

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

A.	Rights of shareholders	Y/N	Reference/Source document
A.1	Basic shareholder rights		
A.1.1(P)	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	N/A	Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13)
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.		
A.2.1(P)	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	N	Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance
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.		
A.3.1(P)	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	N	<p>The Annual Stockholders' meeting only discussed those items included in the Notice and Agenda. There were no additional and unannounced items in the agenda.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ Notice Agenda of the Annual Stockholders Meeting ▪ Minutes of the Annual Stockholders' Meeting
A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control		

	disproportionate to their equity ownership should be disclosed.		
	<i>Did the company fail to disclose the existence of:</i>		
A.4.1(P)	Shareholders agreement?	N	There was no shareholder agreement executed in 2017 that enabled the other shareholder to obtain certain degree of control disproportionate to its equity ownership.
A.4.2(P)	Voting cap?	N	Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance
A.4.3(P)	Multiple voting rights?	N	Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13) Insurance.
A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.		
A.5.1(P)	Is a pyramid ownership structure and/ or cross holding structure apparent?	N	Not applicable item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13)
B.	Equitable treatment of shareholders		
B.1	Insider trading and abusive self-dealing should be prohibited.		
B.1.1(P)	Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?	N	There was no conviction of insider trading involving directors/commissioners, management and employees in the past years.
B.2	Protecting minority shareholders from abusive action		
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?	N	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.
C.	Role of stakeholders		

C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.		
C.1.1(P)	Have there been any violations of any laws pertaining to labour/employment/ consumer/insolvency/ commercial/competition or environmental issues?	N	The Company did not commit violations of any laws pertaining to labor/employment/consumer/insolvency/commercial/competition or environmental issues.
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.		
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?	N	The Company has not faced any sanctions by regulators for failure to make announcement within the requisite period for material events.
D.	Disclosure and transparency		
D.1	Sanctions from regulator on financial reports		
D.1.1(P)	Did the company receive a "qualified opinion" in its external audit report?	N	The Audit Committee concurred and accepted the conclusion of the External Auditors on the financial statements, and was satisfied that the financial statements were in compliance with Philippine Financial Reporting Standards as assessed by the External Auditors. Source Documents: 2017 Annual Report, page 51 – ENGAGEMENT WITH THE EXTERNAL AUDITORS
D.1.2(P)	Did the company receive an "adverse opinion" in its external audit report?	N	The Company received a clean and an unqualified opinion of its External Audit Report. Source Document: Minutes of the Annual Stockholders Meeting dated 24 April 2018, page 3
D.1.3(P)	Did the company receive a "disclaimer opinion" in its external audit report?	N	The Company received a clean and an unqualified opinion of its External Audit Report.

			<p>Source Document: Minutes of the Annual Stockholders Meeting dated 24 April 2018, page 3</p>
D.1.4(P)	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	N	<p>For the past year, the Company has not revised its financial statements for reasons other than changes in accounting policies.</p> <p>Source Document: Minutes of the Annual Stockholders Meeting dated 24 April 2018, pages 3 to 4</p>
E.	Responsibilities of the Board		
E.1	Compliance with listing rules, regulations and applicable laws		
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?	N	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?	N	Based on records. There were no instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns.
E.2	Board Appraisal		
E.2.1(P)	Does the Company have any independent directors/commissioners who have served for more than nine years or two terms (whichever is higher) in the same capacity?	N	In accordance with SEC Memorandum Circular No. 4 dated 09 March 2017 - which provides that the reckoning of the cumulative nine-year term is from 2012 - and Insurance Commission Circular Letter No. 2014-19 - which provides that the rule on term limits of the independent directors shall take effect on 02 January 2015 and all previous terms serviced shall not be included in the application of the term limits subject of the Circular - all independent directors of the Company have served as such for less than nine years.

			<p>Source Document: 2017 Annual Report, page 53 - List of Stockholders (Date of First Appointment)</p>
E.2.2(P)	Did the company fail to identify who are the independent director(s) / commissioner(s)?	N	<p>Due to their significant qualifications, experience and expertise, the shareholders elected and re-elected the following as Independent Directors of the Company:</p> <p>Mr. Francis G. Estrada Mr. Antonino T. Aquino Mr. Joaquin E. Quintos IV Ms. Doris Magsaysay Ho</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 – Profile of Board of Directors</p>
E.3	External Audit		
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)?	N	<p>No director or senior management was a former employee or partner of the current external auditor in the past 2 years.</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 - Profile of Directors</p>
E.4	Board structure and composition		
E.4.1 (P)	Is any of the directors a former CEO of the company in the past 2 years?	N	<p>No director was a former CEO of the Company in the past 2 years.</p> <p>Source Document: 2017 Annual Report, pages 39 to 42 - Profile of Directors</p>