

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

E. Responsibilities of the Board

E.1	Board Duties and Responsibilities	Y/N	Reference/Source document
	<i>Clearly defined board responsibilities and corporate governance policy</i>		
E.1.1	Does the company disclose its corporate governance policy / board charter?	Y	<p>Philam Life confirms its full compliance with the Securities and Exchange Commission's and the Insurance Commission's Code of Corporate Governance. Philam Life's commitment to the highest standards of corporate governance is rooted in the belief that culture of integrity and transparency is essential to the consistent achievement of its common goals. Creating a sustainable culture, where trust and accountability are vital as skill and wisdom, steers us towards achieving long-term value for the shareholders, clients and all other stakeholders, and strengthens our confidence in the institution.</p> <p>Recognizing its responsibility to provide effective corporate governance oversight of its affairs, the Philam Life Board has adopted corporate governance policies and guidelines to assist the Board in the discharge of its duties and responsibilities. The policies and guidelines are contained in the Company's Manual of Corporate Governance, and is made available on the Company's website. Some of the policies are likewise disclosed in the 2016 Annual Report.</p> <p>Source Document: Manual of Corporate Governance</p>
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	Y	<p>All matters requiring approval of the Board, in addition to those specifically provided for by the Corporation Code of the Philippines, are clearly set forth in the Company's By-Laws and the Manual of Corporate Governance. Among those matters submitted to the Board for its approval on an annual/regular basis are the President's Annual Report, the Audited Financial Statements, the Annual Budget, Policyholder Dividends (if appropriate), cash dividends (if any), investments policies and standards, related party transactions, etc.</p>

			<p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Articles of Incorporation (AOI) ▪ By-Laws ▪ Manual of Corporate Governance ▪ Notice Agenda of the Annual Stockholders Meeting
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	Y	<p>Article III, Section 3 of the Company By-Laws clearly sets forth the powers of the Board of Directors. The Manual of Corporate Governance, on the other hand, specifically enumerates the duties and responsibilities of the Board of Directors of Philam Life. These include, among others, the duties to review and approve the strategic and business plans, including the operating and capital plans of the Company; to oversee the conduct of Philam Life's business to ensure that it 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 various risks of the Company; approve corporate policies in core areas of operations, specially underwriting, investments, reinsurance and claims management; review the adequacy and integrity of Philam Life's internal control systems and management information systems, etc.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ By-Laws, Article III, Section 3, pages 3 to 4 ▪ Manual of Corporate Governance, pages 1 to 2 ▪ 2017 Annual Report, page 35 - ROLES AND RESPONSIBILITIES OF THE BOARD
	<i>Corporate Vision/Mission</i>		
E.1.4	Does the company have a vision and mission statement?	Y	<p>Our VISION: <i>We are the undisputed leader in life insurance and wealth management.</i></p> <p>Our MISSION: <i>To have a Philam Life policy in every Filipino family.</i></p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Company Website: www.philamlife.com ▪ 2017 Annual Report, page 6

E.1.5	Has the board review the vision and mission/strategy in the last financial year?	Y	<p>As part of its duties and responsibilities spelled out in the Manual of Corporate Governance, the Board of Directors periodically reviews and approves the vision and mission of the Company. The Board has the responsibility to review and approve the strategic and business plans of the Company, including its operating and capital plans. The Board regularly monitors and oversees the implementation of the Company's strategies. During the quarterly meetings of the Board, management presents to the Board the strategies, and initiatives and action plans of the Company, and whether said strategies, initiatives and action plans have been duly implemented.</p> <p>During the stockholders meeting of Philam Life held on 24 April 2018, Management presented – and the stockholders thereafter approved - the Company's Vision and Mission for 2018.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Manual of Corporate Governance, pages 1 to 2 – Roles and Responsibilities of the Board of Directors ▪ Minutes of the Annual Stockholders Meeting dated 24 April 2017 ▪ 2017 Annual Report, page 35 – ROLE AND RESPONSIBILITIES OF THE BOARD
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	Y	<p>As part of its duties and responsibilities spelled out in the Manual of Corporate Governance, the Board of Directors monitor/oversee the Company's strategy. The Board has the responsibility to review and approved the strategic and business plans of the Company, including its operating and capital plans. The Board regularly monitors and oversees the implementation of the Company's strategies. During the quarterly meetings of the Board, management presents to the Board the strategies, and initiatives and action plans of the Company, and whether said strategies, initiatives and action plans have been duly implemented.</p> <p>Source Documents:</p> <p>Manual of Corporate Governance, pages 1 to 2 – Roles and Responsibilities of the Board of Directors</p>
E.2	Board structure		
	<i>Code of Ethics or Conduct</i>		

E.2.1	Are the details of the code of ethics or conduct disclosed?	Y	<p>In Philam Life, ethics is at the core of its operating philosophy of “Doing the right thing, the right way, with the right people, and the right results will come”. We thrive and strive as an organization to embody ethics in the workplace. We study repercussions for decisions made and actions taken that allow us to hold our head high when we face critical situations.</p> <p>The AIA Code of Conduct sets out the Company's commitment to its operating philosophy and the ethical guidelines for conducting business. The standards set forth in the Code apply not only to the directors, senior management, and employees but to the business partners including agents, contractors, subcontractors, suppliers, distribution partners, and those who act on behalf of AIA and Philam Life.</p> <p>The AIA Code of Conduct is made available on the Company Website and the 2017 Annual Report.</p> <p>To ensure that all employees are aware of the provisions of the Code, an annual re-certification program is conducted whereby all employees confirm their knowledge and understanding about the rules and guidelines written in the code.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ AIA Code of Conduct ▪ 2017 Annual Report, page 44 - OPERATING PHILOSOPHY, AIA Code of Conduct
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Y	<p>The Company, its directors, senior management, officers and employees are mandated and required to comply with the AIA Code of Conduct. The Code specifies the standards of behaviour which every AIA employee, and stakeholders are expected to adhere. It applies to all AIA officers and employees, business partners, including agents, contractors, subcontractors, suppliers, distribution partners and other who act on behalf of AIA. To ensure that all Philam Life employees are aware of the provisions of the Code, an annual certification program is conducted whereby all employees confirm their knowledge and understanding about the rules and guidelines written in the Code. At the same time, it is company policy that all new hires attend the New Employees Orientation Program (NEOP) wherein Company and all other relevant compliance policies including the AIA Code Conduct are discussed. This program is offered on a monthly basis and is conducted either by the HR Training Department or Compliance.</p>

			<p>To ensure that all employees are aware of the provisions of the Code, an annual re-certification program is conducted whereby all employees confirm their knowledge and understanding about the rules and guidelines written in the code.</p> <p>Source Document: 2017 Annual Report, page 44 - AIA CODE OF CONDUCT</p>
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	<p>It is the Company's policy that all new hires are required to undergo the New Employees Orientation Program (NEOP), wherein Company and all other relevant compliance policies, including the AIA Code Conduct, are discussed. All new employees are thereafter required to certify that they have read and understood the AIA Code of Conduct, to ensure compliance with its provisions. The orientation program is offered on a monthly basis and is conducted either by the HR Training Department or Compliance.</p> <p>In addition, the Company conducts and requires a Code of Conduct - Annual Certification Program. To ensure that all Philam Life employees are aware of the provisions of the Code, an Annual Certification Program is conducted whereby all employees confirm their knowledge and understanding about the rules and guidelines written in the Code. The Program also requires all employees to certify, on an annual basis, their compliance to the Code of Conduct.</p> <p>Source Document: 2017 Annual Report, page 44 - CODE OF CONDUCT – ANNUAL CERTIFICATION PROGRAM</p>
	<i>Board Structure & Composition</i>		
E.2.4	Do independent directors/commissioners make up at least 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 director. 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.2.5	Are the independent directors/commissioners independent of management and major/substantial shareholders?	Y	<p>The four (4) independent directors of the Board possess all the necessary requirements of an independent director, as provided by the law, the regulators, and the Manual of Corporate Governance, and are absolutely independent of management and major shareholder of Philam Life. All four of them have not been officers/employees of Philam Life, its subsidiaries and affiliates, nor are they related in any manner with any director, officer or majority shareholder of Philam Life; they are also free from any business or other relationships with the company or any of its major stockholders.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> • Manual of Corporate Governance, pages 5-6, Qualifications, B. Independent Directors2017 • Annual Report, page 35. Board Independence
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?	Y	<p>The Company adheres to Securities and Exchange Commission (SEC) Memorandum Circular No. 4 dated 10 March 2017, which provides that a company's independent director shall serve for a maximum cumulative term of nine (9) years (from 2012), after which he shall be perpetually barred from re-election as such in the same company, but may continue to qualify as a non-independent director, unless meritorious justification is provided by the Board, which is approved by the shareholders during the annual shareholders' meeting.</p> <p>Source Document:</p> <ul style="list-style-type: none"> • 2017 Annual Report, page 53 - List of Stockholders, Date of First Appointment • Secretary's Certificate
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	Y	<p>Under the Manual of Corporate Governance of the Company, the optimum number of directorships shall be generally related to the capacity of a director in performing his duties diligently. The CEO and other executive directors, however, shall submit themselves to a low indicative limit of FOUR (4) or lower on membership in other corporate boards. The same low limit applies to independent non-executive directors who serve as full time executives in other corporations. There can be a higher indicative limit of FIVE (5) or lower for other directors who hold non-executive</p>

			<p>position in any corporation. In any case, the capacity of directors to serve with diligence shall not be compromised.</p> <p>Source Document: Manual of Corporate Governance, pages 2-3, Philam Life Board Balance and Independence, B. Multiple Board Seats</p>
E.2.8	Does the company have any independent directors/commissioners who serve on a total of more than five boards of publicly-listed companies?	N	<p>The Company currently has no independent directors who serve on more than five boards of publicly-listed companies. The profile of Philam Life's independent directors is disclosed in the 2016 Annual Report.</p> <p>Source Document: 2017 Annual Report, pages 37 to 38 - Board of Directors Profile</p>
E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	N	<p>Mr. Ariel G. Cantos, the only executive director in the Board, is not a director of any publicly listed companies. Mr. Cantos' profile is disclosed in the 2017 Annual Report of the Company.</p> <p>Source Document: 2017 Annual Report, page 39 – Profile of Mr. Ariel G. Cantos</p>
	<i>Nominating Committee</i>		
E.2.10	Does the company have a Nominating Committee (NC)?	Y	<p>Philam Life has a Governance, Nomination & Compensation Committee whose primary responsibility is to assist the Board of Directors in carrying out its responsibilities relating to stewardship and governance. The Committee Charter sets forth the various authority and responsibilities of the Committee, which include among others: recommend to the Board various criteria for Board membership, taking into account the competencies and skills, expertise, composition and size the Board requires; identify and recommend to the Board individuals qualified to become Board members; consider questions of independence and possible conflicts of interest of members of the Board; recommend, on an annual basis, assignment to committees of the Board, including recommendations as to Committee Chairmen; oversee, on an annual basis, the evaluation of the Board and its committees to</p>

			<p>determine whether the Board, its members, and its committees are functioning effectively; and manage Board and committee succession planning.</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 Charter Composition
E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	N	<p>Under its Charter and the Manual of Corporate Governance, the members of the Governance, Nomination and Compensation Committee shall be appointed by the Board and shall consist of three (3) members of the Board, at least one (1) of whom shall be an independent non-executive Director, unless the Board should from time to time otherwise determine. The Committee is currently composed of the following: Mr. Jacky Chan (non-executive director), Mr. Ariel G. Cantos (executive director) and Ms. Doris Magsaysay-Ho (independent director).</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Governance, Nomination and Compensation Committee Charter ▪ Manual of Corporate Governance, page 4 – Nomination Committee ▪ 2017 Annual Report, page 35 – Governance, Nomination and Compensation Committee Composition
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	N	<p>Philam Life’s Governance, Compensation and Nomination Committee is chaired by Mr. Jacky Chan, who is a non-executive director.</p> <p>Source Document:</p> <p>2017 Annual Report, page 38 – Governance, Nomination and Compensation Committee Composition</p>
E.2.13	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Y	<p>In addition to the provisions set forth in the Manual of Corporate Governance, the Board has approved the Governance, Nomination & Compensation Committee Charter, which provides the structure, authority and responsibilities, and procedures and administration of the Committee. The Manual of Corporate Governance and the</p>

			<p>Governance, Nomination and Compensation Committee Charter are made available on the Company website.</p> <p>Source Document: Governance, Nomination and Compensation Committee Charter</p>
E.2.14	Did the Nominating Committee meet at least twice during the year?	Y	<p>In accordance with the Committee Charter, which requires the Committee to meet at least twice a year or as often as it deems necessary, the Committee has met five (5) times in 2017. The meetings were held on 17 March 2017; 12 April 2017; 02 May 2017; 24 May 2017 and 21 June 2017.</p> <p>Source Document: 2017 Annual Report, page 36 – Governance, Nomination and Compensation Committee Meetings held and attended for the year 2017</p>
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	Y	<p>The attendance of the members at the Governance, Nomination and Compensation Committee meetings was sufficiently disclosed in the 2017 Annual Report. In 2017, the Governance, Nomination and Compensation Committee met five (5) times, with an overall attendance rate of 75%.</p> <p>Source Document: 2017 Annual Report, page 36 - Governance, Nomination and Compensation Committee Meetings held and attended for the year 2017</p>
	<i>Remuneration Committee/ Compensation Committee</i>		
E.2.16	Does the company have a Remuneration Committee?	Y	<p>Philam Life has a Governance, Nomination and Compensation Committee whose primary responsibility is to assist the Board of Directors in carrying out its responsibilities relating to executive and director compensation.</p> <p>The Committee Charter sets forth the various authority and responsibilities of the Committee, which include among others, recommending to the Board of Directors the form and amount of compensation to be paid by the Company to directors for</p>

			<p>services on the Board and Board Committee; reviewing the Company's base compensation structure and incentive compensation programs, and recommending changes in or additions to such structure and plans to the Board as needed; and recommending to the Board of Directors the annual bases compensation of the Company's executive officers and senior managers.</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.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	N	<p>Under its Charter and the Manual of Corporate Governance, the members of the Governance, Nomination and Compensation Committee shall be appointed by the Board and shall consist of three (3) members of the Board, at least one (1) of whom shall be an independent non-executive Director, unless the Board should from time to time otherwise determine. The Committee is currently composed of the following: Mr. Jacky Chan (non-executive director), Mr. Ariel G. Cantos (executive director) and Ms. Doris Magsaysay-Ho (independent director).</p> <p>Source Document: 2017 Annual Report, page 38 – Governance, Nomination and Compensation Committee Composition</p>
E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	N	<p>Philam Life's Governance, Nomination and Compensation Committee is chaired by Mr. Jacky Chan who is a non-executive director.</p> <p>Source Document: 2017 Annual Report, page 35 – Governance, Nomination and Compensation Committee Composition</p>
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Y	<p>In addition to the provisions set forth in the Manual of Corporate Governance, the Board has approved the Governance, Nomination, and Compensation Committee Charter, which provides the structure, authority and responsibilities, and procedures</p>

			<p>and administration of the Committee. The Manual of Corporate Governance and the Committee Charter are made available on the Company website.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Governance, Nomination and Compensation Committee Charter ▪ Manual of Corporate Governance, pages 4 to 5
E.2.20	Did the Remuneration Committee meet at least twice during the year?	N	<p>In accordance with the Committee Charter, which requires the Committee to meet at least twice a year or as often as it deems necessary, the Committee has met five (5) times in 2017. The meetings were held on 17 March 2017; 12 April 2017; 02 May 2017; 24 May 2017 and 21 June 2017.</p> <p>Source Document: 2017 Annual Report, page 33 – Governance, Nomination and Compensation Committee Meetings held and attended for the year 2017</p>
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	Y	<p>The attendance of the members at the Nomination and Governance Committee meetings was sufficiently disclosed in the 2017 Annual Report. In 2017, the Nomination and Governance Committee met five (5) times, with an overall attendance rate of 75%.</p> <p>Source Document: 2017 Annual Report, page 36 - Nomination and Governance Committee Meetings held and attended for the year 2017</p>
	Audit Committee		
E.2.22	Does the company have an Audit Committee?	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13).</p> <p>The Audit and RPT Committee is an independent Committee formed by the Board of Directors to assist the Board in the performance of its duties and responsibilities specifically in ensuring that governance, internal controls, and risk management systems of the organisation are in place. In addition to the responsibilities set forth in the Manual of</p>

			<p>Corporate Governance of the Company, the Audit and RPT Committee Charter also enumerates the composition, authorities and responsibilities, and frequency of meetings of the Audit Committee.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Audit and RPT Committee Charter ▪ 2017 Annual Report, page 38 - Audit and RPT Committee Composition
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Y	<p>Philam Life’s Audit and RPT Committee is composed entirely of independent directors. The Audit and RPT Committee is composed of Mr. Antonino T. Aquino (Chairman), Mr. Joaquin E. Quintos IV, and Mr. Francis G. Estrada, all of whom are independent directors.</p> <p>Source Document: 2017 Annual Report, page 38 - Audit and RPT Committee Composition</p>
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13).</p> <p>Philam Life’s Audit and RPT Committee is chaired by Mr. Antonino T. Aquino, who's an independent director of the Company.</p> <p>Source Document: 2017 Annual Report, page 38 – Audit and RPT Committee Composition</p>
E.2.25	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Y	<p>The Audit and RPT Committee has adopted a formal terms of reference, the Audit and RPT Committee Charter, to detail its responsibility for oversight of the organisation's corporate governance process. The Committee, while exercising its oversight role, relies on the expertise of management and works with the Internal and External Auditors to ensure the integrity of the financial statements and the continuous review of the organisation's governance process, risk management and</p>

			<p>internal controls. The Audit and RPT Committee Charter is made available on the Company website.</p> <p>Source Document: Audit and RPT Committee Charter</p>
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Y	<p>The profile and qualifications of the three (3) members of the Audit and RPT Committee of Philam Life are fully disclosed in the 2017 Annual Report.</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 – Profile of Directors</p>
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Y	<p>The Manual of Corporate Governance states that the committee shall be comprised of independent board members, preferably with accounting and finance experiences. All independent directors, which have vast business management and directorship experience, have also gained the necessary experience to sit as members of the Audit and RPT Committee.</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 – Profile of Directors</p>
E.2.28	Did the Audit Committee meet at least four times during the year?	Y	<p>In accordance with the Audit and RPT Committee Charter, which requires the Committee to meet at least every quarter or more frequently as the circumstances require, the Audit Committee of Philam Life has met four (4) times in 2017. The meetings were held on 23 January 2017; 25 April 2017; 27 June 2017 and 10 October 2017.</p> <p>Source Document: 2017 Annual Report, page 36 - Meetings held and attended for the year 2017</p>
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	Y	<p>The attendance of the members at the Audit and RPT Committee meetings was sufficiently disclosed in the 2017 Annual Report. In 2017, the Audit Committee met four (4) times, which were attended by all its members, for an overall attendance rate of 100%.</p>

			<p>Source Document: 2017 Annual Report, page 36 - Meetings held and attended for the year 2017</p>
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Y	<p>The Audit Committee has the primary responsibility to recommend the appointment, re-appointment or removal of the external auditor. During its 26 April 2017 meeting, the Audit Committee endorsed and recommended to the Board for its approval the reappointment of Isla Lipana & Co./PriceWaterhouseCoopers as the External Auditor of Philam Life for 2017.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Audit and RPT Committee Charter ▪ Manual of Corporate Governance, pages 3 to 4 - Audit Committee ▪ Minutes of the Annual Stockholders' meeting dated 26 April 2017, page 6
E.3	Board Processes		
	<i>Board meetings and attendance</i>		
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Y	<p>Before the start of the financial year, the Corporate Secretary advises the members of the Board of the schedules of their meetings, which may change subject to their availability and other reasonable circumstances. Board meetings are regularly set on a quarterly basis, while special meetings are called by the Chief Executive Officer, or as provided in the Company-By-Laws.</p> <p>Five (5) days prior to the scheduled meetings, the Corporate Secretary sends to the members of the Board their respective meeting packs, which would contain among others the Board and Committee meeting minutes, the management report and financial highlights, and other items the need action and approval of the Board.</p> <p>Source Document: 2017 Annual Report, page 36 – BOARD MEETINGS IN 2017</p>
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	Y	<p>The Board of Directors met for a total of seven (7) times in 2017. The meetings were held on:</p>

			<p>23 January 2017 11 April 2017 26 April 2017 (Outgoing Board) 26 April 2017 (Organizational) 25 May 2017 29 June 2017 10 October 2017</p> <p>Source Document: 2017 Annual Report, page 36 - Meeting held and attended for the year 2017</p>
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Y	<p>Each member of the Board attended at least 75% of all the board meetings held in 2017.</p> <p>The following directors attended all the Board meetings held in 2017, for an overall attendance rate of 100%:</p> <ol style="list-style-type: none"> 1) Mr. Antonino T. Aquino – 7 of 7 meetings (100%) 2) Mr. Ariel G. Cantos - 7 of 7 meetings (100%) 3) Mr. Francis G. Estrada – 7 of 7 meetings (100%) 4) Mr. Joaquin E. Quintos – 7 of 7 meetings (100%) <p>Ms. Doris Magsaysay-Ho attended 6 of the 7 meetings of the Board, for an overall attendance rate of 85.71%.</p> <p>Mr. Jacky Chan, who was elected only on 01 June 2017, has attended two (2) meetings of the Board, for an overall attendance rate of 100%.</p> <p>Mr. Paul Lloyd, who was elected only on 29 June 2017, attended his only meeting as member of the Board on 10 October 2017, for an overall attendance rate of 100%.</p> <p>Source Document: 2017 Annual Report, page 36 - Meeting held and attended for the year 2017</p>

E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Y	<p>While the Company By-Laws only requires the affirmative votes of the majority of the directors present to decide on a matter, the Board as a matter of practice has been voting at least 2/3 or unanimously in approving board resolutions and decisions.</p> <p>Source Document: By-Laws, Article II, Section 6. Quorum, pages 2 to 3</p>
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	Y	<p>In addition to the regular meetings of the Board, the directors also engage in informal meetings on a quarterly basis to further discuss issues and strategies. Non-executive directors also find time to meet separately to discuss the business affairs of the Corporation. Independent directors likewise regularly meet with management, the internal auditors, and the external auditors, separately. In 2017, the non-executive and independent directors, separate from management, met at least twice a year to discuss various business matters relating to the Company, and ensure that proper checks and balances are in place within the organisation.</p> <p>Source Document: 2017 Annual Report, page 35 – BOARD PROCESS</p>
	<i>Access to information</i>		
E.3.6	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>In order for the directors have ample time to go over and review the documents to be presented in the meeting, five (5) days prior to the scheduled meetings, the Corporate Secretary sends to the members of the Board, through email and Board Pad, their respective meeting packs which would contain among others the Board and Committee meeting minutes, the management report and financial highlights, and other items the need action and approval of the Board. In 2015, Philam Life has implemented the use of BoardPad - a paperless solution for distributing meeting materials to the Board and Board Committee.</p> <p>Source Documents: 2017 Annual Report, page 35 – BOARD PROCESS</p>

E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Y	<p>The Company Secretary is primarily responsible to the Corporation and its shareholders, but likewise plays a very significant role in supporting the Board in discharging its responsibilities. Under Article IV Section 8 of the Company By-Laws, the Corporate Secretary has the responsibility to attend all meetings of the stockholders and Board of Directors, and to record the minutes of all proceedings in the minutes book; she shall perform like duties for any Committee of the Board when required. The Corporate Secretary shall also cause to be given notice of all meetings of the directors and stockholders, and shall perform such other duties as pertaining to her office.</p> <p>Source Document: By-Laws, Article IV, Section 8, page 7</p>
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	Y	<p>Atty. Carla J. Domingo is currently the Chief Legal Officer and Corporate Secretary of Philam Life. She joined Philam Life in 1998 as Corporate Legal Officer under the Office of the Corporate Secretary. In 1997, she was appointed Asst. Corporate Secretary of the Company and its affiliates and subsidiaries. Eleven year after or in 2008, Atty. Domingo was promoted and appointed Corporate Secretary of Philam Life, its affiliates and subsidiaries. As part of her developmental plan, she was also seconded as the Deputy Company Secretary of the AIA Group Company Limited in Hong Kong from 2014 to 2015. With more than 20 years of corporate secretarial service experience in Philam Life, as well as in AIA, she has definitely acquired significant trainings and experiences to efficiently and competently perform her duties and responsibilities as Philam Life's Corporate Secretary. Atty. Domingo was a graduate of the University of the East, with a Bachelor of Arts Degree Major in Political Science, where she graduated Magna Cum Laude. She took her Bachelor of Laws Degree in San Beda, College of Law. Atty. Domingo is a member of the Integrated Bar of the Philippines, and a Fellow of the Institute of Corporate Directors (ICD).</p> <p>Source Document: 2017 Annual Report, page 42 – BOARD SUPPORT, Profile of Carla J. Domingo</p>
Board Appointments and Re-Election			

E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Y	<p>The Manual of Corporate Governance explicitly provides the criteria which the Board should use in selecting new directors. Formal, rigorous, and transparent procedures were set for the selection and appointment of the Company's new directors of the Board.</p> <p>Under the Manual, the directors must possess all the necessary skills, competence, and experience, in terms of management capabilities; they shall preferably be in the field of insurance or insurance-related disciplines, and shall be persons of integrity and credibility. It is also required that each director shall be at least twenty-five (25) years of age at the time of his appointment, and must have attended a special seminar on Corporate Governance conducted by a training provider accredited by the Insurance Commission.</p> <p>For independent director, the Manual provides additional criteria, as follows: he shall be one who has not been an officer or employee of Philam Life, its subsidiaries or affiliates or related interest for at least (3) three years immediately preceding his term or incumbency; he shall not be related within the fourth degree of consanguinity or affinity, legitimate or common-law of any director, officer, or majority shareholder of the Company or any of its related companies; he should not be a director or officer of the related companies of Philam Life majority shareholders; he shall not be a majority of shareholder of the Company, and of its related companies, or of its majority shareholder; he is not acting as nominee or representative of any director or substantial shareholder of Philam Life, any of its substantial shareholders; and he shall free from any business or other relationships with Philam Life or any of its major stockholders, which could material interfere with the exercise of his judgement.</p> <p>The Manual of Corporate Governance also provides for grounds for the permanent and temporary disqualification of a director.</p> <p>Source Document: Manual of Corporate Governance, pages 5 to 8, Members of Philam Life Board of Directors (Qualifications & Disqualifications)</p>
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	Y	<p>The Manual of Corporate Governance spells out the Appointment Process for Philam Life Board of Directors. The Manual prescribes a formal, rigorous and transparent procedures for the selection and appointment of new directors of the Board. Appointments to Philam Life Board of Directors are made on merits and subject to</p>

			<p>objective criteria as set forth in the Manual. Careful deliberation and consideration is done to ensure that appointees have enough time for the job. The Board also ensures that plans are in place for orderly succession to the Board and senior management to maintain a balance of appropriate skills and experiences within the Company.</p> <p>On the other hand, the Company uses a transparent procedure for the election of directors. The Governance, Nomination and Compensation Committee looks into the qualifications of directors and thereafter the Board deliberates on the recommendation of the Committee. At the stockholders meeting, the shareholders are duly informed by the Corporate Secretary of the qualified nominees and of the voting method and vote counting system. Each stockholder with voting privilege shall be entitled to cumulate his vote in the manner provided by law. After the election process, the Corporate Secretary shall count the votes and thereafter declare the duly elected members of the Board.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ 2017 Annual Report, page 35 – ELECTION OF DIRECTORS ▪ Manual of Corporate Governance, page 3 - Appointments to Philam Life Board of Directors
E.3.11	Are all the directors/commissioners subject to re-election at least once every three years?	Y	<p>Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance.</p> <p>Under the Manual of Corporate Governance, all Philam Life directors shall be subject to re-election at intervals of no more than three years. The names of directors submitted for re-election shall be accompanied by sufficient biographical details and any other relevant information to enable shareholders to have knowledge of their decision on their election.</p> <p>All the directors of Philam Life have been subjected to re-election once a year, except for Messrs. Jacky Chan and Paul Lloyd who were just elected as member of the Board on 01 June 2017 and 29 June 2017, respectively.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Minutes of the Annual Meeting of the Stockholders held on 26 April 2017, page 5

			<ul style="list-style-type: none"> ▪ Minutes of the Annual Meeting of the Stockholders held on 24 April 2018, page 5
	Remuneration Matters		
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	N	The company does not disclose its remuneration for its executive directors and CEO.
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	Y	<p>Since the non-executive directors of Philam Life are executives of the parent company, they do not receive any compensation or remuneration from Philam Life.</p> <p>Source Documents: Secretary's Certificate</p>
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Y	<p>Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance.</p> <p>The company's Manual of Corporate Governance states that Compensation/Remuneration Committee shall assist the Board of Directors in carrying out its responsibilities relating to executive and director compensation. In furtherance of this purpose, the Committee shall have the following responsibilities and authority:</p> <ul style="list-style-type: none"> • Philamlife Compensation or Remuneration Committee is composed of at least three (3) members, one of whom is an independent director. • It shall judge or make plans where to position the company relative to other companies. But such comparisons shall be used with caution in view of the risk of an upward ratchet of the level of remuneration with no corresponding improvement in performance. • It shall delegate responsibilities for setting up remuneration for all executive directors and chairman, including pension rights or any compensation payments,

			<ul style="list-style-type: none"> It shall also recommend and monitor the level and structure of salaries including remunerations for senior management. The definition of senior management for this purpose shall be determined by Philamlife Board of Directors but would normally include first level management below Board level. <p>Source Document: Manual of Corporate Governance, C. Remuneration Committee, pages 4 to 5</p>
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	Y	<p>During the last annual stockholders' meeting, the stockholders approved the annual bonus of the independent directors for 2018. Independent Non-Executive Directors do not receive options or performance shares.</p> <p>Source Document:</p> <ul style="list-style-type: none"> Minutes of the Annual Meeting of the Stockholders held on 24 April 2018, page 6 General Information Sheet, page 7
	Internal Audit		
E.3.16	Does the company have a separate internal audit function?	Y	<p>Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance.</p> <p>Under the Manual of Corporate Governance, the Board of Directors is required to establish an Audit Committee and an Internal Audit Office. The same Manual requires the Audit Committee to setup an Internal Audit Department. Thus, by virtue of such mandate, the Group Internal Audit (GIA) was established. GIA's mission was to provide independent and objective assessment and reporting of the overall effectiveness of risk management, internal controls and governance processes across the Group. GIA adopts a risk-based audit plan which considers the significant risks affecting the strategies and key objectives of the Company. Philam GIA is directly overseen and supported by AIA Group Internal Audit, and functionally reports to the Audit Committee, while administratively reporting to the Chief Executive Officer.</p> <p>Source Documents: Manual of Corporate Governance, C. Audit Commitment and Auditors, page 12</p>

			2017 Annual Report, pages 50 to 51 – AUDIT COMMITTEE
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Y	<p>Ms. Shiela S. Alarcio was properly identified as the Head of Philam Life Group Internal Audit. Her appointment was made during the organizational meeting of the Board of Directors on 26 April 2017. The function is not outsourced to an external firm.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ 2017 Annual Report, pages 50 to 51 – AUDIT COMMITTEE ▪ 2017 General Information Sheet, page 3.2
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13).</p> <p>The Company’s Manual of Corporate Governance gives the Audit Committee the authority to appoint the internal auditor. The Audit Committee Charter also provides the Committee the authority to recommend and appoint of the Internal Audit Head, and delegate is responsibilities on the appointment of other internal auditors.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Manual of Corporate Governance, pages 3 to 4 – Audit Committee ▪ Audit and RPT Committee Charter
	<i>Risk Oversight</i>		
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	<p>Philam Life follows a Risk Management Framework (RMF) which identifies, quantifies, and mitigates risk within the Company. This is key to avoiding significant financial and reputational damages that arise from inadequate or ineffective control of the risks in the business. At the heart of the Company’s RMF is a system for risk governance that oversees various aspects which is built around the Risk Working Committee (RWC). The RWC oversees and reviews both financial and operational risks, and ensures that appropriate risk policies are in place.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ 2017 Annual Report, pages 49 to 50 – ENTERPRISE RISK MANAGEMENT ▪ Risk Management Committee Charter

E.3.20	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>The Board Risk Committee was established by the Board since July 2011. The committee is responsible for reviewing the Company's material controls and risk management systems, and for oversight of the Company's risk management activities. It advises and assists the Board of Directors in reviewing and recommending the Risk Appetite, the Risk Management Statement, and the Risk Management Framework of Philam Life. In 2017, the Board Risk Committee met every quarter 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 49 to 50 – ENTERPRISE RISK MANAGEMENT</p>
E.3.21	Does the company disclose how key risks are managed?	Y	<p>The Company believes that sound risk management hinges on effective quantification of risks. To this end, risk metrics are used to identify our exposure to financial risks.</p> <p>The Committee manages its exposure to financial risk within tolerances agreed by the Risk Working Committee. As an internal control procedure, risk metrics, risk tolerances, and limits were set to monitor risk exposure and to ensure that the Company is operating within its Risk Appetite. It also manages financial risk by periodically running specific scenario-modelling exercises.</p> <p>Operational Risk, on the other hand, is managed by first breaking these down into 13 defined Key Operational Risks (KORs): Business Interruption risk, Distribution risk, Finance and Actuarial Process risk, Fraud and Financial Crimes risk, Information Security risk, Information Technology risk, Investment Process risk, Legal and Regulatory risk, Operations Process risk, People risk, Products Management risk, Project risk, and Third Party risk. Each KOR is measured using KRIs, with a first line owner for respective KORs. The RWC reviews these risks regularly including emerging risks and risk incidents.</p>

			<p>Risk incidents are also being reported whether it be a potential, actual, or near-miss event. Management makes sure that incidents are being escalated in order to determine the root cause and apply proper mitigation.</p> <p>The Risk and Control Assessment process identifies and assesses the impact of Operational risks. Here, Management considers possible or actual risk events, ascribes likelihood of occurrence and potential severity, and then agrees on mitigation strategies to reduce these risks. These strategies are then monitored and the exercise being repeated, with the results stored in an operational risk database.</p> <p>Source Document: 2017 Annual Report, pages 49 to 50 – ENTERPRISE RISK MANAGEMENT</p>
E.3.22	Does the Annual Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	Y	<p>For 2017, the Board of Directors, through its Board Risk and Audit Committees, has conducted a regular review of the Company's material controls (including operational, financial and compliance controls) and risk management systems. The Board Risk Committee, the Audit Committee, and the Board of Directors have declared their satisfaction and confidence on the Company's internal controls and risk management systems.</p> <p>Source Document: 2017 Annual Report, pages 49 to 50 – ENTERPRISE RISK MANAGEMENT</p>
E.4	People on the Board		
	Board Chairman		
E.4.1	Do different persons assume the roles of chairman and CEO?	Y	<p>For 2017, the Chairman of the Board was Mr. Jacky Chan, while the Chief Executive Officer was Mr. Ariel G. Cantos.</p> <p>Source Document: 2017 Annual Report, page 39 – Profile of Messrs. Chan and Cantos</p>
E.4.2	Is the chairman an independent director/commissioner?	N	<p>The Chairman of the Board, Mr. Jacky Chan, is a non-executive director of the Company.</p>

			<p>Source Document: 2017 Annual Report, page 39 – Profile of Mr. Jacky Chan</p>
E.4.3	Has the chairman been the company CEO in the last three years?	N	<p>Mr. Jacky Chan, Chairman of the Board, is not and has never been the Chief Executive Officer of Philam Life.</p> <p>Source Document: 2017 Annual Report, page 39 – Profile of Mr. Jacky Chan</p>
E.4.4	Are the role and responsibilities of the chairman disclosed?	Y	<p>The Company By-Laws discloses the role and responsibilities of the Chairman of the Board. As provided in Article IV Section 3 of the Company By-Laws, the Chairman of the Board, when present shall preside at all meetings of the Board of Directors and shall have such other powers and perform such duties as the Board of Directors may from time to time prescribe. He shall also be an ex-officio member of the special and standing committees of the Board. In addition to such other duties as may be prescribed by the Board of Directors, he shall preside at all meetings of the stockholders.</p> <p>Source Document: By-Laws, Article IV, Section 3, page 6</p>
	<i>Skills and Competencies</i>		
E.4.5	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	Y	<p>Philam Life currently has two (2) non-executive directors, Mr. Jacky Chan and Mr. Paul Lloyd, who have prior working experience in the insurance industry.</p> <p>Mr. Chan is Regional Chief Executive responsible for the Group's businesses operating in Hong Kong and Macau, Singapore and Brunei, Indonesia, the Philippines, and Cambodia as well as the Group Agency Distribution.</p> <p>Mr. Lloyd is the Chief Corporate Development Officer of AIA Group. He joined AIA from a career in investment banking, where he was a top-ranked equity research analyst working at Credit Suisse and prior to that at Goldman Sachs covering the insurance sector.</p> <p>Source Document: 2017 Annual Report, pages 39 and 40 – Profile of Messrs. Chan and Lloyd</p>

E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	Y	<p>Philam Life supports diversity in the Board of Directors. Under the Manual of Corporate Governance of the Policy, the Board is required to endeavour a balance composition of the Board.</p> <p>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.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Manual of Corporate Governance, page 2 - Board Composition ▪ 2017 Annual Report, page 42 – Profile of Ms. Doris Magsaysay Ho
E.5	Board Performance		
	<i>Directors Development</i>		
E.5.1	Does the company have orientation programmes for new directors/commissioners?	Y	<p>The Philam Life Corporate Secretary provides the orientation for the newly elected directors to explain the organizational profile, charters, by-laws, policies and procedures of the company. New directors are also given with a Board of Director’s Induction Kit, which contains the above information, together with the Manual of Corporate Governance, which contains the roles and responsibilities of the Board and various Committees. A corporate governance seminar is also arranged for each director to ensure adherence to best practices on corporate governance.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Directors’ Handbook ▪ 2017 Annual Report, pages 36 to 37 - ORIENTATION PROGRAMME AND TRAINING
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Y	<p>In addition to the Corporate Governance Seminar required by the Insurance Commission and the Company, the Board members are also encouraged to attend other trainings and professional programmes, and inform the Company on such attendance.</p> <p>Source Document:</p> <p>2017 Annual Report, page 36 to 37 - ORIENTATION PROGRAMME AND TRAINING</p>

	<i>CEO/Executive Management Appointments and Performance</i>		
E.5.3	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	Y	<p>Manual of Corporate Governance, the Board is required to come out with a Succession Plan for the orderly succession of the Board and the Senior Management in order to maintain a balance of appropriate skills and experiences in the Company.</p> <p>Under the Governance, Nomination and Compensation Committee Charter, it shall be the responsibility of the Committee to recommend succession plan for the members of the Board and senior officers. The Committee reviews and recommends the nominees for position of director and senior executives of the Company.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ Manual of Corporate Governance, page 34 – APPOINTMENTS TO PHILAM LIFE BOARD OF DIRECTORS ▪ Governance, Nomination and Compensation Committee Charter
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Y	<p>The Company has established a Board Performance Evaluation Survey, wherein on an annual basis, all members of the Board are given assessment questionnaires for the purpose of evaluating the performance and overall effectiveness of the Board, the Board Committees, the Chairman of the Board, the CEO, and the members of the Board. Every April of each year, the Board conducts the performance evaluation, and the results are collected and submitted to the Governance, Nomination and Compensation Committee. Said Committee will then submit the results to the Board for its notation.</p> <p>Source Document: 2017 Annual Report, page 37 – PERFORMANCE EVALUATION</p>
	<i>Board Appraisal</i>		
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	Y	<p>The Board has conducted the Annual Board Performance Evaluation Survey to evaluate the performance and overall effectiveness of the members of the Board. The Survey was participated by the members of the Board. The Survey was submitted to the Governance, Nomination and Compensation Committee, and duly noted by the Board.</p>

			<p>Source Document: 2017 Annual Report, page 37 – PERFORMANCE EVALUATION</p>
E.5.6	Does the company disclose the process followed in conducting the board assessment?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, the Board Committees, and the members of the Board based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; and the overall performance of the Chairman, the CEO, the Board, the various Board Committees, and the directors of the Company. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Documents: 2017 Annual Report, page 37 – PERFORMANCE EVALUATION</p>
E.5.7	Does the company disclose the criteria used in the board assessment?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, and the Board Committees based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the Board and the various Board Committees. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the</p>

			<p>Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Document: 2017 Annual Report, page 37 – PERFORMANCE EVALUATION</p>
	<i>Director Appraisal</i>		
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, the Board Committees, and the members of the Board, based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the Board, the various Board Committees and the directors of the Company. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Documents: 2017 Annual Report, page 37 - PERFORMANCE EVALUATION</p>
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, the Board Committees, and the members of the Board, based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working</p>

			<p>relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the Board, the various Board Committees, and the directors of the Company. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Documents: 2017 Annual Report, page 37 - PERFORMANCE EVALUATION</p>
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, and the Board Committees based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the Board, the various Board Committees, and the directors of the Company. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Documents: 2017 Annual Report, page 37 - PERFORMANCE EVALUATION</p>

	<i>Committee Appraisal</i>		
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	Y	<p>In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, the Board Committees, and the members of the Board based on the standards and criteria provided therein. Among the criteria set include but not limited to the following: the appropriateness of the Board’s composition; the director’s skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the Board, the various Board Committees, and the directors of the Company. In the Survey, the Board members are required to give the subject either an ‘excellent’; consistently good’; ‘adequate’; or ‘needs major improvement’ rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board. After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.</p> <p>Source Documents: 2017 Annual Report, page 37 - PERFORMANCE EVALUATION</p>