>

			REMARKS
E	Responsibilities of the Board		
E.17.6	Did the Remuneration Committee meet at least twice during the year?	Y	<p>Remarks: The Annual Report disclosed that the Compensation Committee met once in 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 20</p>
E.17.7	Is the attendance of members at Remuneration Committee meetings disclosed?	Y	<p>Remarks: The Annual Report disclosed that the Compensation Committee met once in 2013 with overall attendance rate of 100%.</p> <p>Source Document: Annual Report, p. 20</p>
E.18	Remuneration Matters		
E.18.1	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	N	<p>Remarks: The Company does not disclose its remuneration for its executive directors and CEO.</p> <p>Source Document: Annual Report</p>
E.18.2	Is there disclosure of the fee structure for non-executive directors/commissioners?	Y	<p>Remarks: The General Information Sheet discloses the fee structure for non-executive directors, which was approved in the Annual Stockholders Meeting.</p> <p>Source Document: General Information Sheet • Notice and Minutes of Annual Stockholders' Meeting</p>
E.18.3	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Y	<p>Remarks: During the last annual stockholders' meeting, the stockholders approved the remuneration of the directors.</p> <p>Source Document: • Annual Report, p.20 • Notice of Annual Stockholders' Meeting</p>

			REMARKS
E	Responsibilities of the Board		
E.18.4	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	Y	<p>Remarks: During the last annual stockholders' meeting, the stockholders approved the remuneration of the directors.</p> <p>Source Document: Minutes of the Stockholders' Meeting</p>
E.19	Audit Committee		
E.19.1	Does the company have an Audit Committee?	Y	<p>Remarks: Philam Life has an Audit Committee composed of Mr. Cesar A. Buenaventura as Chairman, Mr. Washington Z. Sycip and Mr. Francis G. Estrada.</p> <p>Source Document: Annual Report, p. 19</p>
E.19.2	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Y	<p>Remarks: Philam Life' s Audit Committee is composed entirely of non-executive directors, all of whom are independent directors.</p> <p>Source Document: Annual Report, p. 19</p>
E.19.3	Is the chairman of the Audit Committee an independent director/commissioner?	Y	<p>Remarks: Philam Life' s Audit Committee is chaired by Mr. Cesar A. Buenaventura, an independent director of the Company.</p> <p>Source Document: Annual Report, p. 19</p>
E.19.4	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Y	<p>Remarks: The Board has approved the Audit Committee Charter, which basically sets forth the duties and responsibilities of the Committee.</p> <p>Source Document: Charter/Website</p>

		REMARKS	
E	Responsibilities of the Board		
E.19.5	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Y	<p>Remarks: The Annual Report fully disclosed the profile and qualifications of the Audit Committee members.</p> <p>Source Document: Annual Report, p. 28-30</p>
E.19.6	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Y	<p>Remarks: All members of the Audit Committee have significant account qualification and experience. Mr. Sycip was in fact the Founder of SGV.</p> <p>Source Document: Annual Report, p. 30</p>
E.19.7	Does the Annual Report disclose the number of Audit Committee meetings held?	Y	<p>Remarks: The Annual Report disclosed that the Audit Committee met four (4) times in 2013 with overall attendance rate of 91.55%.</p> <p>Source Document: Annual Report, p.20</p>
E.19.8	Did the Audit Committee meet at least four times during the year?	Y	<p>Remarks: The Annual Report disclosed that the Audit Committee met four (4) times in 2013 with overall attendance rate of 91.55%.</p> <p>Source Document: Annual Report, p. 20</p>
E.19.9	Is the attendance of members at Audit Committee meetings disclosed?	Y	<p>Remarks: The Annual Report disclosed that the Audit Committee met four (4) times in 2013 with overall attendance rate of 91.55%.</p> <p>Source Document: Annual Report, p. 20</p>

			REMARKS
E	Responsibilities of the Board		
E.19.10	Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?	Y	<p>Remarks: The Audit Committee has the primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor. Every year, the Audit Committee endorses and recommends to the Board for approval the external auditor of the Company.</p> <p>Source Document: Charter/Website</p>

E.20	Internal Audit		
E.20.1	Does the company have a separate internal audit function?	Y	<p>Remarks: Philam Life has its own Internal Audit Department currently headed by Mr. Joseph De Dios.</p> <p>Source Document: Audit Committee Charter</p>
E.20.2	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Y	<p>Remarks: Philam Life's Head of Internal Audit is identified and appointed every organizational meeting of the Board.</p> <p>Source Document: General Information Sheet/ Website</p>
E.20.3	<u>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</u>	Y	<p>Remarks: The appointment and removal of Philam Life's Internal Auditor require the approval of the Audit Committee.</p> <p>Source Document: Charter/Website</p>

			REMARKS
E	Responsibilities of the Board		
E.21	Risk Oversight		
E.21.1	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	<p>Remarks: Philam Life discloses the internal control procedures in place. The Company has its own Risk Management Department, which oversees the risk management policies and systems of the Company.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • Annual Report, p. 9 • Risk Management Charter/Website
E.21.2	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Y	<p>Remarks: The Annual Report discloses that the Board of Directors has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p> <p>Source Document: Annual Report, p. 9</p>
E.21.3	Does the company disclose how key risks are managed?	Y	<p>Remarks: The Company has a Risk Management Charter which basically sets forth the process of identifying and managing the identified risks of the Company.</p> <p>Source Document: Board Risk Charter</p>