

COMPANY: BPI-Philam Life Assurance Corporation (BPLAC) SECTOR: Insurance FINANCIAL YEAR END: 31 December 2015 COMPANY STRUCTURE: Class 3	
B Equitable Treatment of Shareholders	
B.1 Shares and voting rights	
B.1.1 Do the company's ordinary or common shares have one vote for one share?	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). Per Article III, Section 7. of the Company By-Laws, each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote provided the conditions as regards payment for subscriptions subject to which the relevant shares were issued have been complied with.</p> <p>Source: By-Laws, p. 3, Article III, Sec. 7 Minutes of the Annual Stockholders Meeting dated 16 April 2016</p>
B.1.2 Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). If the Company has more than one class of shares, the Company will define the voting rights attached to each class of shares in the Company By-Laws and publicise the same in accordance with law. As of to date, the Company only has common shares.</p> <p>Source: Articles of Incorporation and By-Laws</p>
B.2 Notice of AGM	
B.2.1 Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	<p>Answer: Yes. As shown in the Notice and Minutes of Annual Stockholders' Meeting, each item for approval of the shareholders is scheduled separately. There is no bundling of several items into the same resolution.</p> <p>Source: Notice Agenda of Annual Stockholders' Meeting</p>
B.2.2 Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	<p>Answer: The Notice of the Annual Stockholders' Meeting dated 04 March 2015 is written in the English language.</p> <p>Source: Notice Agenda of Annual Stockholders' Meeting</p>
B.2.3 Are the profiles of directors/commissioners (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	<p>Answer: Yes. The Notice and the Shareholder Package Materials , which includes among others the Annual Performance Report, contain the profiles of the directors seeking for re-election.</p> <p>Source: Notice Agenda of Annual Stockholder's Meeting</p>
B.2.4 Are the auditors seeking appointment/re-appointment clearly identified?	<p>Answer: Yes. The auditors seeking appointment/re-appointment for the year are clearly identified in the Notice of Annual Stockholders' Meeting.</p> <p>Source: Notice Agenda of Annual Stockholders' Meeting</p>
B.2.5 Has an explanation of the dividend policy been provided?	<p>Answer: No. The Notice of the Annual Stockholders' Meeting does not contain the dividend policy of the Company.</p>
B.2.6 Is the amount payable for final dividends disclosed?	<p>Answer: No. The notice does not disclose the amount to be declared but there was a cash dividend declaration amounting to P1.33 per share or a total amount of P997,499,972.07 during its annual stockholders meeting held on 18 April 2016.</p> <p>Source: Minutes of the Annual Stockholders Meeting dated 18 April 2016</p>

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B.2.7 Documents required to be proxy/ Were the proxy documents made easily available?	<p>Answer: Yes. Proxy Forms are attached and included to the Notice of Annual Stockholders' Meeting given in advance to the shareholders.</p> <p>Source: Notice Agenda of Annual Stockholders' Meeting w/ Proxy</p>
B.3 Insider trading and abusive self-dealing should be prohibited.	
B.3.1 Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). Directors and employees are prohibited from engaging in any transaction involving the sale or purchase of any of the securities of any company, directly or indirectly through any third parties, if they are in possession of any material, non-public information about that company. Furthermore, directors, employees or officers of AIA Group Entities who are in possession of Inside Information shall not directly or indirectly through any third parties: (i) deal in AIA Securities; (ii) disseminate Inside Information to any third party (other than for the purpose of discharging their job duties); (iii) recommend anyone to deal in AIA Securities; or (iv) use Inside Information in any manner (other than for the purpose of discharging their job duties), whether or not to achieve any advantage.</p> <p>Source: 2015 Annual Report, pages 27-28, Operating Philosophy (excerpt AIA Group Prevention Insider and Market Misconduct Policy, AIA Investment Code of Ethics)</p>
B.3.2 Are the directors and commissioners required to report their dealings in company shares within 3 business days ?	<p>Answer: Yes. The Company Code of Conduct and Insider Trading Policies materially contains the policies and reporting requirement of the Company with respect to insider trading and self dealing activities. In fact, directors' dealings in AIA Securities must be pre-approved by the Group Company Secretary.</p> <p>Source: 2015 Annual Report, pages 27-28, Operating Philosophy (excerpt of AIA Group Prevention Insider Trading and Market Misconduct Policy)</p>
B.4 Related party transactions by directors and key executives.	
B.4.1 Are directors and commissioners required to disclose their interest in transactions and any other conflicts of interest?	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). As provided in the Company's Manual of Corporate Governance, overlapping interest and transactions should be disclosed to the Board of Directors; related party transactions should require prior disclosure to and approval of the Board of Directors. Under its Connected Transactions Compliance Policy, all directors are required to disclose and/or seek a waiver for certain intercompany and affiliate transactions which could be categorized as connected transactions.</p> <p>Answer: Manual of Corporate Governance, p. 13 Director's Confirmation regarding Connected Transactions</p>
B.4.2 Does the company have a policy requiring a committee of independent directors/commissioners to review material/significant RPTs to determine whether they are in the best interests of the company?	<p>Answer: Under the Manual of Corporate Governance of the Company, overlapping interest including any material transaction appertaining thereto shall be disclosed to the Board. Related party transactions shall be disclosed fully to the Board, and prior Board approval must be obtained for RPTs that are material in nature.</p> <p>Source: Manual of Corporate Governance, p. 13</p>
B.4.3 Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). The Manual of Corporate Governance of the Company spells out the duties and responsibilities of its directors, which includes conducting fair business transaction with the Company to ensure that personal interest does not bias Board decisions. As good corporate governance policy of the Company, the directors are required to abstain or inhibit themselves in the board discussion and decision pertaining to their own personal interest.</p> <p>Source: Manual of Corporate Governance, p. 8</p>

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<p>B.4.4 Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates.</p>	<p>Answer: Yes. Default item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-13). The Manual of Corporate Governance of the Company spells out the duties and responsibilities of its directors, which includes conducting fair business transaction with the Company to ensure that personal interest does not bias Board decisions. Manual of Corporate Governance, p. 8</p>
<p>B. 5 Protecting minority shareholders from abusive actions</p>	
<p>B.5.1 Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?</p>	<p>Answer: No. The Company has no RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies. Source: 2015 Annual Report, pages 8-10, Related Party Transaction</p>
<p>B.5.2 Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?</p>	<p>Answer: Yes. The Company ensures that RPTs are conducted in such a way to ensure that they are fair and at arms' length, and disclose such facts in its Annual Performance Report and the Audited Financial Statements. Source: 2015 Annual Report, pages 8-10, Related Party Transaction</p>