

<b>COMPANY: The Philippine American Life and General Insurance (Philam Life) Company</b>	
<b>SECTOR: Insurance</b>	
<b>FINANCIAL YEAR END: 31 December 2015</b>	
<b>COMPANY STRUCTURE: Class 2</b>	
<b>Penalty</b>	
<b>A. Rights of shareholders</b>	
<b>A.1 Basic shareholder rights</b>	
A.1.1(P) Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	Answer: No. Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13)
<b>A.2 Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.</b>	
A.2.1(P) Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	Answer: No. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance
<b>A.3 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.</b>	
A.3.1(P) Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	Answer: No. The Annual Stockholders' meeting only discussed those items included in the Notice and Agenda. There were no additional and unannounced items in the agenda. Source: <a href="#">Notice Agenda of the Annual Stockholders Meeting</a> <a href="#">Minutes of the Annual Stockholders' Meeting</a>
<b>A.4 Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.</b>	
Did the company fail to disclose the existence of:	
A.4.1(P) Shareholders agreement?	Answer: No. There was no shareholder agreement executed in 2015 that enabled the other shareholder to obtain certain degree of control disproportionate to its equity ownership.
A.4.2(P) Voting cap?	Answer: No. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance

A.4.3(P) Multiple voting rights?	Answer: No. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance
<b>A.5 Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.</b>	
A.5.1(P) Is a pyramid ownership structure and/ or cross holding structure apparent?	Answer: No. Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13)
<b>B. Equitable treatment of shareholders</b>	
<b>B.1 Insider trading and abusive self-dealing should be prohibited.</b>	
B.1.1(P) Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?	Answer: No. There was no conviction of insider trading involving directors/commissioners, management and employees in the past years.
<b>B.2 Protecting minority shareholders from abusive action</b>	
B.2.1(P) Has there been any cases of non compliance with the laws, rules and regulations pertaining to significant or material related party transactions in the past three years?	Answer: No. There were no cases of non-compliance with laws, rules and regulations pertaining to significant or material related party transactions in the past three years.
<b>C. Role of stakeholders</b>	
<b>C.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected.</b>	
C.1.1(P) Has there been any violations of any laws pertaining to labor/employment/ consumer/insolvency/ commercial/competition or environmental issues?	Answer: No. The Company did not commit violations of any laws pertaining to labor/employment/consumer/insolvency/commercial/ competition or environmental issues.
<b>C.2 Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.</b>	
C.2.1(P) Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	Answer: No. The Company has not faced any sanctions by regulators for failure to make announcement within the requisite period for material events.
<b>D. Disclosure and transparency</b>	
<b>D.1 Sanctions from regulator on financial reports</b>	
D.1.1(P) Did the company receive a "qualified opinion" in its external audit report?	Answer: No. The Company received a clean and an unqualified opinion of its External Audit Report. Source: <a href="#">Secretary's Certificate on the Approval of the Audited Financial Statement</a> <a href="#">Minutes of the Annual Stockholders Meeting held on 28 April 2016</a>

D.1.2(P) Did the company receive a "adverse opinion" in its external audit report?	Answer: No. The Company received a clean and an unqualified opinion of its External Audit Report. Source: <a href="#">Secretary's Certificate on the Approval of the Audited Financial Statement</a> <a href="#">Minutes of the Annual Stockholders Meeting held on 28 April 2016</a>
D.1.3(P) Did the company receive a "disclaimer opinion" in its external audit report?	Answer: No. The Company received a clean and an unqualified opinion of its External Audit Report. Source: <a href="#">Secretary's Certificate on the Approval of the Audited Financial Statement</a> <a href="#">Minutes of the Annual Stockholders Meeting held on 28 April 2016</a>
D.1.4(P) Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	Answer: No. For the past year, the Company has not revised its financial statements for reasons other than changes in accounting policies. Source: <a href="#">Secretary's Certificate on the Approval of the Audited Financial Statement</a>
<b>E. Responsibilities of the Board</b>	
<b>E.1 Compliance with listing rules, regulations and applicable laws</b>	
E.1.1(P) Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	Answer: No. Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13)
E.1.2(P) Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?	Answer: No. Based on records. There were no instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns.
E.1.3(P) Have there been major corporate scandals that point to weak board of directors/commissioners oversight?	Answer: No. There were no major corporate scandals that point to weak board of directors oversight.
<b>E.2 Board A</b>	
<u>E2.1(P) Does the Company have any independent directors/commissioners who have served for more than nine years?</u>	Answer: Yes (1 Director). Mr. Francis Estrada served as independent director of the Company for more than nine (9) years since April 2006. Source: <a href="#">Annual Report, page 21 - List of Stockholders (Date of First Appointment)</a>

<p><u>E2.2(P) Did the company fail to provide justification and obtain shareholder's approval for retaining the independent director(s)/commissioner(s) beyond nine years?</u></p>	<p>Answer: No. Due to their significant qualifications, experience and expertise, the shareholders elected and re-elected the above persons an Independent Director of the Company.</p>
<p><u>E2.3(P) Did the company fail to disclose the date of first appointment of each independent director(s)/commissioner(s)?</u></p>	<p>Answer: No. The dates of first appointment of the Independent directors are disclosed in the Annual Report of the Company Source: Annual Report, page 18 - List of Stockholders (Date of First Appointment)</p>
<p><u>E2.4(P) Did the company fail to disclose the identity of the independent director(s)/commissioner(s)?</u></p>	<p>Answer: No. The identity of the independent auditors are disclosed in the Annual Report of the Company. Source: Annual Report, pages 22 to 25 - Board of Directors Profile <a href="#">Notice of Annual Stockholders Meeting w/ Profile of the Board of Directors</a></p>
<p><b>E.3 External Audit</b></p>	
<p>E.3.1(P) Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?</p>	<p>Answer: No. No director or senior management was a former employee or partner of the current external auditor in the past 2 years. Source: <a href="#">Minutes of the Annual Stockholders Meeting held on 28 April 2016</a> <a href="#">Notice Agenda of the Annual Stockholders Meeting</a></p>