

COMPANY NAME:	ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC (AFPMBAI)		COMPANY STRUCTURE:	
FINANCIAL YEAR END	2019			
SECTOR				
A. Rights of Shareholders				
A.1	Basic Shareholder Rights		Y/N	Reference/ Source document
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?	OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholders rights should include the right to amongst others: (6) share in the profits of the corporation.	N/A	
A.2 Right to participate in decisions concerning fundamental corporate changes.				
Do shareholders have the right to participate in:				
A.2.1	Amendments to the company's constitution?	OECD Principle II (B) Shareholders should have the right to participate in, and to be sufficiently informed in, decision concerning fundamental corporate changes such as: (1) amendments to the statutes, articles of incorporation or similar governing documents of the company.	Y	Summary of Minutes of the 11 July 2020 Annual General Membership Meeting (AGM), page 5 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).
A.2.2	The authorization of additional shares?	OECD Principle II (B): (2) The authorization of additional shares.	Y	DEFAULT
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	OECD Principle II (B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that effect result in the sale of the company.	Y	DEFAULT
A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.				
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit- in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	OECD Principle II (C): (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and the election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	Y	Summary of Minutes of the 11 July 2020 Annual General Membership Meeting (AGM)(https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf), page 4: Ratification of the Acts and Resolutions of the Board of Trustees, Corporate Officers, and Management (https://www.afpmbai.com.ph/afpmbai_ref_materials/Matters_for_Ratification-Updated.pdf#page=4).
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	Rules on Nomination and Election for the 2020 AGM, Pages 1-2 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Rules_on_Nomination_&_Election.pdf#page=1); Guidelines in AFPMBAI Regular Members' Participation in the 11 July 2020 Virtual Annual General Membership Meeting, Page 2 (https://www.afpmbai.com.ph/afpmbai_ref_materials/AGM_Guidelines_2020.pdf#page=2).
A.3.3	Does the company allows shareholders to elect directors/commissioners individually?		Y	Summary of Minutes of the 11 July 2020 AGM, pages 5-7 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=5); Voting Results on the Matters Taken Up During the 11 July 2020 Annual General Membership Meeting, Pages 1-2 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Voting_Result_AGM.pdf).
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	OECD Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Y	Rules on Nomination and Election for the 2020 AGM, Pages 1-2 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Rules_on_Nomination_&_Election.pdf); Guidelines in AFPMBAI Regular Members' Participation in the 11 July 2020 Virtual Annual General Membership Meeting, Page 2 (https://www.afpmbai.com.ph/afpmbai_ref_materials/AGM_Guidelines_2020.pdf#page=2); Summary of Minutes of the 11 July 2020 AGM, Pages 5-6 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=5).
A.3.5	Do the minutes of the recent AGM record that there was an opportunity allowing for shareholders to ask question or raise issues?	OECD Principle II (C): (2) Shareholders have the opportunity to ask question to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf); Governance Report of the 2019 Annual Report, on Annual General Membership Meeting, Page 13 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=7).
A.3.6	Do the minutes of the recent AGM record questions and answers?		Y	Summary of Minutes of the 11 July 2020 AGM, page 3, (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=3); Corporate Governance Report of the 2019 Annual Report page 13 on AGMM (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=7)
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolutions?		Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf); Voting Results on the Matters Taken Up During the 11 July 2020 Annual General Membership Meeting (https://afpmbai.com.ph/wp-content/uploads/2020/07/Voting_Result_AGM.pdf).
A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?		Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf); Voting Results on the Matters Taken Up During the 11 July 2020 Annual General Membership Meeting, Pages 1-2 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Voting_Result_AGM.pdf).
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	OECD Principle II (C): and ICGN 2.4.2: All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	Summary of Minutes of the 11 July 2020 AGM, pages 1-2 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).

A.3.10	Did the chairman of the board of directors/commissioner attend the most recent AGM?		Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	OECD Principle II (C):	Y	Notice of Meeting published on 11 June 2020 in the AFPMBAI website (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/); Guidelines in AFPMBAI Regular Members' Participation in the 11 July 2020 Virtual Annual General Membership Meeting (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/).
A.3.14	Does the company allow for voting in absentia?	OECD Principle II (C): (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	Notice of Meeting published on 11 June 2020 in the AFPMBAI website (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/); Guidelines in AFPMBAI Regular Members' Participation in the 11 July 2020 Virtual Annual General Membership Meeting (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/).
A.3.15	Did the company vote the poll (as opposed to by show of hands) for all resolutions at the most recent AGM?		Y	Voting Results on the Matters Taken Up During the 11 July 2020 Annual General Membership Meeting, Pages 1-2 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Voting_Result_AGM.pdf); Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf).
A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Y	Rules on Nomination and Election for the 11 July 2020 AGM (https://www.afpmbai.com.ph/afpmbai_ref_materials/Rules_on_Nomination_&_Election.pdf); Summary of Minutes of the 11 July 2020 AGM, pages 5-7 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=5); Governance Report for the 2019 Annual Report on the Annual General Membership Meeting (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=7).
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?	OECD Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meeting, as well as full and timely information regarding the issues to be dedicated at the meeting.	Y	Voting Results on All Resolutions during the 11 July 2020 AGM, uploaded in the AFPMBAI Website on Monday, 13 July 2020 (https://afpmbai.com.ph/about/governance/)
A.3.18	Do the companies provide at least 21 days notice for all resolution		Y	Notice of Meeting published on 11 June 2020 in the AFPMBAI website (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/), and Article V (Membership Meetings) Section 3 (Notice of Meetings) of the 2019 New Bylaws (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf). Article V. Section 3 of the 2019 Bylaws (Notice of Meetings): "Section 3. Notice of Meetings. A written notice stating the place, time and purpose(s) of the meeting of the members shall be sent either personally, by mail and/or electronic means addressed to each member at his latest address on record with the Association, or published in at least 2 newspapers of general circulation, not later than thirty (30) days prior to the date set for such meeting. Provided, That failure or defect in the notice shall not invalidate the meeting or any of the proceedings thereat, if the business transacted at such meeting is within the powers of the Association and the majority of the voting members of the Association are present or represented at the meeting."
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circular and/or the accompanying statement?		Y	Notice of Meeting for the 11 July 2020 AGM published in the AFPMBAI Website, as follows: (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/)
A.4	Market for corporate control should be allowed to function in an efficient and transparent manner.			
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	OECD Principle II (C): Markets for corporate control should be allowed to function in an efficient and transparent manner. (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights all shareholders according to their class.	N/A	
A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.			
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the company?	OECD Principle II (C): The exercise of ownership rights by all shareholders, including institutional Investors, should be facilitated.	N/A	DEFAULT

Shares and Voting Rights		Y/N	Reference/Source document
B.1.1	Do the company's ordinary or common shares have one vote for one share?	Y	DEFAULT
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached each class of shares (e.g through the company website / reports / the stock exchange/ the regulator's	Y	DEFAULT
<p>OECD Principle III (A) All shareholders of the same series of a class should be treated equally. (1) Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>ICGN 8.3.1 Unequal voting rights Companies ordinary or common shares should feature one vote for one share. Divergence from a one-share, one-vote' standard which gives certain shareholders power which is disproportionate to their equity ownership should be both disclosed and justified.</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?	Y	Summary of Minutes of the 11 July 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf); Voting Results on All Resolutions during the 11 July 2020 AGM, uploaded in the AFPMBAI Website on Monday, 13 July 2020 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Voting_Result_AGM.pdf).
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?	Y	Notice of Meeting for the 11 July 2020 Annual General Membership Meeting published in the AFPMBAI Website on 11 June 2020 (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/), and Notice of Meeting published in the AFPMBAI Website (https://afpmbai.com.ph/about/governance/).
	Does the notice of AGM/circulars have the following details:		
B.2.3	Are the profiles of directors/ commissioners (at least age, academics qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	Y	Governance Report of the 2019 Annual Report, pages 15-16 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=8).
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified	Y	Summary of the Minutes of the 11 July 2020 AGM, pages 4-5 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=4).
B.2.5	Has an explanation of the dividend policy been provided?	Y	DEFAULT
B.2.6	Is the amount payable for final dividends disclosed?	Y	DEFAULT
B.2.7	Were the proxy documents made easily available?	Y	Notice of Meeting for the 11 July 2020 Annual General Membership Meeting published in the AFPMBAI Website on 11 June 2020 (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/), and Proxy Form (https://afpmbai.com.ph/wp-content/uploads/2020/06/Proxy_Form.docx).
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?	Y	DEFAULT
	<p>OECD Principle III (B) Insider trading and abusive dealing should be prohibited</p> <p>ICGN 3.5 Employee share dealing Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, these must seek to ensure individuals do not benefit from knowledge which is not generally available to the market.</p>		

B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	ICGN 8.5 Shareholder rights of action ... Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	Y	DEFAULT
B.4 Related party transactions by directors and key executives.				
B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	OECD Principle III (C) Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.	Y	DEFAULT
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 and shareholders?	ICGN 2.11.1 Related party transactions Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair. ICGN 2.11.2 Director conflicts of interest Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.	Y	Governance Report of the 2019 Annual Report, pages 23 and 31-32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12 and https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16) Risk Management and Related Party Transaction Committee "The Risk Management and Related Party Transactions Committee (RMRPTC) exercised its oversight over Management's efforts in integrating risk management in all business decisions and processes, identifying top risk exposures of the Association, establishing risk appetite, implementing risk mitigation and management, as well as assuring AFPMBAI's compliance with laws, rules and regulations...." REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT) "The Risk Management and Related Party Transactions Committee (RMRPTC), majority of whom are independent trustees, reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). Review and reporting of Related Party Transactions (RPTs) are aligned with the appropriate IC Circular and company policies to ensure that there is no conflict of interest and that transactions are conducted fairly and on arms' length basis. The Association submits the required quarterly RPT reports to the Insurance Commission, as well as the Annual Conglomerate Structure with the subsidiary, AFPGEN...."
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?		Y	DEFAULT
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?		Y	DEFAULT
B.5 Protecting minority shareholders from abusive actions				
B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	OECD Principle III (A) All shareholders of the same series of a class should be treated equally. (2) Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.	N	There were no RPTs that served as financial assistance to any entity.
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?	ICGN 2.11.1 Related party transactions Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair. ICGN 2.11.2 Director conflicts of interest Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest. ICGN 8.5 Shareholder rights of action Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	Y	Governance Report of the 2019 Annual Report, pages 31-32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16) REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT) "The Risk Management and Related Party Transactions Committee (RMRPTC), majority of whom are independent trustees, reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). Review and reporting of Related Party Transactions (RPTs) are aligned with the appropriate IC Circular and company policies to ensure that there is no conflict of interest and that transactions are conducted fairly and on arms' length basis. The Association submits the required quarterly RPT reports to the Insurance Commission, as well as the Annual Conglomerate Structure with the subsidiary, AFPGEN...."

C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	Y/ N	Reference / Source document
Does the company disclose a policy that:			
C.1.1	Stipulates the existence and scope of the company's efforts to address customers' welfare?	Y	<p>Report of the President of the 2019 Annual Report, pages 6-12 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=4)</p> <p>Responding to the Challenges during the Pandemic "Upon the declaration of COVID-19 as pandemic and the nationwide lockdown implemented last March 2020, the management did not waste time to implement its contingency measures by activating a Business Continuity Plan (BCP) and quickly adopted a skeleton force at major worksite areas, and most of the employees were shifted to work-from-home mode to continuously provide back-end process support....." "The Emergency Equity Loan Program was launched thereafter, to assist members with their financial challenges during these difficult times. This was coupled with an all-time industry low-interest rate that intended to provide much-needed assistance without centering on revenue generation. Likewise, all loan product requirements were negotiated with the respective finance centers of the various branches of service (BOS) to provide a seamless process of the compliance-to-need solution given the exigency of the situation...."</p>
C.1.2	Explains supplier/contractor selection practice?	Y	<p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=17)</p> <p>SAFEGUARDING THE RIGHTS/INTERESTS OF SUPPLIERS/CREDITORS AFPMBAI has an established Memorandum Circular (MC) on Procurement of Goods and Materials that contains implementing guidelines on handling purchasing transactions. Stipulated in the MC is the creation of a Purchase Order (PO), a binding contract between AFPMBAI as the buyer and the supplier/vendor, which details the types, quantities and agreed prices for procured products and services. A duly-approved PO is issued by the Association through Administration Division to a chosen supplier/ contractor, that will serve as a contract for procurement transactions. Meanwhile, for major purchases/projects that will require labor/service, a contract from the Legal Division is necessary, in addition to a PO.</p>
C.1.3	Describes the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Y	<p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=17)</p> <p>ON ENVIRONMENT AFPMBAI contributed to the environment by installing 380 units of solar panels at 260 watts each, generating a capacity of 98.8 KWP at its Main Building and another 128 units of solar panels at 275 watts each, generating 35.20 KWP at its Records Building. These solar panels contributed to the conservation of the environment in reducing the use of fossil fuels as well as reducing the carbon footprints/emission of the Association, a simple gesture of AFPMBAI's love and concern for Mother Earth.</p>
C.1.4	Elaborates the company's efforts to interact with the communities in which they operate?	Y	<p>Corporate Social Responsibility Report of the 2019 Annual Report pages 35-38 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p>
C.1.5	Describe the company's anti-corruption programmes and procedures?	Y	<p>Governance Report of the 2019 Annual Report, pages 32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=17)</p> <p>Code of Ethics page 7 (https://www.afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf#page=12) Anti Corruption Program and Procedures are observed in the Code of Conduct, pages 7-17 (https://www.afpmbai.com.ph/acgs/2020/C.1.5_Code_of_Conduct_Pages7-17.pdf)</p> <p>Whistle-Blowing Policy The Management maintains an open-door policy for employees as one of the avenues for reporting corruption and other illegal activities or transactions entered into by fellow employees, regardless of rank. Any reports, supported by facts and documents, are handled with strict confidentiality.</p>
C.1.6	Describes how creditors' rights are safeguarded?	Y	<p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=17)</p> <p>SAFEGUARDING THE RIGHTS/INTERESTS OF SUPPLIERS/CREDITORS AFPMBAI has an established Memorandum Circular (MC) on Procurement of Goods and Materials that contains implementing guidelines on handling purchasing transactions. Stipulated in the MC is the creation of a Purchase Order (PO), a binding contract between AFPMBAI as the buyer and the supplier/vendor, which details the types, quantities and agreed prices for procured products and services. A duly-approved PO is issued by the Association through Administration Division to a chosen supplier/ contractor, that will serve as a contract for procurement transactions. Meanwhile, for major purchases/projects that will require labor/service, a contract from the Legal Division is necessary, in addition to a PO.</p>

Does the company disclose the activities that it has undertaken to implement the abovementioned policies?				
C.1.7	Customer health and safety	OECD Principle IV (A) & Global Reporting Initiative	Y	Health and safety measures/protocols during covid (https://afpmbai.com.ph/acgs/2020/covid_check.jpg)
C.1.8	Supplier/Contractor selection and criteria		Y	<p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>SAFEGUARDING THE RIGHTS/INTERESTS OF SUPPLIERS/CREDITORS AFPMBAI has an established Memorandum Circular (MC) on Procurement of Goods and Materials that contains implementing guidelines on handling purchasing transactions. Stipulated in the MC is the creation of a Purchase Order (PO), a binding contract between AFPMBAI as the buyer and the supplier/vendor, which details the types, quantities and agreed prices for procured products and services. A duly-approved PO is issued by the Association through Administration Division to a chosen supplier/ contractor, that will serve as a contract for procurement transactions. Meanwhile, for major purchases/projects that will require labor/service, a contract from the Legal Division is necessary, in addition to a PO.</p>
C.1.9	Environmentally-friendly value chain		Y	"Solar Panels, Bio and Non-Bio trash bins - pictures" (https://www.afpmbai.com.ph/acgs/2020/solar.jpg and https://www.afpmbai.com.ph/acgs/2020/trash_bins.jpg)
C.1.10	Interaction with the communities		Y	"Playground - pictures" (https://afpmbai.com.ph/acgs/2020/playground.jpg)
C.1.11	Anti-corruption programmes and procedures		Y	<p>Governance Report of the 2019 Annual Report, page 32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>Anti-Corruption Programs The Association abhors corruption of any form. Stricter controls are instituted in business processes and spot audit activities are conducted to ensure that there is no corruption even in its slightest degree, or has taken place in any of the Association's transactions</p> <p>Code of Conduct page 22-27 (show link here) Investigation Rules and Procedures A. Complaint/Irregularity/Incident Report or any Analogous Document..... B. Light Offenses (Misdemeanor and Light Offenses)..... C. Serious Offenses (Less Grave and Grave Offenses)..... D. Investigation Proper..... E. Report of the Investigation Board..... F. Management Decision.....</p>
C.1.12	Creditors' rights		Y	<p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>SAFEGUARDING THE RIGHTS/INTERESTS OF SUPPLIERS/CREDITORS AFPMBAI has an established Memorandum Circular (MC) on Procurement of Goods and Materials that contains implementing guidelines on handling purchasing transactions. Stipulated in the MC is the creation of a Purchase Order (PO), a binding contract between AFPMBAI as the buyer and the supplier/vendor, which details the types, quantities and agreed prices for procured products and services. A duly-approved PO is issued by the Association through Administration Division to a chosen supplier/ contractor, that will serve as a contract for procurement transactions. Meanwhile, for major purchases/projects that will require labor/service, a contract from the Legal Division is necessary, in addition to a PO.</p>
C.1.13	Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	<p>OECD Principle V (A): Disclosure should include, but not be limited to, material information on: (7) Issues regarding employees and other stakeholders.</p> <p>Companies are encouraged to provide information on key issues relevant to employees and other stakeholders that may materially affect the long term sustainability of the company.</p>	Y	Corporate Social Responsibility Report of the 2019 Annual Report pages 35-38 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=18)
C.2 Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.				
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	<p>OECD Principle IV (B): Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</p> <p>The governance framework and processes should be transparent and not impede the ability of stakeholders to communicate and to obtain redress for the violation of rights.</p>	Y	Website's "contact" (https://afpmbai.com.ph/contact/)
C.3 Performance-enhancing mechanisms for employee participation should be permitted to develop.				

C.3.1	Does the company explicitly disclose the health, safety, and welfare policy for its employees?	<p>OECD Principle IV (C): Performance-enhancing mechanisms for employee participation should be permitted to develop. In the context of corporate governance, performance enhancing mechanisms for participation may benefit companies directly as well as indirectly through the readiness by employees to invest in firm specific skills.</p> <p>Firm specific skills are those skills/competencies that are related to production technology and/or organizational aspects that are unique to a firm.</p> <p>Examples of mechanisms for employee participation include: employee representation on boards; and governance processes such as works councils that consider employee viewpoints in certain key decisions. With respect to performance enhancing mechanisms, employee stock ownership plans or other profit sharing mechanisms are to be found in many countries.</p>	Y	<p>Governance Report of the 2019 Annual Report, pages 33-34 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p> <p>HEALTH, SAFETY, WELFARE, TRAINING AND DEVELOPMENT "Human resource is the greatest asset of any organization. With this as the bedrock of the Association's HR Philosophy, AFPMBAI continuously provides its employees with a competitive compensation package, a balanced work and family life, and opportunities for career and personal advancement. The Association conducts holistic activities to enrich the well-being of its employees." "As such, 2019 kicked off with a company-wide team building activity that aimed to revisit its corporate values and align the employees' personal values with the Association's. This activity laid the foundation for building a strong culture of high performing individuals and corporate values that will drive employees on how to do things within the organization..."</p>
C.3.2	Does the company publish relevant information relating to health, safety and welfare of its employees?		Y	<p>Governance Report of the 2019 Annual Report, pages 33-34 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p> <p>HEALTH, SAFETY, WELFARE, TRAINING AND DEVELOPMENT "...The Association also recognizes its role in ensuring that employees are working in a safe and healthy workplace. Hence, the Occupational Safety and Health (OSH) Committee was formally created to institutionalize the programs and measures, as well as oversee the implementation of OSH regulations in the organization. Coordination with the OSH Center, one of the attached agencies of the Department of Labor and Employment (DOLE), has also been done by the Association. Moreover, a Wellness Program through Zumba sessions is in place to strike a balance between the employees' work and the other aspects of their well-being. The workforce is encouraged to participate in such activities to promote physical, social, mental and even spiritual health."</p> <p>"Fire and Earthquake Drills, Zumba Sessions, Mother's Day Wellness" (http://www.afpmbai.com.ph/acgs/2020/health_safety.jpg)</p>
C.3.3	Does the company have training and development programmes for its employees?		Y	<p>Governance Report of the 2019 Annual Report, page 33-34 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p> <p>HEALTH, SAFETY, WELFARE, TRAINING AND DEVELOPMENT "...As part of professional and personal development, employees are given the opportunity to be high potential members of the organization through the continuous learning and development initiatives, such as but not limited to, institutional and individual training, crafted from results of a competency assessment. The workforce is sent to both in-house and off-site seminars and courses to enhance their soft and technical skills. This initiative prepares them for bigger responsibilities and assuming leadership in the future..."</p>
C.3.4	Does the company publish relevant information on training and development programmes for its employees?		Y	<p>Governance Report of the 2019 Annual Report, page 33-34 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p> <p>"Pictures during trainings and seminars" (https://afpmbai.com.ph/acgs/2020/accedata_training.jpg)</p> <p>HEALTH, SAFETY, WELFARE, TRAINING AND DEVELOPMENT "...As part of professional and personal development, employees are given the opportunity to be highpotential members of the organization through the continuous learning and development initiatives, such as but not limited to, institutional and individual training, crafted from results of a competency assessment. The workforce is sent to both in-house and off-site seminars and courses to enhance their soft and technical skills. This initiative prepares them for bigger responsibilities and assuming leadership in the future..."</p>
C.3.5	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?		Y	<p>Memorandum Circular 019-2015: Outstanding Employees (https://afpmbai.com.ph/acgs/2020/outstanding.jpg)</p> <p>Governance Report of the 2019 Annual Report, page 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAL_Annual_Report(low).pdf#page=18)</p> <p>Rewards Policy "The Association believes that quality performance, when recognized and rewarded, are repeated and duplicated. Thus, the Association has instituted a rewards system in keeping with its desire to attract and retain highly competent employees, as embodied in the HR Philosophy and Compensation Philosophy..."</p>
C.4	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.			

C.4.1	Does the company have procedures for complaints by employees concerning illegal (including corruption) and unethical behaviour?	<p>OECD Principle IV (E): Stakeholders, including individual employees and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.</p>	Y	<p>Governance Report of the 2019 Annual Report, page 32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>ADHERENCE TO AFPMBAI CODE OF ETHICS AND CODE OF CONDUCT "The rollout of the new corporate values resulted in employees adhering to ethical standards set by the Management under the Code of Ethics and the Code of Conduct booklet. Copies of the booklet were provided and duly acknowledged by the employees. As such, no employee, member of the Management or corporate officer has violated either of the Codes. The Association takes pride in reporting the Negative List to the Insurance Commission on a regular basis."</p> <p>Code of Conduct page 22-23 (https://afpmbai.com.ph/acgs/2020/E.2.3_Code_of_Conduct_Pages22-27.pdf)</p> <p>Investigation Rules and Procedures A. Complaint/Irregularity/Incident Report or any Analogous Document 1. The complaint or any employee who observes violation of Association's policy... 2. Complaint/Irregularity/Incident Report or any analogous document including all supporting pieces of evidence... 3. Within three (3) calendar days from determination of appropriate charges against subject employee or respondent... 4. Within five (5) calendar days from receipt of the Answer/Explanation submitted... 5. Upon the President's approval, the Investigation Board shall convene within three (3) calendar days to investigate... 6. The Investigation Board is automatically dissolved upon submission of its investigation report...</p>
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?		Y	<p>Governance Report of the 2019 Annual Report, page 32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>Whistle-Blowing Policy "The Management maintains an open-door policy for employees as one of the avenues for reporting corruption and other illegal activities or transactions entered into by fellow employees, regardless of rank. Any reports, supported by facts and documents, are handled with strict confidentiality."</p> <p>Code of Ethics page 7 (https://afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf#page=12)</p> <p>Whistleblower Policy Employees, stakeholders and members are encourage to report in writing unethical practices to the concerned immediate superior or Head, HRD or AFPMBAI's Chief Corporate Services Officer, respectively, as most problems in this area can be resolved swiftly. The said offices, through an open-door policy, will accommodate problems on ethic. All of us are responsible for preventing violations of law and for acting as whistleblowers if we see possible breaches of internal policies, rules and regulations.</p>

D.1 Transparent ownership structure		Y/N	Reference/ Source document
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	Y	DEFAULT
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	Y	DEFAULT
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	Y	DEFAULT
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	Y	DEFAULT
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	Y	DEFAULT
D.2 Quality of Annual Report			
<i>Does the company's annual report disclose the following items:</i>			
D.2.1	Key risks	Y	<p>Governance Report of the 2019 Annual Report, pages 30-31 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16)</p> <p>KEY RISKS AFPMBAI's ERM Framework considers the following broad categories of risks:</p> <p>Strategic Risks "....This risk category covers risks inherent to our industry, target markets, products and services offerings, business model, competitiveness as well as potential risks to the long-term sustainability of the Association."</p> <p>Financial Risks "....This risk category covers risks of default on loan payments, default and changes in the market interest rate, impairment of/changes in value of financial asset, as well as potential inadequacy of fund to pay obligations to members/policyholders."Operational Risks "....This risk category covers risks of business activity disruptions due to telecommunications, system failures, virus attacks or breach of cyber security, potential litigations, breach of contractual agreement, and non-compliance to regulations."Environmental Risks "....This risk category covers risks of business activity disruptions due to natural calamities, man-made disasters, as well as potential risks arising out of major regulatory/political changes and threats to public health."</p>
D.2.2	Corporate objectives	Y	<p>Governance Report of the 2019 Annual Report, page 28 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=15)</p> <p>CORPORATE OBJECTIVES A Strategic Planning Retreat was held last Aug. 15, 2019 where Members of the Board and management reviewed and discussed the company's Vision, Mission, Critical Issues, Financial Goals and Strategic Intentions. It was then followed by a series of management strategic planning meetings and deliberation to the Board where the new Charter Statement and Corporate Strategies were approved. Following are the approved Strategic Objectives for CY2020:</p> <ol style="list-style-type: none"> 1. Provide efficient customer service 2. Provide comprehensive benefits 3. Offer innovative products and services 4. Strengthen Corporate Image and Social Responsibility 5. Ensure Financial Sustainability 6. Manage cost effectively 7. Promote innovation and digital transformation 8. Streamline business processes 9. Advocate Good Governance 10. Foster productivity and service excellence 11. Establish an agile organization
D.2.3	Financial performance indicators	Y	2019 Audited Financial Statement (https://afpmbai.com.ph/wp-content/uploads/2020/07/2019_Financial_Statement.pdf)

D.2.4	Non-financial performance indicators		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 28-29 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=15)</p> <p>NON-FINANCIAL PERFORMANCE INDICATORS Contact Center Management "We endeavor to improve overall customer experience by providing members with various communication portals to reach us, at the same time for the company to give immediate response to their inquiries/needs/concerns. Replies were sent within the day for easy verifications and/or when info is already available from concerned offices..."Brand Awareness Thru Digital Marketing " We believe Brand Awareness helps promote our products and services (e.g. Insurance Plans, Insurance Loans, MBAI Protek, Real Estate Loans) to boost sales..."Engagement Rate "Website New Users' sessions and Engagement Rate declined (although still above the target) due to less new content uploaded to the website during the 2nd semester..."Response Rate on Facebook inbox "For CY2019, 93% of our Members' inquiries on Facebook were responded to higher than the 90% response rate target. The 7% variance (versus 100% rating) may be attributed to other replies of Members like "Thank you", which Facebook counts as another comment/inquiry. The said discrepancy however, may be addressed by the CRM tool that will be used in CY2020..."Update/Creation of Company Policies "The Policy Review Committee was strengthened to ensure that concerned offices document, standardize, and implement the guidelines and business processes of the company..."Competency Building "We believe our human resources is our greatest asset, hence, we provide continuous training and empowerment to our employees and sales personnel..."</p>
D.2.5	Dividend policy		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 33 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>POLICY DIVIDENDS "AFPMBAI declared policy dividends amounting to P220.1M for 2019, benefiting the 183,063 policyholders of participating permanent plans. Members with participating plans may claim their dividends from the AFPMBAI Head Office or from any of its branch offices nationwide. Release of the 2019 policy dividends is based on one's policy anniversary month. Starting May 2020 though, policies with anniversary months June to December can claim their dividends in May. Furthermore, Members with updated bank account records in the AFPMBAI system may opt to claim their dividends directly from their respective accounts."</p>
D.2.6	Details of whistle-blowing policy		<p>Y</p> <p>Governance Report of the 2019 Annual Report, page 32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=17)</p> <p>Whistle-Blowing Policy "The Management maintains an open-door policy for employees as one of the avenues for reporting corruption and other illegal activities or transactions entered into by fellow employees, regardless of rank. Any reports, supported by facts and documents, are handled with strict confidentiality."</p> <p>Code of Ethics page 7 (https://afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf#page=12)</p> <p>Whistleblower Policy <i>Employees, stakeholders and members are encourage to report in writing unethical practices to the concerned immediate superior or Head, HRD or AFPMBAI's Chief Corporate Services Officer, respectively, as most problems in this area can be resolved swiftly. The said offices, through an open-door policy, will accommodate problems on ethic. All of us are responsible for preventing violations of law and for acting as whistleblowers if we see possible breaches of internal policies, rules and regulations.</i></p>
D.2.7	Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 15-16 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=8).</p>
D.2.8	Training and/or continuing education programme attended by each director/commissioner		<p>Y</p> <p>Excerpt from the Governance Report of the 2019 Annual Report, page 18 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10).</p> <p>CONTINUING EDUCATION PROGRAM "Upon their election as members of the Board, the Association's Trustees are given an orientation on the operations of AFPMBAI. One-on-one orientations are also scheduled, facilitated by the Strategic Management Office, to enable each Trustee to have an in-depth knowledge of day-today operations as well as processes at the strategic level. A Continuing Education Program (CEP) is also part of the continuing professional education of trustees. All trustees who come on board undergo the Corporate Governance Orientation Program (CGOP) of the Institute of Corporate Directors (ICD). Other training is also provided for trustees with specific focus areas, such as governance, audit, and investment..."</p>
D.2.9	Number of board of directors/commissioners meetings held during the year		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 19-20 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10)</p>
D.2.10	Attendance details of each director/commissioner in respect of meetings held		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 19-20 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10)</p>

D.2.11	Details of remuneration of each member of the board of directors/commissioners		Y	<p>AFPMBAI 2019 New Bylaws Article VI (Board of Trustees), Section 12 which states:</p> <p>Section 12. Remuneration. The members of the Board of Trustees shall not receive any compensation or remuneration for their services as such, except for reasonable allowance and per diem.</p>
Corporate Governance Confirmation Statement				
D.2.12	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	<p>OECD PRINCIPLE V (A) (8)</p> <p>UK CODE (JUNE 2010): Listing Rules</p> <p>9.8.6 R (for UK incorporated companies) and 9.8.7 R (for overseas incorporated companies) state that in the case of a company that has a Premium listing of equity shares, the following items must be included in its Annual Report and accounts: a statement of how the listed company has applied the Main Principles set out in the UK CG Code, in a manner that would enable shareholders to evaluate how the principles have been applied; a statement as to whether the listed company has complied throughout the accounting period with all relevant provisions set out in the UK CG Code; or not complied throughout the accounting period with all relevant provisions set out in the UK CG Code, and if so, setting out:</p> <p>(i) those provisions, if any, it has not complied with;</p> <p>(ii) in the case of provisions whose requirements are of a continuing nature, the period within which, if any, it did not comply with some or all of those provisions; and</p> <p>(iii) the company's reasons for non-compliance.</p> <p>ASX CODE:</p> <p>Under ASX Listing Rule 4.10.3, companies are required to provide a statement in their Annual Report disclosing the extent to which they have followed the Recommendations in the reporting period. Where companies have not followed all the Recommendations, they must identify the Recommendations that have not been followed and give reasons for not following them. Annual Reporting does not diminish the company's obligation to provide disclosure under ASX Listing Rule 3.1.</p>	Y	<p>Governance Report of the 2019 Annual Report, pages 27-28 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=15)</p> <p>COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE</p> <p>"The Association, thru the ASEAN Corporate Governance Scorecard (ACGS), adheres to the corporate governance principles of sustainability, accountability, disclosure and transparency in its policies and activities intended for the members, employees, and other stakeholders. We maintained increasing scores every year. For 2019, we scored 71.4 points in the ACGS." "We even participated and showed our full support to the revision of the Code of Corporate Governance for IC-covered corporations (show photo) together with representatives from other sectors/industries under the Insurance Commission. The revised version of the Code aims to uplift governance best practices among all insurance industries..."</p>
D.3. Disclosure of related party transactions (RPT)				
D.3.1	Does the company disclose its policy covering the review and approval of material/significant RPTs?	<p>OECD Principle V: Disclosure and Transparency</p> <p>(A) Disclosure should include, but not limited to, material information on:</p> <p>(5) Related party transactions</p>	Y	<p>Risk Management and Related Party Transaction Committee (RMRPTC) Charter pages 2-3 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Revised_RMRPTC_Charter.pdf#page=2)</p>
D.3.2	Does the company disclose the name of the related party and relationship for each material/significant RPT?	<p>ICGN 2.11.1 Related party transactions</p> <p>The company should disclose details of all material related party transactions in its Annual Report.</p>	Y	<p>Governance Report of the 2019 Annual Report, pages 23 and 31-32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16).</p> <p>Risk Management and Related Party Transaction Committee</p> <p>"The Risk Management and Related Party Transactions Committee (RMRPTC) exercised its oversight over Management's efforts in integrating risk management in all business decisions and processes, identifying top risk exposures of the Association, establishing risk appetite, implementing risk mitigation and management, as well as assuring AFPMBAI's compliance with laws, rules and regulations...." REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT)</p> <p>"The Risk Management and Related Party Transactions Committee (RMRPTC), majority of whom are independent trustees, reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). Review and reporting of Related Party Transactions (RPTs) are aligned with the appropriate IC Circular and company policies to ensure that there is no conflict of interest and that transactions are conducted fairly and on arms' length basis. The Association submits the required quarterly RPT reports to the Insurance Commission, as well as the Annual Conglomerate Structure with the subsidiary, AFPGEN..."</p>
D.3.3	Does the company disclose the nature and value for each material/significant RPT?		Y	<p>Governance Report of the 2019 Annual Report, pages 23 and 31-32 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16).</p> <p>Risk Management and Related Party Transaction Committee</p> <p>"The Risk Management and Related Party Transactions Committee (RMRPTC) exercised its oversight over Management's efforts in integrating risk management in all business decisions and processes, identifying top risk exposures of the Association, establishing risk appetite, implementing risk mitigation and management, as well as assuring AFPMBAI's compliance with laws, rules and regulations...." REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT)</p> <p>"The Risk Management and Related Party Transactions Committee (RMRPTC), majority of whom are independent trustees, reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). Review and reporting of Related Party Transactions (RPTs) are aligned with the appropriate IC Circular and company policies to ensure that there is no conflict of interest and that transactions are conducted fairly and on arms' length basis. The Association submits the required quarterly RPT reports to the Insurance Commission, as well as the Annual Conglomerate Structure with the subsidiary, AFPGEN..."</p>

D.4 Directors and commissioners dealings in shares of the company			
D.4.1	Does the company disclose trading in the company's shares by insiders?	<p>OECD Principle V (A): (3) Major share ownership and voting rights</p> <p>ICGN 3.5 Employee share dealing Companies should have clear rules regarding any trading by directors and employees in the company's own securities.</p> <p>ICGN 5.5 Share ownership Every company should have and disclose a policy concerning ownership of shares of the company by senior managers and executive directors with the objective of aligning the interests of these key executives with those of shareholders.</p>	Y DEFAULT
D.5 External auditor and Auditor Report			
D.5.1	Are audit fees disclosed?	<p>OECD Principle V (C): An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects.</p>	Y Summary of Minutes of the 11 July 2020 AGM, Page 4 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=4).
	<i>Where the same audit firm is engaged for both audit and non-audit services</i>	<p>OECD Principle V (D): External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit.</p>	
D.5.2	Are the non-audit fees disclosed?		N/A There are no non-audit fee/s because the External Auditor did not render any other service aside from Financial Audit.
D.5.3	Does the non-audit fee exceed the audit fees?	<p>ICGN 6.5 Ethical standards (Audit) The auditors should observe high-quality auditing and ethical standards. To limit the possible risk of possible conflicts of interest, non-audit services and fees paid to auditors for non-audit services should be both approved in advance by the audit committee and disclosed in the Annual Report.</p>	N/A There are no non-audit fee because the External Auditor did not render any other service aside from Financial Audit.
D.6 Medium of communications			
<i>Does the company use the following modes of communication?</i>			
D.6.1	Quarterly reporting	<p>OECD Principle V (E): Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users.</p>	Y "Quarterly publication of the Mutual newsletter"(https://afpmbai.com.ph/acgs/2020/the_mutual_2020.jpg)
D.6.2	Company website		Y "www.afpmbai.com.ph" (https://afpmbai.com.ph)
D.6.3	Analyst's briefing		N/A DEFAULT
D.6.4	Media briefings /press conferences	<p>ICGN 7.1 Transparent and open communication Every company should aspire to transparent and open communication about its aims, its challenges, its achievements and its failures.</p> <p>ICGN 7.2 Timely disclosure Companies should disclose relevant and material information concerning themselves on a timely basis, in particular meeting market guidelines where they exist, so as to allow investors to make informed decisions about the acquisition, ownership obligations and rights, and sales of shares.</p>	Y "PAF Radio Service Interview"(https://www.facebook.com/pafvtv/videos/408601936573237/?vh=e)
D.7 Timely filing/release of annual/financial reports			
D.7.1	Are the audited annual financial report / statement released within 120 days from the financial year end?	<p>OECD Principle V (C)</p> <p>OECD Principle V (E) OECD Principle V-(A).</p>	Y 2019 Audited Financial Statement submitted to BIR within the deadline (https://afpmbai.com.ph/wp-content/uploads/2020/07/2019_Financial_Statement.pdf)
D.7.2	Is the annual report released within 120 days from the financial year end?	<p>ICGN 7.2 Timely disclosure</p> <p>ICGN 7.3 Affirmation of financial statements The board of directors and the corporate officers of the company should affirm at least annually the accuracy of the company's financial statements or financial accounts.</p>	Y 2019 Annual Report posted on the website (https://afpmbai.com.ph/about/governance/)
D.7.3	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?		Y 2019 Audited Financial Statement with Statement of Management Responsibility (https://afpmbai.com.ph/wp-content/uploads/2020/07/2019_Financial_Statement.pdf)

D.8 Company website			
<i>Does the company have a website disclosing up-to-date information on the following:</i>			
D.8.1	Business operations	OECD Principle V (A)	Y AFPMBAI website (https://afpmbai.com.ph)
D.8.2	Financial statements/reports (current and prior years)	OECD Principle V (E)	Y 2019 Financial Statement, 2018 FS, 2017 FS (https://afpmbai.com.ph/about/governance/)
D.8.3	Materials provided in briefings to analysts and media	ICGN 7.1 Transparent and open communication	Y News Articles on Website (https://afpmbai.com.ph/news/)
D.8.4	Shareholding structure	ICGN 7.2 Timely disclosure	Y Website screenshot of footer with different branches of service (https://afpmbai.com.ph/acgs/2020/afpmbai_footer.jpg)
D.8.5	Group corporate structure		Y Organizational Structure (https://afpmbai.com.ph/about/management/)
D.8.6	Downloadable annual report		Y Screenshot of Downloadable Annual Report (https://afpmbai.com.ph/acgs/2020/annual_screenshot.jpg)
D.8.7	Notice of AGM and/or EGM		Y Notice of 2020 AGM published in the AFPMBAI Website (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/)
D.8.8	Minutes of AGM and/or EGM		Y Summary of Minutes of the 2020 AGM (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf)
D.8.9	Company's constitution (company's by-laws, memorandum and articles of association)		Y 2019 Amended Articles of Incorporation (http://afpmbai.com.ph/afpmbai_ref_materials/2019_Amended_Articles_of_Incorporation.pdf) and 2019 Bylaws (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf)
D.9 Investor relations			
D.9.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office responsible for investor relations?	ICGN 7.1 Transparent and open communication	N/A DEFAULT

E. Responsibilities of the Board			
E.1	Board Duties and Responsibilities	Y/N	Reference/ Source document
Clearly defined board responsibilities and corporate governance policy			
E.1.1	Does the company disclose its corporate governance policy / board charter?		<p>OECD PRINCIPLE V: Disclosure and Transparency (A) Disclosure should include, but not be limited to, material information on: 8. Governance structures and policies, in particular, the content of any corporate governance code or policy and the process by which it is implemented.</p> <p>Y</p> <p>Corporate Governance Manual (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf).</p> <p>Charters of Board Committees: - Governance Committee (https://www.afpmbai.com.ph/acgs/2018/Revised_Governance_Committee_Charter.pdf) - Audit Committee (https://www.afpmbai.com.ph/acgs/2019/Revised%20AudCom%20Charter(17_January_2019).pdf) - Risk Management and Related Party Transaction Committee (https://www.afpmbai.com.ph/wp-content/uploads/2020/07/Revised_RMRPTC_Charter.pdf) - Investment Committee (https://www.afpmbai.com.ph/acgs/2018/Revised_Investment_Committee_Charter.pdf) - Nomination and Remuneration Committee (https://www.afpmbai.com.ph/acgs/2018/Revised_NRC_Charter.pdf) - Social Services Program Committee (https://www.afpmbai.com.ph/acgs/2018/Revised_SSPC_Charter.pdf)</p>
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?		<p>OECD PRINCIPLE VI (D)</p> <p>Y</p> <p>2019 Amended Manual of Corporate Governance, Pages 7-8 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=7)</p> <p>Powers of the Board "The Board of Trustees shall have management and control over the affairs and properties of AFPMBAI. In addition to the above general powers, the Board of Trustees shall have the following specific powers..."2019 New Bylaws (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf)</p> <p>ARTICLE VI. BOARD OF TRUSTEES Section 1. Powers - "The Association shall be managed and its corporate powers exercised by a Board of Trustees which shall have the management and control of the affairs and properties of the Association. In addition to the general powers above provided, the Board of Trustees shall have the following specific powers:..."</p>
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?		<p>Y</p> <p>2019 Amended Manual of Corporate Governance, III. Board of Trustees - J. Duties and Responsibilities of a Trustee Pages 12-13 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=12)</p> <p>2019 New Bylaws, ARTICLE VI. BOARD OF TRUSTEES - Section 2. Duties and Responsibilities (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf)</p>
Corporate Vision/Mission			
E.1.4	Does the company have a vision and mission statement?		<p>OECD PRINCIPLE 6 (P58) ICGN:3.2 Integrity ICGN:3.2 Integrity The board is responsible for overseeing the implementation and maintenance of a culture of integrity. The board should encourage a culture of integrity permeating all aspects of the co., and secure that its vision, mission and objectives are ethically sound.</p> <p>Y</p> <p>2019 Annual Report, Page 3 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=2).</p> <p>Excerpt from the 2019 Annual Report VISION STATEMENT The leader and industry standard for all Mutual Benefit Association</p> <p>MISSION STATEMENT <i>To provide members and their families comprehensive insurance and lifetime financial security</i></p>
E.1.5	Has the board review the vision and mission/strategy in the last financial year?		<p>Y</p> <p>Governance Report of the 2019 Annual Report, page 28 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=15)</p> <p>"A Strategic Planning Retreat was held last Aug. 15, 2019 where Members of the Board and management reviewed and discussed the company's Vision, Mission, Critical Issues, Financial Goals and Strategic Intents. It was then followed by a series of management strategic planning meetings and deliberation to the Board where the new Charter Statement and Corporate Strategies were approved..."</p>
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?		<p>Y</p> <p>Governance Report of the 2019 Annual Report, pages 21-25 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=11)</p> <p>Governance Committee (page 21) "...Its most significant achievement for 2019 is the amendment to the Manual of Corporate Governance, which followed the principles of the Code of Corporate Governance for Publicly-Listed Companies, when these principles were applicable to the Association..."Audit Committee (page 22) "The Audit Committee (AudCom) exercised its oversight over the Internal Audit Office (IAO) by ensuring that all engagement activities were accomplished, including the review of the Association's Statutory Audit of Financial Statements for CY2018. AudCom It also closely monitored the accomplishment of Accedata, the information system project of the Association..."Investment Committee (page 22) "For 2019, the Investment Committee oversaw the performance of the Association's short-term, fixed income, equity investments and lending portfolio. The committee also regularly monitored the Association's investments under Investment Management Agreements with trusted banks, ensured optimum investment yield and surplus margins, and evaluated other potential investments of the Association..."Risk Management and Related Party Transaction Committee (page 23) "The Risk Management and Related Party Transactions Committee (RMRPTC) exercised its oversight over Management's efforts in integrating risk management in all business decisions and processes, identifying top risk exposures of the Association, establishing risk appetite, implementing risk mitigation and management, as well as assuring AFPMBAI's compliance with laws, rules and regulations..."Nomination and Remuneration Committee (page 24) "For 2019, the Nomination and Remuneration Committee (NRC) ensured the Association had a succession planning program for its personnel. NRC also thoroughly screened all candidates for Board seats and senior management positions, prior to endorsement to the BOT, to identify their eligibility based on established qualifications as embodied in the By-Laws, the Manual of Corporate Governance, internal policies and external regulations. NRC endorsed only candidates with a track record of demonstrating the Association's core values, namely, customer-centeredness, integrity, social responsibility, prudence, and professionalism..."Social Services Program Committee (page 25) "For CY 2019, the Social Services Program Committee (SSPC) achieved over 100% of its targets in the maximization of its Corporate Social Responsibility Programs. Due to the numerous activities conducted under its oversight, AFPMBAI achieved its target to extend further assistance to its members through donations and social welfare programs..."</p>

E.2 Board structure			
Code of Ethics or Conduct			
E.2.1	Are the details of the code of ethics or conduct disclosed?	OECD PRINCIPLE VI (C) The board should apply high ethical standards. It should take into account the interests of stakeholders.	Y Code of Ethics (https://afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf)
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	The board has a key role in setting the ethical tone of a company, not only by its own actions, but also in appointing and overseeing key executives and consequently the management in general. High ethical standards are in the long term interests of the company as a means to make it credible and trustworthy, not only in day-to-day operations but also with respect to longer term commitments. To make the objectives of the board clear and operational, many companies have found it useful to develop company codes of conduct based on, inter alia, professional standards and sometimes broader codes of behaviour. The latter might include a voluntary commitment by the company (including its subsidiaries) to comply with the OECD Guidelines for Multinational Enterprises which reflect all four principles contained in the ILO Declaration on Fundamental Labour Rights. Company-wide codes serve as a standard for conduct by both the board and key executives, setting the framework for the exercise of judgement in dealing with varying and often conflicting constituencies. At a minimum, the ethical code should set clear limits on the pursuit of private interests, including dealings in the shares of the company. An overall framework for ethical conduct goes beyond compliance with the law, which should always be a fundamental requirement.	Y Code of Ethics "Cornerstone"(https://afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf)
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?		Y Code of Ethics page 3 (https://afpmbai.com.ph/acgs/2020/E.2.1_Code_of_Ethics.pdf#page=3) Recordkeeping and Public Disclosures All corporate records must be complete, accurate and truthful. This way, the Association can provide reliable source of information. These should also be maintained in accordance with established recordkeeping policies and procedures. All must comply with established guidelines in the disclosure of financial reports and public documents in keeping with the provisions and intent of the law. Code of Conduct pages 22-27 (https://afpmbai.com.ph/acgs/2020/E.2.3_Code_of_Conduct_Pages22-27.pdf) Investigation Rules and Procedures A. Complaint/Irregularity/Incident Report or any Analogous Document..... B. Light Offenses (Misdemeanor and Light Offenses)..... C. Serious Offenses (Less Grave and Grave Offenses)..... D. Investigation Proper..... E. Report of the Investigation Board..... F. Management Decision.....
Board Structure & Composition			
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	OECD PRINCIPLE VI (E) In order to exercise its duties of monitoring managerial performance, preventing conflicts of interest and balancing competing demands on the corporation, it is essential that the board is able to exercise objective judgement. In the first instance this will mean independence and objectivity with respect to management with important implications for the composition and structure of the board. Board independence in these circumstances usually requires that a sufficient number of board members will need to be independent of management. The ASX Code recommends at least a majority of independent directors, while the UK Code recommends at least half of the board, excluding the Chairman, be independent directors. The minimum of three independent directors is to ensure that companies with small boards have enough independent directors (note that stock exchange rules often require at least two independent directors).	N 2019 New Bylaws, Article VI (Board of Trustees) Section 3 (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf#page=7) which states : " Section 3. Composition - The Board of Trustees shall consist of fifteen (15) members, all of whom shall be elected during the Annual Membership Meeting from among the regular members of the Association. The Board shall be composed of one (1) each from the Office of the Chief of Staff, AFP; the Philippine Army, the Philippine Navy, the Philippine Air Force, the Philippine Coast Guard, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, the Joint Staff of GHQ AFP, and the Office of the AFP Sergeant Major; two (2) from the Philippine National Police; one (1) at large; and three (3) independent trustees at least one (1) of whom shall be a retired member of the uniformed services. Trustees must possess the necessary education, competence and experience in business, preferably in insurance operation to qualify for election to the Board." Governance Report of the 2019 Annual Report, page 17 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=9) BOARD INDEPENDENCE "...The AFPMBAI Board also has three (3) independent trustees, representing twenty percent (20%) of the 15-member Board, who ensure an independent mindset at the Board level. Although governance standards recommend that at least fifty percent (50%) of Board members be independent trustees, none of Association's trustees actually have a stake in the company other than their membership through the availment of an insurance policy."
E.2.5	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	OECD PRINCIPLE VI (E) In order to exercise its duties of monitoring managerial performance, preventing conflicts of interest and balancing competing demands on the corporation, it is essential that the board is able to exercise objective judgement. In the first instance this will mean independence and objectivity with respect to management with important implications for the composition and structure of the board. Board independence in these circumstances usually requires that a sufficient number of board members will need to be independent of management. The variety of board structures, ownership patterns and practices in different countries will thus require different approaches to the issue of board objectivity. In many instances objectivity requires that a sufficient number of board members not be employed by the company or its affiliates and not be closely related to the company or its management through significant economic, family or other ties. This does not prevent shareholders from being board members. In others, independence from controlling shareholders or another controlling body will need to be emphasised, in particular if the ex ante rights of minority shareholders are weak and opportunities to obtain redress are limited. This has led to both codes, and the law in some jurisdictions, to call for some board members to be independent of dominant shareholders, independence extending to not being their representative or having close business ties with them.	Y 2019 Amended Manual of Corporate Governance, pages 10-11 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=10); 2019 New Bylaws, Article VI (Board of Trustees), Section 11 (Independent Trustees) (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf#page=8).
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?		Y 2019 New Bylaws (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf) ARTICLE VI. BOARD OF TRUSTEES Section 4. Term. The members of the Board shall serve for a term of one (1) year or until their successors are elected and qualified: Provided that no trustee shall serve for more than three (3) consecutive terms, provided further that no trustee shall serve for more than five (5) cumulative terms.
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	UK CODE (JUNE 2010): Non-executive directors should be appointed for specified terms subject to re-election and to statutory provisions relating to the removal of a director. Any term beyond six years for a non-executive director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board and to succession for appointments to the board and to senior management, so as to maintain an appropriate balance of skills and experience within the company and on the board.	Y 2019 Amended Manual of Corporate Governance, page 10 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=10) F. Qualifications of a Trustee 3. Temporary Disqualification of a Trustee "...d. Holding of the position of trustee, director or officer in more than four (4) other corporations and/or in any corporation having the same business interests as AFPMBAI;..."
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?	OECD PRINCIPLE VI (E) (3) Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards can interfere with the performance of board members. Companies may wish to consider whether multiple board memberships by the same person are compatible with effective board performance and disclose the information to shareholders.	N Independent Trustees do not serve in any publicly listed companies

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	
Nominating Committee				
E.2.10	Does the company have a Nominating Committee (NC)?	<p>OECD PRINCIPLE II (C)</p> <p>(3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.</p> <p>With respect to nomination of candidates, boards in many companies have established Nominating Committees to ensure proper compliance with established nomination procedures and to facilitate and coordinate the search for a balanced and qualified board. It is increasingly regarded as good practice in many countries for independent board members to have a key role on this committee. To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p>	Y	<p>2019 Amended Manual of Corporate Governance, Page 17 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=17);</p> <p>Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)</p>
E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	<p>OECD PRINCIPLE VI (E)</p> <p>(1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.</p>	N	<p>Governance Report of the 2019 Annual Report, page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).</p>
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	This item is in most codes of corporate governance.	N	<p>Governance Report of the 2019 Annual Report, page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).</p>
E.2.13	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	<p>OECD PRINCIPLE VI (E)</p> <p>(2) When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p>	Y	<p>Revised Nomination and Remuneration Committee Charter (https://www.afpmbai.com.ph/acgs/2018/Revised_NRC_Charter.pdf)</p>
E.2.14	Did the Nominating Committee meet at least twice during the year?	While the use of committees may improve the work of the board they may also raise questions about the collective responsibility of the board and of individual board members. In order to evaluate the merits of board committees it is therefore important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in an increasing number of jurisdictions where boards are establishing independent Audit Committees with powers to oversee the relationship with the external auditor and to act in many cases independently.	Y	<p>Governance Report of the 2019 Annual Report, page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).</p>
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	<p>Other such committees include those dealing with nomination and compensation. The accountability of the rest of the board and the board as a whole should be clear. Disclosure should not extend to committees set up to deal with, for example, confidential commercial transactions</p> <p>Given the responsibilities of the NC spelt out in codes of corporate governance, the NC is unlikely to be fulfilling these responsibilities effectively if it is only meeting once a year. Globally, the NC of large companies would meet several times a year.</p>	Y	<p>Governance Report of the 2019 Annual Report, page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).</p>
Remuneration Committee/ Compensation Committee				
E.2.16	Does the company have a Remuneration Committee?	<p>OECD PRINCIPLE VI (D)</p> <p>(4) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>It is considered good practice in an increasing number of countries that remuneration policy and employment contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors. There are also calls for a Remuneration Committee that excludes executives that serve on each others' Remuneration Committees, which could lead to conflicts of interest.</p>	Y	<p>2019 Amended Manual of Corporate Governance, Page 17 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=17);</p> <p>Nomination and Remuneration Committee (Annex K)</p> <p>"The Committee's purpose is to ensure that there is a Board succession plan and that the Board has a complete set of Regular and Independent Trustees based on defined competency requirements. The Committee will also implement the Board Performance Evaluation and Rating System."</p> <p>Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)</p>
E.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?		N	<p>Nomination and Remuneration Charter, Page 2 (https://www.afpmbai.com.ph/acgs/2018/Revised_NRC_Charter.pdf#page=2);</p> <p>Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)</p>
E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?		N	<p>Nomination and Remuneration Charter, Page 2 (https://www.afpmbai.com.ph/acgs/2018/Revised_NRC_Charter.pdf#page=2);</p> <p>Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)</p>
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	<p>OECD PRINCIPLE VI (E)</p> <p>(2) When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p>	Y	<p>Nomination and Remuneration Committee Charter (https://www.afpmbai.com.ph/acgs/2018/Revised_NRC_Charter.pdf)</p>

E.2.20	Did the Remuneration Committee meet at least twice during the year?	<p>While the use of committees may improve the work of the board they may also raise questions about the collective responsibility of the board and of individual board members. In order to evaluate the merits of board committees it is therefore important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in an increasing number of jurisdictions where boards are establishing independent Audit Committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Other such committees include those dealing with nomination and compensation. The accountability of the rest of the board and the board as a whole should be clear. Disclosure should not extend to committees set up to deal with, for example, confidential commercial transactions</p> <p>Given the responsibilities of the Remuneration Committee (RC) which are spelt out in codes of corporate governance, the RC is unlikely to be fulfilling these responsibilities effectively if it only meets once a year. Globally, the RC of large companies would meet several times a year.</p>	Y Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?		Y Governance Report of the 2019 Annual Report, Page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13)
Audit Committee			
E.2.22	Does the company have an Audit Committee?	<p>OECD PRINCIPLE VI (E) (1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.</p>	Y 2019 Amended Manual of Corporate Governance, Page 17 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=17); Audit Committee (Annex H) The Committee's purpose is to provide a structured, systematic oversight of AFPMBAI's governance and internal control practices. The Committee also assists the Board and Management by providing advice and guidance on the adequacy of AFPMBAI's initiatives for: 1. Values and Ethics 2. Governance Structure 3. Risk Management 4. Internal Control Framework 5. Oversight of the Internal Audit Office, External Auditors, and Other Providers of Assurance 6. Financial Performance and Public Accountability Reporting Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12)
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	<p>OECD PRINCIPLE VI (E) (2) When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p> <p>While the use of committees may improve the work of the board they may also raise questions about the collective responsibility of the board and of individual board members. In order to evaluate the merits of board committees it is therefore important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the increasing number of jurisdictions where boards are establishing independent Audit Committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Other such committees include those dealing with nomination and compensation. The accountability of the rest of the board and the board as a whole should be clear. Disclosure should not extend to committees set up to deal with, for example, confidential commercial transactions.</p>	N Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12) Audit Committee "Independent Trustee BGen Florentino P Manalastas Jr. AFP (Ret), the former Chairman of the Audit Committee, had training in the ISO 9000- 2000 Series Lead Auditor Course, PERA Neville Clark in 2006. Aside from being a lawyer, he also had an MBA from UP Diliman. The Chairman who succeeded him, MGen Ernesto D Boac AFP, has extensive experience as Comptroller in the Armed Forces of the Philippines. He also completed the Professional Managers Program at the Ateneo Graduate School of Business...."
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?		Y Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12) Audit Committee "Independent Trustee BGen Florentino P Manalastas Jr. AFP (Ret), the former Chairman of the Audit Committee, had training in the ISO 9000- 2000 Series Lead Auditor Course, PERA Neville Clark in 2006. Aside from being a lawyer, he also had an MBA from UP Diliman. The Chairman who succeeded him, MGen Ernesto D Boac AFP, has extensive experience as Comptroller in the Armed Forces of the Philippines. He also completed the Professional Managers Program at the Ateneo Graduate School of Business...."
E.2.25	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?		Y Audit Committee Charter (https://www.afpmbai.com.ph/acgs/2019/Revised%20AudCom%20Charter(17_January_2019).pdf)
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Most codes specify the need for accounting/finance expertise or experience.	Y Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12) Audit Committee "Independent Trustee BGen Florentino P Manalastas Jr. AFP (Ret), the former Chairman of the Audit Committee, had training in the ISO 9000- 2000 Series Lead Auditor Course, PERA Neville Clark in 2006. Aside from being a lawyer, he also had an MBA from UP Diliman. The Chairman who succeeded him, MGen Ernesto D Boac AFP, has extensive experience as Comptroller in the Armed Forces of the Philippines. He also completed the Professional Managers Program at the Ateneo Graduate School of Business...."

E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	<p>UK CODE (JUNE 2010) C.3.1. The board should satisfy itself that at least one member of the Audit Committee has recent and relevant financial experience.</p> <p>As many of the key responsibilities of the Audit Committee are accounting-related, such as oversight of financial reporting and audits, it is important to have someone specifically with accounting expertise, not just general financial expertise.</p>	Y	<p>Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12)</p> <p>Audit Committee "Independent Trustee BGen Florentino P Manalastas Jr. AFP (Ret), the former Chairman of the Audit Committee, had training in the ISO 9000- 2000 Series Lead Auditor Course, PERA Neville Clark in 2006. Aside from being a lawyer, he also had an MBA from UP Diliman. The Chairman who succeeded him, MGen Ernesto D Boac AFP, has extensive experience as Comptroller in the Armed Forces of the Philippines. He also completed the Professional Managers Program at the Ateneo Graduate School of Business..."</p>
E.2.28	Did the Audit Committee meet at least four times during the year?		Y	Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12)
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?		Y	Governance Report of the 2019 Annual Report, Page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12)
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	<p>UK CODE (JUNE 2010) C.3.6 The Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment and removal of the external auditor. If the board does not accept the Audit Committee's recommendation, it should include in the Annual Report, and in any papers recommending appointment or re-appointment, a statement from the Audit Committee explaining the recommendation and should set out reasons why the board has taken a different position.</p>	Y	<p>Audit Committee Charter (https://www.afpmbai.com.ph/acgs/2019/Revised%20AudCom%20Charter(17_January_2019).pdf); Summary of Minutes of the 2020 AGM, pages 4-5 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=4).</p>
E.3 Board Processes				
Board meetings and attendance				
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Scheduling board meetings before or at the beginning of the year would allow directors to plan ahead to attend such meetings, thereby helping to maximise participation, especially as non-executive directors often have other commitments. Additional ad hoc meetings can always be scheduled if and when necessary. It is common practice for boards in developed markets to schedule meetings in this way.	Y	Signed Inter Office Memo dated 6 December 2019 (https://afpmbai.com.ph/acgs/2020/Sched_of_Meeting_for_CY2020.jpg).
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	<p>WORLD BANK PRINCIPLE 6 (VI.1.24) Does the board meet at least six times per year?</p> <p>INDO SCORECARD E.10. How many meetings were held in the past year? If the board met more than six times, the firm earns a 'Y' score. If four to six meetings, the firm was scored as 'fair', while less than four times was scored as 'N'</p>	Y	Governance Report of the 2019 Annual Report, pages 19-20 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10).
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	<p>OECD PRINCIPLE VI (E) (3) Board members should be able to commit themselves effectively to their responsibilities.</p> <p>Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.</p>	N	Governance Report of the 2019 Annual Report, pages 19-20 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10).
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	<p>WORLD BANK PRINCIPLE 6 (VI.1.28) Is there a minimum quorum of at least 2/3 for board decisions to be valid?</p>	N	<p>Protocol for Board Meetings, Page 1 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Amended_Protocol_for_Board_Committee_Meetings.pdf)</p> <p>Quorum and Attendance "A majority of the Trustees shall constitute a quorum for the transaction of business, and every decision of the majority of a quorum duly assembled as a Board shall be valid as a corporate act."</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?	<p>WORLD BANK PRINCIPLE 6 (VI.E.1.6) Does the corporate governance framework requires or encourages boards to conduct executive sessions?</p>	Y	Governance Report of the 2019 Annual Report, page 22-23 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12) on Audit Committee and Risk Management and Related Party Transaction Committee Meetings
Access to information				
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?	<p>OECD PRINCIPLE VI (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information.</p> <p>Board members require relevant information on a timely basis in order to support their decision-making. Non-executive board members do not typically have the same access to information as key managers within the company. The contributions of non-executive board members to the company can be enhanced by providing access to certain key managers within the company such as, for example, the company secretary and the internal auditor, and recourse to independent external advice at the expense of the company. In order to fulfil their responsibilities, board members should ensure that they obtain accurate, relevant and timely information.</p> <p>WORLD BANK PRINCIPLE 6 (VI.F.2) Does such information need to be provided to the board at least five business days in advance of the board meeting?</p>	Y	Board Meeting Protocol, page 3 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Amended_Protocol_for_Board_Committee_Meetings.pdf#page=3)

E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	<p>OECD PRINCIPLE VI (F)</p> <p>ICSA Guidance on the Corporate Governance Role of the Company Secretary</p>	Y	<p>2019 Amended Manual of Corporate Governance, VI. Corporate Officers - Corporate Secretary, Pages 21-22 (https://www.afpbai.com.ph/afpbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=21);</p> <p>2019 New Bylaws, Article VII (Officers) Section 6 which states:</p> <p>Section 6. Corporate Secretary – The Corporate Secretary, who shall be a citizen and resident of the Philippines, a member of the Bar, may or may not be a member of the Board, but shall be a member of the Association. He shall have the following duties and powers:</p> <p>a. He shall keep, or cause to be kept, a book of minutes at the principal office, of all meetings of the Board of Trustees and of members of the Association, with the time and place of such meetings, whether regular or special, and if special, how authorized, the notice given thereto, the name of those present (or represented at member's meetings), and the proceeding thereof.</p> <p>b. He shall keep or cause to be kept at the principal office, or at the Association's Branch Offices, a members' register, (or a duplicate member's register,) showing the names and dates of certificates issued to them and such other pertinent information as may be required by law.</p> <p>c. He shall give, or cause to be given, notice of all the meetings of the members, and of the Board, required by law or by the Articles of Incorporation and ByLaws; and shall certify all minutes, records and proceedings of the Board, and of the members.</p> <p>d. He shall keep the seal of the Association in safe custody, and turn over to his successor all records in his custody.</p> <p>e. He shall exercise such power and perform such duties as prescribed by the Board of Trustees or by the Insurance Commission, the Securities and Exchange Commission, and other regulatory agencies, including this By-Laws and the Governance Manual.</p>
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	<p>WORLD BANK PRINCIPLE 6</p> <p>(VI.D.2.12) Do company boards have a professional and qualified company secretary?</p>	Y	<p>2019 Bylaws, page 9 (http://www.afpbai.com.ph/afpbai_ref_materials/2019%20By-Laws.pdf#page=9).</p>
Board Appointments and Re-Election				
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	<p>OECD PRINCIPLE II (C) (3)</p> <p>To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p> <p>OECD Principle VI (D)</p> <p>(5) Ensuring a formal and transparent board nomination and election process. These Principles promote an active role for shareholders in the nomination and election of board members. The board has an essential role to play in ensuring that this and other aspects of the nominations and election process are respected. First, while actual procedures for nomination may differ among countries, the board or a nomination committee has a special responsibility to make sure that established procedures are transparent and respected. Second, the board has a key role in identifying potential members for the board with the appropriate knowledge, competencies and expertise to complement the existing skills of the board and thereby improve its value-adding potential for the company. In several countries there are calls for an open search process extending to a broad range of people.</p>	Y	<p>2019 Amended Manual of Corporate Governance, Pages 9-10 (https://www.afpbai.com.ph/afpbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=9).</p>
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?		Y	<p>2019 New Bylaws, ARTICLE VI. BOARD OF TRUSTEES - Sections 3 and 5, which reads:</p> <p>(http://www.afpbai.com.ph/afpbai_ref_materials/2019%20By-Laws.pdf#page=7)</p> <p>"Section 3. Composition - The Board of Trustees shall consist of fifteen (15) members, all of whom shall be elected during the Annual Membership Meeting from among the regular members of the Association. The Board shall be composed of one (1) each from the Office of the Chief of Staff, AFP; the Philippine Army, the Philippine Navy, the Philippine Air Force, the Philippine Coast Guard, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, the Joint Staff of GHQ AFP, and the Office of the AFP Sergeant Major; two (2) from the Philippine National Police; one (1) at large; and three (3) independent trustees at least one (1) of whom shall be a retired member of the uniformed services. Trustees must possess the necessary education, competence and experience in business, preferably in insurance operation to qualify for election to the Board."Section 5. Vacancy - Any vacancy in the Board of Trustees other than by removal or expiration of term may be filled by the vote of at least a majority of the remaining trustees, if still constituting a quorum, in a regular or special meeting called for the purpose."</p>
E.3.11	Are all the directors/commissioners subject to re-election at least once every three years?	<p>ICGN: 2.9.1</p> <p>Election of directors: Directors should be conscious of their accountability to shareholders, and many jurisdictions have mechanisms to ensure that this is in place on an ongoing basis. There are some markets however where such accountability is less apparent and in these each director should stand for election on an annual basis. Elsewhere directors should stand for election at least once every three years, though they should face evaluation more frequently.</p> <p>WORLD BANK PRINCIPLE 6</p> <p>(VI.I.18) Can the re-election of board members be staggered over time? (Staggered boards are those where only a part of the board is re-elected at each election, e.g. only 1/3 of directors are re-elected every year.)</p>	Y	<p>DEFAULT</p>
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?	<p>OECD PRINCIPLE VI (D) (4) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>In an increasing number of countries it is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short term considerations. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and re-pricing of options. In some countries, policy also covers the payments to be made when terminating the contract of an executive.</p>	Y	<p>2019 New Bylaws, ARTICLE VI. BOARD OF TRUSTEES - Section 12 which reads (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf#page=8):</p> <p>"Section 12. Remuneration. The members of the Board of Trustees shall not receive any compensation or remuneration for their services as such, except for reasonable allowance and per diem."</p>
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	<p>UK CODE (JUNE 2010) D.1.3 Levels of remuneration for non-executive directors should reflect the time commitment and responsibilities of the role.</p> <p>Disclosure of fee structure for non-executive directors allows shareholders to assess if these directors are remunerated in an appropriate manner, for example, whether they are paid for taking on additional responsibilities and contributions, such as chairing committees.</p>	Y	<p>2019 New Bylaws, ARTICLE VI. BOARD OF TRUSTEES - Section 12 which reads (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf#page=8):</p> <p>"Section 12. Remuneration. The members of the Board of Trustees shall not receive any compensation or remuneration for their services as such, except for reasonable allowance and per diem."</p>
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	<p>OECD PRINCIPLE VI. (D.4) The Board should fulfil certain key functions including aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>ICGN 2.3 (D) and (E) D. Selecting, remunerating, monitoring and where necessary replacing key executives and overseeing succession planning. E. Aligning key executives and Board remuneration with the longer term interest of the company and its shareholders.</p>	Y	DEFAULT
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	<p>UK CODE (JUNE 2010) (D.1.3) Levels of remuneration for non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for non-executive directors should not include share options or other performance-related elements. If, by exception, options are granted, shareholder approval should be sought in advance and any shares acquired by exercise of the options should be held until at least one year after the non-executive director leaves the board. Holding of share options could be relevant to the determination of a non-executive director's independence (as set out in provision B.1.1).</p> <p>ASX CODE Box 8.2: Guidelines for non-executive director remuneration Companies may find it useful to consider the following when considering non-executive director remuneration: 1. Non-executive directors should normally be remunerated by way of fees, in the form of cash, noncash benefits, superannuation contributions or salary sacrifice into equity; they should not normally participate in schemes designed for the remuneration of executives. 2. Non-executive directors should not receive options or bonus payments. 3. Non-executive directors should not be provided with retirement benefits other than superannuation.</p>	N	<p>2019 New Bylaws, ARTICLE VI. BOARD OF TRUSTEES - Section 12 which reads (http://www.afpmbai.com.ph/afpmbai_ref_materials/2019%20By-Laws.pdf#page=8):</p> <p>"Section 12. Remuneration. The members of the Board of Trustees shall not receive any compensation or remuneration for their services as such, except for reasonable allowance and per diem."</p>
Internal Audit				
E.3.16	Does the company have a separate internal audit function?	<p>OECD PRINCIPLE VI (D) (7) Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p>Ensuring the integrity of the essential reporting and monitoring systems will require the board to set and enforce clear lines of responsibility and accountability throughout the organisation. The board will also need to ensure that there is appropriate oversight by senior management. One way of doing this is through an internal audit system directly reporting to the board.</p>	Y	DEFAULT
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Companies often disclose that they have an internal audit but, in practice, it is not uncommon for it to exist more in form than in substance. For example, the in-house internal audit may be assigned to someone with other operational responsibilities. As internal audit is unregulated, unlike external audit, there are firms providing outsourced internal audit services which are not properly qualified to do so. Making the identity of the head of internal audit or the external service provider public would provide some level of safeguard that the internal audit is substantive.	Y	<p>AFPMBAI Management on the 2019 Annual Report, page 44 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=22).</p>

E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	<p>OECD PRINCIPLE VI (D) (7)</p> <p>In some jurisdictions it is considered good practice for the internal auditors to report to an independent Audit Committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board.</p> <p>WORLD BANK PRINCIPLE 6 (VI.D.7.9) Does the internal auditors have direct and unfettered access to the board of directors and its independent Audit Committee?</p> <p>ASX Principles on CG "...companies should consider a second reporting line from the internal audit function to the board or relevant committee." Under the ASX Principles it is also recommended that the Audit Committee have access to internal audit without the presence of management, and that "the audit committee should recommend to the board the appointment and dismissal of a chief internal audit executive."</p>	Y	DEFAULT
Risk Oversight				
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	<p>OECD PRINCIPLE 6 (VI) (D) (7)</p> <p>Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>	Y	Audit Committee Charter (https://www.afpmbai.com.ph/acgs/2019/Revised%20AudCom%20Charter(17_January_2019).pdf)
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?	<p>UK CODE (JUNE 2010) C.2.1 The board should, at least annually, conduct a review of the effectiveness of the company's risk management and internal control systems and should report to shareholders that they have done so. The review should cover all material controls, including financial, operational and compliance controls.</p>	Y	Governance Report of the 2018 Annual Report, page 22 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12).
E.3.21	Does the company disclose how key risks are managed?	<p>OECD PRINCIPLE V (A) (6) Foreseeable risk factors.</p>	Y	Governance Report of the 2019 Annual Report, pages 30-31 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=16)
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?	<p>OECD PRINCIPLE 6 (VI) (D) (7) Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p>In some jurisdictions it is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board. It should also be regarded as good practice for this committee, or equivalent body, to review and report to the board the most critical accounting policies which are the basis for financial reports. However, the board should retain final responsibility for ensuring the integrity of the reporting systems. Some countries have provided for the chair of the board to report on the internal control process.</p>	Y	Audit Committee Charter (https://www.afpmbai.com.ph/acgs/2019/Revised%20AudCom%20Charter(17_January_2019).pdf)
E.4 People on the Board				
Board Chairman				
E.4.1	Do different persons assume the roles of chairman and CEO?	<p>OECD PRINCIPLE VI (E) The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>In a number of countries with single tier board systems, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and chairman, or, if these roles are combined, by designating a lead non-executive director to convene or chair sessions of the outside directors. Separation of the two posts may be regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability and improve the board's capacity for decision making independent of management.</p> <p>UK Code (June 2010) A.3.1 The chairman should on appointment meet the independence criteria set out in B.1.1 below. A chief executive should not go on to be chairman of the same company. If, exceptionally, a board decides that a chief executive should become chairman, the board should consult major shareholders in advance and should set out its reasons to shareholders at the time of the appointment and in the next Annual Report.</p>	Y	Summary of Minutes of the 2020 AGM, page 1 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf)
E.4.2	Is the chairman an independent director/commissioner?		N	2019 Amended Manual of Corporate Governance, Composition of the Board, pages 8-9 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=8).
E.4.3	Has the chairman been the company CEO in the last three years?	<p>ASX Code Recommendation 3.2 The chief executive officer should not go on to become chair of the same company. A former chief executive officer will not qualify as an "independent" director unless there has been a period of at least three years between ceasing employment with the company and serving on the board.</p>	N	Annual Report from 2016, 2017, 2018, and 2019

E.4.4	Are the role and responsibilities of the chairman disclosed?	ICGN: 2.5 Role of the Chair The chair has the crucial function of setting the right context in terms of board agenda, the provision of information to directors, and open boardroom discussions, to enable the directors to generate the effective board debate and discussion and to provide the constructive challenge which the company needs. The chair should work to create and maintain the culture of openness and constructive challenge which allows a diversity of views to be expressed...The chair should be available to shareholders for dialogue on key matters of the company's governance and where shareholders have particular concerns.	Y	2019 Amended Manual of Corporate Governance, pages 18-19 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=18).
Skills and Competencies				
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?	ICGN: 2.4.3 Independence Alongside appropriate skill, competence and experience, and the appropriate context to encourage effective behaviours, one of the principal features of a well-governed corporation is the exercise by its board of directors of independent judgement, meaning judgement in the best interests of the corporation, free of any external influence on any individual director, or the board as a whole. In order to provide this independent judgement, and to generate confidence that independent judgement is being applied, a board should include a strong presence of independent non-executive directors with appropriate competencies including key industry sector knowledge and experience. There should be at least a majority of independent directors on each board.	Y	Governance Report of the 2019 Annual Report, pages 15-16 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=8)
E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	ASX Code Recommendation 3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them. Regulations and codes of corporate governance in many developed markets now incorporate board diversity as a consideration in board composition	Y	Corporate Governance Manual (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf); 2019 Annual Report page 17 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=9); 2019 New By-Laws, Article VII (Officers) Section 3 which reads: " Section 3. Composition - The Board of Trustees shall consist of fifteen (15) members, all of whom shall be elected during the Annual Membership Meeting from among the regular members of the Association. The Board shall be composed of one (1) each from the Office of the Chief of Staff, AFP; the Philippine Army, the Philippine Navy, the Philippine Air Force, the Philippine Coast Guard, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, the Joint Staff of GHQ AFP, and the Office of the AFP Sergeant Major; two (2) from the Philippine National Police; one (1) at large; and three (3) independent trustees at least one (1) of whom shall be a retired member of the uniformed services. Trustees must possess the necessary education, competence and experience in business, preferably in insurance operation to qualify for election to the Board."
E.5 Board Performance				
Directors Development				
E.5.1	Does the company have orientation programmes for new directors/commissioners?	This item is in most codes of corporate governance.	Y	2019 Amended Manual of Corporate Governance, Pages 11-12 (https://www.afpmbai.com.ph/afpmbai_ref_materials/Final_Amended_Manual_of_CorpGov.pdf#page=11); Governance Report of the 2019 Annual Report, page 18 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10)
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	OECD PRINCIPLE VI (E) (3) Board members should be able to commit themselves effectively to their responsibilities. In order to improve board practices and the performance of its members, an increasing number of jurisdictions are now encouraging companies to engage in board training and voluntary self-evaluation that meets the needs of the individual company. This might include that board members acquire appropriate skills upon appointment, and thereafter remain abreast of relevant new laws, regulations, and changing commercial risks through in-house training and external courses.	Y	Governance Report of the 2019 Annual Report, page 18 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=10).
Appointments and Performance				
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?	OECD PRINCIPLE VI (D) (3) Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning. In two tier board systems the supervisory board is also responsible for appointing the management board which will normally comprise most of the key executives.	Y	2019 New By-Laws, Article VII (Officers) Section 5 which reads: " Section 5. The Senior Vice Presidents shall be appointed by the Chairman of the Board duly endorsed by the members of the Board of Trustees. In case of the incapacity, illness, or death of the President, the Chairman shall appoint the next senior officer (a) until his successor is appointed, and whom so acting, he shall have all the powers of, and be subjected to the restrictions upon, the President. He shall have direct and active management of the business operations of the Association pursuant to these By-Laws, policies of the Board, instructions of the President, and according to his own directions, whenever and whatever the same is not expressly limited by such rules, policies or instructions."
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	OECD PRINCIPLE VI (D) (2). Monitoring the effectiveness of the company's governance practices and making changes as needed. Monitoring of governance by the board also includes continuous review of the internal structure of the company to ensure that there are clear lines of accountability for management throughout the organisation. In addition to requiring the monitoring and disclosure of corporate governance practices on a regular basis, a number of countries have moved to recommend or indeed mandate self-assessment by boards of their performance as well as performance reviews of individual board members and the CEO/Chairman.	Y	Governance Report of the 2019 Annual Report, page 27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=14) PRESIDENT AND CEO "The performance assessment of the President and only Executive Trustee is based on the corporate score of the Association, a score which effectively rates the performance of the Association with respect to the five (5) perspectives of its Balanced Scorecard, namely: Financial, Customer/Social Responsibility, Internal Business Process, and Learning and Growth. This portion of the President's assessment receives a maximum of 60 points. Part B of his assessment pertains to his rating on qualitative measures such as: Implementation of Board Resolutions, Effective Relationship with the Board, and Transparency and High Ethical Standards. Part B of the assessment receives a maximum of 40 points. The points are then added to come up with the final rating. The President is rated by all the members of the Board of Trustees, including the Chairman."

Board Appraisal			
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	OECD PRINCIPLE VI (D) (2)	Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
E.5.6	Does the company disclose the process followed in conducting the board assessment?		Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
E.5.7	Does the company disclose the criteria used in the board assessment?		Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
Director Appraisal			
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	OECD PRINCIPLE VI (D) (2)	Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?		Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?		Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).
Committee Appraisal			
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	UK CODE (JUNE 2010) B.6 Evaluation: The board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.	Y Governance Report of the 2019 Annual Report, pages 25-27 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13).

A. Rights of shareholders			
A.1	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.	Y/ N	Reference/ Source document
A.1.1(B)	Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders?	OECD Principle II (C) (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	N

B. Equitable treatment of shareholders			
B.1	Notice of AGM		
B.1.1(B)	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	<p>OECD Principle II (C) (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting. (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p>OECD Principle III (A)</p> <p>ICGN 8.3.2 Shareholder participation in governance Shareholders should have the right to participate in key corporate governance decisions, such as the right to nominate, appoint and remove directors on an individual basis and also the right to appoint external auditors.</p> <p>ICGN 8.4.1 Shareholder ownership rights The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote.</p> <p>CLSA-ACGA (2010) CG Watch 2010 - Appendix 2. (I) CG rules and practices (25) Do company release their AGM notices (with detailed agendas and explanatory circulars) at least 28 days before the date of the meeting?</p>	Y Notice of Meeting for the 2020 Annual General Membership Meeting published in the AFPMBAI Website on 11 June 2020 (https://afpmbai.com.ph/notice-of-annual-general-membership-meeting-2020/),

C. Roles of Stakeholders			
C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected		
C.1.1 (B)	Does the company practice integrated report on its annual reports?	<p>International <IR> Framework - DRAFT ,IIRC Council Item 3b Meeting of 5 December 2013</p> <p>"Integrated Reporting <IR> promotes a more cohesive and efficient approach to corporate reporting and aims to improve the quality of information available to providers of financial capital to enable a more efficient and productive allocation of capital. The IIRC's vision is a world in which integrated thinking is embedded within mainstream business practice in the public and private sectors, facilitated by <IR> as the corporate reporting norm."</p>	Y 2019 ANNUAL REPORT (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf)

D. Disclosure and transparency			
D.1	Quality of Annual Report		
D.1.1 (B)	Are the audited annual financial report /statement released within 60 days from the financial year end?	<p>OECD Principle V (C) OECD Principle V (E) ICGN 7.2 Timely disclosure ICGN 7.3 Affirmation of financial statements The board of directors and the corporate officers of the company should affirm at least annually the accuracy of the company's financial statements or financial accounts.</p>	N
D.1.2 (B)	Does the company disclose details of remuneration of the CEO?		N

E. Responsibilities of the Board			
E.1	Board Competencies and Diversity		
E.1.1(B)	Does the company have at least one female independent director/commissioner?	ICGN 2.4.1 Skills and experience The board should consist of directors with the requisite range of skills, competence, knowledge, experience and approach, as well as a diversity of perspectives, to set the context for appropriate board behaviours and to enable it to discharge its duties and responsibilities effectively.	N

E.2	Nominating Committee			
E.2.1(B)	Does the Nominating Committee comprise entirely of independent directors/commissioners?	ICGN 2.4.4 Composition of board committees The members of these key board committees should be solely non-executive directors, and in the case of the audit and remuneration committees, solely independent directors. All members of the nominations committee should be independent from management and at least a majority should be independent from dominant owners.	N	
E.2.2(B)	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?		Y	Governance Report of the 2019 Annual Report, page 24 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=13); Summary of Minutes of 2020 AGM, page 5 (https://afpmbai.com.ph/wp-content/uploads/2020/07/Summary_of_Minutes_Final.pdf#page=5)
Board Appointments and Re-Election				
E.3	Election			
E.3.1(B)	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners?	WORLD BANK PRINCIPLE 6 (VI.1.21) Are boards known to hire professional search firms when proposing candidates to the board?	N	
Board Structure & Composition				
E.4	Board Structure & Composition			
E.4.1(B)	Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners?		N	
Board Performance				
E.5	Board Performance			
E.5.1(B)	Does the company have a separate level Risk Committee?	International Financial Corporation's Global Corporate Governance Forum Publication: When Do Companies Need a Board-level Risk Management Committee? (Volume 31, pp.11, March 2013) Benefits of a Board Level Risk Committee: 1. elevate risk oversight to the highest level in the company; 2. strengthen the quality of risk management; 3. inculcate a risk culture and risk-management environment to mitigate and manage risks effectively across the organization; 4. establish a platform for continuous assessment of risks in light of the changing internal and external environments; 5. improve communication among the board, management, and other stakeholders about risk management; and 6. demonstrate to internal and external stakeholders the company's commitment to risk management	Y	Risk Management and Related Party Transaction Committee Charter (https://afpmbai.com.ph/wp-content/uploads/2020/07/Revised_RMRPTC_Charter.pdf); Governance Report of the 2019 Annual Report, page 23 (https://www.afpmbai.com.ph/afpmbai_ref_materials/2019_%20AFPMBAI_Annual_Report(low).pdf#page=12).

A. Rights of shareholders				
A.1	Basic shareholder rights		Y/N	Reference/ Source document
A.1.1(P)	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	OECD Principle II (A)		DEFAULT
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?	OECD Principle II (G) 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.	N	
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?	OECD Principle II (C) 2	N	
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?	OECD Principle II (D)	N/A	DEFAULT
A.4.2(P)	Voting cap?			
A.4.3(P)	Multiple voting rights?			
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?	OECD Principle II (D): Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed. Some capital structures allow a shareholder to exercise a degree of control over the corporation disproportionate to the shareholders' equity ownership in the company. Pyramid structures, cross shareholdings and shares with limited or multiple voting rights can be used to diminish the capability of noncontrolling shareholders to influence corporate policy.		DEFAULT
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?	OECD Principle III: The Equitable Treatment of Shareholders (B) Insider trading and abusive dealing should be prohibited. ICGN 3.5 Employee share dealing Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, these must seek to ensure individuals do not benefit from knowledge which is not generally available to the market. ICGN 8.5 Shareholder rights of action ... Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	N	
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?	<p>OECD Principle III</p> <p>(B) Insider trading and abusive dealing should be prohibited</p> <p>ICGN 2.11.1 Related party transactions Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.</p> <p>ICGN 2.11.2 Director conflicts of interest Companies should have a process for identifying and managing any conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.</p> <p>ICGN 8.5 Shareholder rights of action Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.</p>	N
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?	<p>OECD Principle IV</p> <p>(A) The rights of stakeholders that are established by law or through mutual agreements are to be respected.</p>	N
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?	<p>OECD Principle IV</p> <p>(B) Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.</p>	N
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?	<p>OECD Principle V: Disclosure and Transparency</p> <p>(B) Information should be prepared and disclosed in accordance with high quality standards of accounting and financial and non-financial disclosures.</p> <p>(C) An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects.</p> <p>(D) External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit.</p>	N
D.1.2(P)	Did the company receive an "adverse opinion" in its external audit report?	<p>ICGN 6.2 Annual audit</p> <p>The annual audit carried out on behalf of shareholders is an essential part of the checks and balances required at a company. It should provide an independent and objective opinion that the financial statements fairly represent the financial position and performance of the company in all material respects, give a true and fair view of the affairs of the company and are in compliance with applicable laws and regulations.</p>	N
D.1.3(P)	Did the company receive a "disclaimer opinion" in its external audit report?	<p>ICGN 7.3 Affirmation of financial statements</p> <p>The board of directors and the appropriate officers of the company should affirm at least annually the accuracy of the company's financial statements or financial accounts.</p>	N
D.1.4(P)	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	<p>International Auditing Standard (ISA) No. 705 "Modifications to the Opinion in the Independent Auditor's Report" (2009).</p> <p>Paras. 7, 8 and 9 specify the three types of modifications to the auditor's opinion; that is, Qualified opinion, Adverse opinion, and Disclaimer opinion respectively.</p>	N

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?	<p>OECD Principle VI (D) (7) Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p>Companies are also well advised to set up internal programmes and procedures to promote compliance with applicable laws, regulations and standards, including statutes to criminalise bribery of foreign officials that are required to be enacted by the OECD Anti-bribery Convention and measures designed to control other forms of bribery and corruption. Moreover, compliance must also relate to other laws and regulations such as those covering securities, competition and work and safety conditions. Such compliance programmes will also underpin the company's ethical code.</p>	DEFAULT
E.1.2(P)	Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?	<p>UK CODE (JUNE 2010) A.4.3 Where directors have concerns which cannot be resolved about the running of the company or a proposed action, they should ensure that their concerns are recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the chairman, for circulation to the board, if they have any such concerns.</p>	
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 (which ever is higher) in the same capacity?	<p>OECD Principle V (C) An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects.</p> <p>Examples of other provisions to underpin auditor independence include, a total ban or severe limitation on the nature of non-audit work which can be undertaken by an auditor for their audit client, mandatory rotation of auditors (either partners or in some cases the audit partnership), a temporary ban on the employment of an ex-auditor by the audited company and prohibiting auditors or their dependents from having a financial stake or management role in the companies they audit.</p>	N
E.2.2(P)	Did the company fail to identify who are the independent director(s) / commissioner(s)?	<p>ICGN 2.4 Composition and structure of the board ICGN 2.4.1 Skills and experience ICGN 2.4.3 Independence</p>	N
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)?	<p>OECD Principle V (C) An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects.</p> <p>Examples of other provisions to underpin auditor independence include, a total ban or severe limitation on the nature of non-audit work which can be undertaken by an auditor for their audit client, mandatory rotation of auditors (either partners or in some cases the audit partnership), a temporary ban on the employment of an ex-auditor by the audited company and prohibiting auditors or their dependents from having a financial stake or management role in the companies they audit.</p>	N
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