

<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>E Responsibilities of the Board</b>	
<b>E.1 Clearly defined board responsibilities and corporate governance policy</b>	
E.1.1 Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	<p>Answer: Yes. The roles and responsibilities of the Board of Directors of the Company are clearly set forth in the Article III, Section 3, page 3 of the Company By-Laws, page 1 of the Manual of Corporate Governance and page 18 of the 2015 Annual Report.</p> <p>Source:  <a href="#">By-Laws</a>  <a href="#">Manual of Corporate Governance</a>  <a href="#">2015 Annual Report, page 18 - Roles and Responsibilities of the Board</a></p>
E.1.2 Are the types of decisions requiring board of directors/commissioners' approval disclosed?	<p>Answer: Yes. 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:  <a href="#">Articles of Incorporation (AOI)</a>  <a href="#">By-Laws</a>  <a href="#">Manual of Corporate Governance</a>  <a href="#">Notice Agenda of the Annual Stockholders Meeting</a></p>
E.1.3 Does the company disclose its corporate governance policy / board charter?	<p>Answer: Yes. The Company discloses its Corporate Governance Manual in the Company Website and 2015 Annual Report, page 18.</p> <p>Source Document:  <a href="#">2015 Annual Report, 18 - Operating Philosophy</a>  <a href="#">Manual of Corporate Governance</a></p>
<b>E.2 Code of ethics or conduct</b>	
E.2.1 Does the company have a code of ethics or conduct?	<p>Answer: Yes. The Company has its own Code of Conduct and Market Conduct Guidelines, which are disclosed in the Company Website. The Code of Conduct sets out the commitment of the organization and its people to AIA's operating philosophy "Doing the right thing, in the right way, with the right people. . . and the results will come", providing guidance on critical issues, and outlining how each one must behave and conduct business on behalf of AIA and Philam Life.</p> <p>Source:  <a href="#">AIA Code of Conduct</a></p>

<p>E.2.2 Are the details of the code of ethics or conduct disclosed?</p>	<p>Answer: Yes. The AIA Code of Conduct is disclosed in the Company Website and 2015 Annual Report. Source: <a href="#">Company Website - AIA Code of Conduct Annual Report page, 28 to 32 - Operating Philosophy</a></p>
<p>E.2.3 Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?</p>	<p>Answer: Yes. The policy requires all directors, senior management and employees to comply with the abovementioned Codes. 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. Source: <a href="#">AIA Code of Conduct, page 4 Annual Report page, 28 to 32 - Operating Philosophy</a></p>
<p>E.2.4 Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?</p>	<p>Answer: Yes. The Company requires an annual certification to the Code of Conduct. All employees are required to certify annually to Compliance to the Code of Conduct. Source: <a href="#">Annual Report, page 28 - Code of Conduct Annual Certification Program</a></p>
<p><b>E.3 Corporate Vision/Mission</b></p>	
<p>E.3.1 Does the board of directors/commissioners periodically review and approve the vision and mission?</p>	<p>Answer: Yes. 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. The Board has the responsibility to review and approve the strategic and business plans of the Company, including its operating and capital plans. Source: <a href="#">Manual of Corporate Governance, page 1</a></p>
<p><b>E.4 Board Structure &amp; Composition</b></p>	
<p>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)</p>	<p>Answer: Yes. As of 31 December 2015, the Board of Directors of the Company was composed of seven (7) members. Source: <a href="#">2015 Annual Report, pages 22 to 25 - Board of Directors</a> General Information Sheet (GIS), page 3</p>

<p>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?</p>	<p>Answer: Yes. Of the seven (7) members of the Board of Directors, five (5) are considered independent, non-executive directors. Source Document: <a href="#">2015 Annual Report, pages 22 to 25 - Board of Directors</a> General Information Sheet (GIS), page 3</p>
<p>E.4.3 Does the company provide a definition of independence in its Annual Report?</p>	<p>Answer: Yes. The Manual of Corporate Governance and the Annual Report expressly define the meaning and qualification of an independent director. As indicated in the Annual Report, to be considered independent, the director should not have any significant financial interest in the Company or any of its subsidiaries. Source: <a href="#">2015 Annual Report, page 18 - Board Independence</a> <a href="#">Governance, page 5, Qualifications, b.</a></p>
<p>E.4.4 Are the independent directors/commissioners independent of management and major/ substantial shareholders?</p>	<p>Answer: Yes. The independent directors of the Company are well qualified and competent to hold said positions, and are independent of management and the major shareholders of the Company. Each of the independent directors have met the guidelines set in the Manual of Corporate Governance. Source: <a href="#">2015 Annual Report, page 18 - Board Independence</a> <a href="#">Manual of Corporate Governance, page 5, Qualifications, b.</a></p>
<p>E.4.5 Does the company have a term limit of nine years or less for its independent directors/commissioners?</p>	<p>Answer: Yes. The Company adheres to the provisions of SEC Memo Circular No 9-2011 and IC Circular Letter No. 2014-49 prescribing the term limits for independent directors. Source: <a href="#">2015 Annual Report, page 18 - List of Stockholders, Date of First Appointment</a> <a href="#">Minutes of the Annual Meeting of the Stockholders dated 22 April 2015</a> <a href="#">Manual of Corporate Governance, page 10-11, Election/Re-elections</a></p>

<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?</p>	<p>Answer: Yes. 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 (four 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 (five or lower) for other directors who hold non-executive position in any corporation. In any case, the capacity of directors to serve with diligence shall not be compromised.</p> <p>Source:  <a href="#">Manual of Corporate Governance, page 3, B. Multiple Board Seats</a></p>
<p>E.4.7 Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies?</p>	<p>Answer: No. The Company currently has no independent directors who serve on more than five boards of publicly-listed companies.</p> <p>Source:  <a href="#">2015 Annual Report, pages 22 to 25 - Profile of Directors</a></p>
<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?</p>	<p>Answer: No. The Company currently has no executive directors who is serving on more than two boards of listed companies outside of the Philam Life Group. Source:  <a href="#">2015 Annual Report, pages 22 to 25 - Profile of Directors</a></p>
<p><b>E.5 Skills and Competencies</b></p>	
<p>E.5.1 Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?</p>	<p>Answer: Yes. The Company currently has non-executive director, such as Mr. Gordon T. Watson, Jr., who have prior working experience in the major industry the company is operating in.</p> <p>Source:  <a href="#">2015 Annual Report, page 22 - Profile of Mr. Gordon Watson</a>  <a href="#">Company Website (Profile of Directors)</a></p>

<p>E.5.2 Does the company disclose a board of directors/commissioners diversity policy?</p>	<p>Answer: Yes. The Company currently has disclosed a board of directors diversity policy in its Manual of Corporate Governance, which requires the Board of Directors to endeavor a balance composition of executives and non-executive directors, having a clear division of responsibilities such that no individual or small group of individuals can dominate the Board's decision making.</p> <p>Source:  <a href="#">Manual of Corporate Governance, page 2 - Board Composition</a></p>
<p><b>E.6 Board Chairman</b></p>	
<p>E.6.1 Do different persons assume the roles of chairman and CEO?</p>	<p>Answer: Yes. For 2015, the Chairman of the Board position was held by Mr. Gordon T. Watson, while the Chief Executive Officer position was held by Mr. Estelito G. Madrid from April to 31 May 2015 and by Mr. J. Axel Bromley from June 2015 to present.</p> <p>Source Document:  <a href="#">2015 Annual Report, page 18 - List of Officers Company Website (Profile)</a></p>
<p>E.6.2 Is the chairman a non-executive director/commissioner?</p>	<p>Answer: Yes. The Chairman of the Board, Mr. Gordon T. Watson, is considered as non-executive director of the Company.</p> <p>Source:  <a href="#">2015 Annual Report, page 22 - Profile of Mr. Gordon T. Watson</a></p>
<p>E.6.3 Is the chairman an independent director/commissioner?</p>	<p>Answer: No. The Chairman of the Board, Mr. Gordon T. Watson, is not considered an independent director of the Company.</p> <p>Source:  <a href="#">2015 Annual Report, page 22 - Profile of Mr. Gordon T. Watson</a></p>
<p>E.6.4 Is the chairman the current or immediate past CEO?</p>	<p>Answer: No. The Chairman of the Board, Mr. Gordon T. Watson, is neither the current nor immediate past Chief Executive Officer of the Company.</p> <p>Source:  <a href="#">2015 Annual Report page 22 - Profile of Mr. Gordon Watson</a></p>

<p>E.6.5 Are the role and responsibilities of the chairman disclosed?</p>	<p>Answer: Yes. 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:  <a href="#">By-Laws, page 6, Article IV, Section 3</a></p>
<p><b>E.7 Board meetings and attendance</b></p>	
<p>E.7.1 Are the board of directors/commissioners meetings scheduled before or at the beginning of the year?</p>	<p>Answer: Yes. 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:  <a href="#">2015 Annual Report, page 19 - Board Process Board Calendar</a></p>
<p>E.7.2 Does the board of directors/commissioners meet at least six times per year?</p>	<p>Answer: Yes. In 2015, the Board of Directors met six (6) times.</p> <p>Source:  <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p>E.7.3 Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?</p>	<p>Answer: Yes. Each of the directors attended at least 75% of all the board meetings held during the year.</p> <p>Source:  <a href="#">2015 Annual Report, page 19 - Board and Committee meetings</a></p>
<p>E.7.4 Does the company require a minimum quorum of at least 2/3 for board decisions?</p>	<p>Answer: No. The presence of at least four (4) out of seven (7) 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:  <a href="#">By-Laws, Article III, Section 5, page 4</a></p>
<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?</p>	<p>Answer: Yes. The non-executive directors of the Company have met separately at least once during the year without any executives present.</p> <p>Source:  <a href="#">2015 Annual Report, page 19 - Board Process</a></p>

<b>E.8 Orientation Programme for New Directors</b>	
E.8.1 Does the company have orientation programmes for new directors/commissioners?	<p>Answer: Yes. Philam Life Corporate Secretary provides the orientation for newly elected directors to explain the organizational profile, charters, by-laws, policies and procedures in the company. In coordination with HR, a corporate governance seminar is also arranged for each director to ensure adherence to best practices on corporate governance.</p> <p>Source:  <a href="#">Board of Director's Induction Kit</a>  <a href="#">2015 Annual Report, page 19 - Orientation Program and Training</a></p>
<b>E.9 Director Training</b>	
E.9.1 Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	<p>Answer: Yes. 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:  <a href="#">2015 Annual Report, page 19 - Orientation Program and Training</a>  <a href="#">Manual of Corporate Governance, page 11, Information &amp; Professional Development</a></p>
<b>E.10 Access to information</b>	
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?	<p>Answer: Yes. In order for the directors have ample time to go over and review the documents to be presented in the meeting, the Corporate Secretary ensures that the complete materials are uploaded in BoardPad at least five (5) working days before the scheduled meeting for their advance reading. Philam Life implemented the use of BoardPad - a paperless solution for distributing meeting materials. The direction is - all boards and committees should, to the extent practicable, use the same paperless solution in all meetings and pilot run was done in July 2015.</p> <p>Source:  <a href="#">2015 Annual Report, page 19 - Board Process Memo to the Board on BoardPad Rollout</a></p>

<p>E.10.2 Does the company secretary play a significant role in supporting the board in discharging its responsibilities?</p>	<p>Answer: Yes. 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. 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:  <a href="#">By-Laws, Article IV, Section 8, page 7</a></p>
<p>E.10.3 Is the company secretary trained in legal, accountancy or company secretarial practices?</p>	<p>Answer: Yes. Atty. Carla J. Domingo is a lawyer and has significant training and experience to efficiently and competently perform her duties as Philam Life's Corporate Secretary.</p> <p>Source:  <a href="#">2015 Annual Report, page 25 - Board Support</a></p>
<p><b>E.11 Nominating Committee</b></p>	
<p>E.11.1 Does the company have a Nominating Committee (NC)?</p>	<p>Answer: Yes. Philam Life has a Nomination &amp; Governance Committee composed of Mr. Gordon T. Watson as Chairman, and Mr. J. Axel Bromley and Mr. Joaquin E. Cantos IV as members. As stated in its Charter and in the Manual of Corporate Governance , the Committee shall assist the Board of Directors in carrying out its responsibilities relating to stewardship and governance.</p> <p>Source:  <a href="#">Nomination Committee Charter Manual of Corporate Governance, page 4 Annual Report, page 21 - Composition of Nomination Committee</a></p>
<p>E.11.2 Does the Nominating Committee comprise of a majority of independent directors/commissioners?</p>	<p>Answer: No. Philam Life' s Nomination &amp; Governance Committee is composed of one (1) independent director, one (1) non-executive and one (1) non-executive directors. Under the Charter, the Committee shall consist of at least three (3) members of the Board of Directors, one of whom must be independent.</p> <p>Source:  <a href="#">Nomination Committee Charter Manual of Corporate Governance, page 4 Annual Report, page 21 - Composition of Nomination Committee</a></p>



<p>E.11.3 Is the chairman of the Nominating Committee an independent director/commissioner?</p>	<p>Answer: No. Philam Life's Nomination &amp; Governance Committee is chaired by Mr. Gordon T. Watson. Source: <a href="#">Annual Report, page 21 - Composition of Nomination Committee</a></p>
<p>E.11.4 Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?</p>	<p>Answer: Yes. The Board has approved the Nomination &amp; Governance Committee Charter, which basically sets forth the duties and responsibilities of the Committee. Source: <a href="#">Nomination Committee Charter</a></p>
<p>E.11. 5 Does the Annual Report disclose the number of Nominating Committee meetings held?</p>	<p>Answer: Yes. The Annual Report disclosed that the Nomination &amp; Governance Committee met three (3) times in 2015 with an overall attendance rate of 88.89%. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p>E.11.6 Did the Nominating Committee meet at least twice during the year?</p>	<p>Answer: Yes. The Annual Report disclosed that the Nomination &amp; Governance Committee met three (3) times in 2015 with an overall attendance rate of 88.89%. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p>E.11.7 Is the attendance of members at Nominating Committee meetings disclosed?</p>	<p>Answer: Yes. The Annual Report disclosed that the Nomination &amp; Governance Committee met three (3) times in 2015 with an overall attendance rate of 88.89%. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p><b>E.12 Board Appointments and Re-Election</b></p>	
<p>E.12.1 Does the company disclose the <u>criteria used in selecting</u> new directors/commissioners?</p>	<p>Answer: Yes. The Manual of Corporate Governance explicitly provides the qualifications and disqualifications (permanent and temporary) which the Board should use in selecting new directors. Source: <a href="#">Manual of Corporate Governance, pages 5-8, Members of Philam Life Board of Directors (Qualifications &amp; Disqualifications)</a></p>

<p>E.12.2 Does the company disclose the <u>process followed in appointing new directors/commissioners?</u></p>	<p>Answer: Yes. 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 objective criteria as set forth in the Manual. Careful deliberation and consideration is done to ensue that appointees have enough time for the job.</p> <p>Source:  <a href="#">2015 Annual Report, page 18 - Election of Directors</a>  <a href="#">Manual of Corporate Governance, page 3 - Appointments to Philam Life Board of Directors</a></p>
<p>E.12.3 Are all the directors/commissioners subject to re-election at least once every three years?</p>	<p>Answer: Yes. All the directors have been subjected to re-election at least once a year.</p> <p>Source:  <a href="#">Minutes of the Annual Meeting of the Stockholders held on 22 April 2015</a>  <a href="#">Minutes of the Annual Meeting of the Stockholders held on 28 April 2016</a></p>
<p><b>E.13 CEO/Executive Management Appointments and Performance</b></p>	
<p>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?</p>	<p>Answer: Yes. Under the Manual of Corporate Governance, a plan should be In place for orderly succession to the Board and that of the senior management level in order to maintain a balance of appropriate skills and experiences in the Company.</p> <p>Source:  <a href="#">Manual of Corporate Governance, page 3</a></p>
<p>E.13.2 Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?</p>	<p>Answer: Yes. The Company conducts an annual performance assessment of the President &amp; CEO, the Board, the Board Chairman, and the Board- sanctioned Committees. The Company has established its own performance evaluation, the criteria of which are based on the Insurance Commission's Circular on Corporate Governance. Every April of each year, the Board, as well as the Committees, conducts annual self assessment of its performance, the results of which are submitted to the Nomination and Governance Committee. Source:  <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a>  <a href="#">Secretary's Certificate on the Result of Performance Evaluation</a></p>
<p><b>E.14 Board Appraisal</b></p>	

<p>E.14.1 Is an annual performance assessment conducted of the board of directors/commissioners?</p>	<p>Answer: Yes. The Company conducts an annual performance assessment of the President &amp; CEO, the Board, the Board Chairman, and the Board- sanctioned Committees. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Secretary's Certificate on the Result of Performance Evaluation</a></p>
<p>E.14.2 Does the company disclose the process followed in conducting the board assessment?</p>	<p>Answer: Yes. The Company discloses the processes and criteria being followed in conducting the board assessment. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Manual of Corporate Governance, page 10 - E. Performance Evaluation</a></p>
<p>E.14.3 Does the company disclose the criteria used in the board assessment?</p>	<p>Answer: Yes. The Company discloses the processes and criteria being followed in conducting the board assessment. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Manual of Corporate Governance, page 10 - E. Performance Evaluation</a></p>
<p><b>E.15 Director Appraisal</b></p>	
<p>E.15.1 Is an annual performance assessment conducted of individual director/commissioner?</p>	<p>Answer: Yes. The Company conducts an annual performance assessment of the President &amp; CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Secretary's Certificate on the Result of Performance Evaluation</a></p>
<p>E.15.2 Does the company disclose the process followed in conducting the director/commissioner assessment?</p>	<p>Answer: Yes. The Company discloses the processes and criteria being followed in conducting the assessment of the directors. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Manual of Corporate Governance, page 10 - E. Performance Evaluation</a></p>

<p>E.15.3 Does the company disclose the criteria used in the director/commissioner assessment?</p>	<p>Answer: Yes. The Company discloses the processes and criteria being followed in conducting the assessment of the directors. Source: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Secretary's Certificate on the Result of Performance Evaluation</a></p>
<p><b>E.16 Committee Appraisal</b></p>	
<p>E.1.6.1 Is an annual performance assessment conducted of the board of directors/commissioners committees?</p>	<p>Answer: Yes. The Company conducts an annual performance assessment of the President &amp; CEO, the Board, the Board Chairman, the directors and the Board-sanctioned Committees. Source Document: <a href="#">2015 Annual Report, page 19 - Performance Evaluation</a> <a href="#">Secretary's Certificate on the Result of Performance Evaluation</a></p>
<p><b>E.17 Remuneration Committee/ Compensation Committee</b></p>	
<p>E.17.1 Does the company have a Remuneration Committee?</p>	<p>Answer: Yes. Philam Life has a Compensation Committee composed of Mr. Gordon T. Watson as Chairman, Mr. Joaquin E. Quintos IV, Ms. Doris Magsaysay - Ho, and Mr. J. Axel Bromley. Under the Manual of Corporate Governance, the Company's Remuneration Committee shall assist the Board of Directors in carrying out its responsibilities relation to executive and director compensation. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a> <a href="#">Manual of Corporate Governance, page 4 Compensation Committee Charter</a></p>
<p>E.17.2 Does the Remuneration Committee comprise of a majority of independent directors/commissioners?</p>	<p>Answer: No. Philam Life's Remuneration Committee is composed of two (2) independent directors, one (1) non-executive and one (1) executive directors. The Manual only requires the Committee to be composed of at least three (3) members, one of whom must be an independent director. Source: <a href="#">Manual of Corporate Governance, page 4</a> <a href="#">Annual Report, page 21 - Compensation Committee</a></p>
<p>E.17.3 <u>Is the</u> chairman of the Remuneration Committee an independent director/commissioner?</p>	<p>Answer: No. Philam Life's Remuneration Committee is chaired by Mr. Gordon T. Watson, a non-executive director. Source: <a href="#">Annual Report, page 21 - Compensation Committee</a></p>

<p>E.17.4 Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?</p>	<p>Answer: Yes. The Board has approved the Compensation Committee Charter, which basically sets forth the duties and responsibilities of the Committee. Source: <a href="#">Compensation Committee Charter</a></p>
<p>E.17.5 Does the Annual Report disclose the number of Remuneration Committee meetings held?</p>	<p>Answer: Yes. The Annual Report disclosed that the Compensation Committee met once in 2015 with 100% overall attendance rate. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p>E.17.6 Did the Remuneration Committee meet at least twice during the year?</p>	<p>Answer: No. The Annual Report disclosed that the Compensation Committee met once in 2015. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p>E.17.7 Is the attendance of members at Remuneration Committee meetings disclosed?</p>	<p>Answer: Yes. The Annual Report disclosed that the Compensation Committee met once in 2015. Source: <a href="#">2015 Annual Report, page 19 - Board Meetings</a></p>
<p><b>E.18 Remuneration Matters</b></p>	
<p>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?</p>	<p>Answer: No. The Company does not disclose its remuneration for its executive directors and CEO.</p>
<p>E.18.2 Is there disclosure of the fee structure for non-executive directors/commissioners?</p>	<p>Answer: Yes. The General Information Sheet discloses the fee structure for non-executive directors, which was approved in the Annual Stockholders Meeting. Source: 2015 General Information Sheet, page 7 <a href="#">Minutes of Annual Stockholders' Meeting dated 22 April 2015</a> <a href="#">Minutes of Annual Stockholders' Meeting dated 28 April 2016</a></p>
<p>E.18.3 Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?</p>	<p>Answer: Yes. During the last annual stockholders' meeting, the stockholders approved the remuneration of the directors. Source: <a href="#">Minutes of Annual Stockholders' Meeting dated 22 April 2015</a> <a href="#">Minutes of Annual Stockholders' Meeting dated 28 April 2016</a></p>

<p>E.18.4 Do independent non-executive directors/commissioners receive options, performance shares or bonuses?</p>	<p>Answer: Yes. During the last annual stockholders' meeting, the stockholders approved the remuneration of the directors. Source: <a href="#">Minutes of Annual Stockholders' Meeting dated 22 April 2015</a> <a href="#">Minutes of Annual Stockholders' Meeting dated 28 April 2016</a></p>
<p><b>E.19 Audit Committee</b></p>	
<p>E.19.1 Does the company have an Audit Committee?</p>	<p>Answer: Yes. Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). Philam Life has an Audit Committee composed of Mr. Antonino T. Aquino as Chairman, Mr. Joaquin E. Quintos IV and Mr. Francis G. Estrada. As stated in the Manual of Corporate Governance of the Company, the Audit Committee shall carry out its responsibilities relating to the Company's financial, accounting and reporting process, its system of internal accounting and financial controls, its compliance with related legal and regulatory requirements, and its transactions with related parties. Source: Manual of Corporate Governance, page 3 Audit Committee Charter 2015 Annual Report, page 21 - Composition of Audit Committee</p>
<p>E.19.2 Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?</p>	<p>Answer: Yes. Philam Life's Audit Committee is composed entirely of non-executive directors, all of whom are independent directors. Source: <a href="#">2015 Annual Report, page 21 - Composition of Audit Committee</a></p>
<p>E.19.3 Is the chairman of the Audit Committee an independent director/commissioner?</p>	<p>Answer: Yes. Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). Philam Life's Audit Committee is chaired by Mr. Antonino T. Aquino, an independent director of the Company. Source: 2015 Annual Report, page 21 - Composition of Audit Committee</p>
<p>E.19.4 Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?</p>	<p>Answer: Yes. The Board has approved the Audit Committee Charter, which basically sets forth the duties and responsibilities of the Committee. Source: <a href="#">Audit Committee Charter</a></p>

<p>E.19.5 Does the Annual Report disclose the profile or qualifications of the Audit Committee members?</p>	<p>Answer: Yes. The Annual Report fully disclosed the profile and qualifications of the Audit Committee members. Source: <a href="#">2015 Annual Report, pages 22 to 23 - Board of Directors Profile</a></p>
<p>E.19.6 Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?</p>	<p>Answer: Yes. All members of the Audit Committee have significant accounting qualification and experience. Source: <a href="#">2015 Annual Report, pages 22 to 25 - Profile of Directors</a></p>
<p>E.19.7 Does the Annual Report disclose the number of Audit Committee meetings held?</p>	<p>Answer: Yes. The Annual Report disclosed that the Audit Committee met four (4) times in 2015. Source: <a href="#">2015 Annual Report, page 19 - Board &amp; Committee Meetings</a></p>
<p>E.19.8 Did the Audit Committee meet at least four times during the year?</p>	<p>Answer: Yes. The Annual Report disclosed that the Audit Committee met four (4) times in 2015. Source: <a href="#">2015 Annual Report, page 19 - Board &amp; Committee Meetings</a></p>
<p>E.19.9 Is the attendance of members at Audit Committee meetings disclosed?</p>	<p>Answer: Yes. The Annual Report disclosed that the Audit Committee met four (4) times in 2015. Source: <a href="#">2015 Annual Report, page 19 - Board &amp; Committee Meetings</a></p>
<p>E.19.10 Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?</p>	<p>Answer: Yes. 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. Source: <a href="#">Audit Committee Charter, page 1</a> <a href="#">Manual of Corporate Governance, page 3</a></p>
<p><b>E.20 Internal Audit</b></p>	
<p>E.20.1 Does the company have a separate internal audit function?</p>	<p>Answer: Yes. Philam Life has its own Internal Audit Department currently headed by Ms. Sheila Alarcio. Source: <a href="#">Audit Committee Charter, page 1</a></p>
<p>E.20.2 Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?</p>	<p>Answer: Yes. Philam Life's Head of Internal Audit is identified and appointed every organizational meeting of the Board. Source: <a href="#">2015 General Information Sheet, page 3.2</a></p>

<p>E.20.3 <u>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</u></p>	<p>Answer: Yes. Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). The appointment and removal of Philam Life's Internal Auditor require the approval of the Audit Committee. Under the Charter, the Audit Committee has the responsibility to appoint the Internal Audit Head. Source: <a href="#">Audit Committee Charter</a></p>
<p><b>E.21 Risk Oversight</b></p>	
<p>E.21.1 Does the company disclose the internal control procedures/risk management systems it has in place?</p>	<p>Answer: Yes. 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. Source: <a href="#">Risk Management Charter</a></p>
<p>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?</p>	<p>Answer: Yes. 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. Source Document: <a href="#">2015 Annual Report, pages 31 to 33 - Enterprise Risk Management</a></p>
<p>E.21.3 Does the company disclose how key risks are managed?</p>	<p>Answer: Yes. The Company has a Risk Management Charter which basically sets forth the process of identifying and managing the identified risks of the Company. Source: <a href="#">Risk Management Committee Charter</a></p>