

QUESTIONS	YES/NO	SOURCE DOCUMENT/LOCATION OF INFORMATION	REMARKS
<b>E.1 Board Duties and Responsibilities</b>			
<b>Clearly defined board responsibilities and corporate governance policies</b>			
<b>E.1.1. Does the company disclose its corporate governance policy / board charter?</b>	<u>Y</u>	By-Laws, Articles of Incorporation, Corporate Governance Code and Proposed Governance Charter and company website.	The company discloses its corporate governance policy/board charter. The By-Laws, Articles of Incorporation, Corporate Governance Code and Proposed Governance Charter are uploaded in the Company Website.
<b>E.1.2. Are the types of decisions requiring board of directors/commissioners' approval disclosed?</b>	<u>Y</u>	By-Laws, Corporate Governance Code, 2014 ACGR and Company Website	The types of decisions that require board of directors' approval are disclosed in the By-Laws - Section 4. Powers, page 3-5; and the Corporate Governance Code - Commitment to Good Corporate Governance, page 2 and 1.1 General Responsibilities of the Board, page 8, 2014 ACGR and Company Website.
<b>E.1.3. Are the roles and responsibilities of the board of directors/commissioners clearly stated?</b>	<u>Y</u>	By-Laws and Corporate Governance Code	The separation of roles and responsibilities of the board of directors are clearly stated in the By-Laws - Article IV. Officers, page 5-9, and; Corporate Governance Code - 1.7 Duties and Responsibilities of a Director, pages 13-15.
<b>Corporate Vision/Mission</b>			
<b>E.1.4. Does the company have a vision and mission statement?</b>	<u>Y</u>	Corporate Governance Code, 2014 ACGR, Quarterly Newsletter and Company Website	The Company's Vision and Mission statements are reflected in the Corporate Governance Code - Vision Mission Values, page 4; and 2014 Interim Report page 1. AFPGEN's Mission and Vision statements are likewise posted in the company website <u>About Us – Vision Mission</u> - <a href="http://afpgen.com/?page_id=2">http://afpgen.com/?page_id=2</a>
<b>E.1.5. Has the board reviewed the vision and mission/strategy in the last financial year?</b>	<u>Y</u>	2014 ACGR and Company Website	The Board reviewed the vision/mission/strategy/corporate objectives in November 2013, which was subsequently approved in January 2014. This is stated in the 2014 ACGR and Company Website.

E.1.6. Does the board of directors monitor/oversee the implementation of the corporate strategy?	<u>Y</u>	Corporate Governance Code, 2014 ACGR and Company Website	The Board is chiefly responsible to monitor/oversee the company's strategic plans namely, to review and approve a strategic plan for the company and to provide sound strategic policies and guidelines in core areas of operations and periodically evaluate and monitor their implementation, including business plans, operating budgets and Management's over-all performance as well as dealings with policyholders, claimants and creditors. This Board responsibility is disclosed in the Corporate Governance Code - 1.6 Duties and Functions of the Board, page 12.
<b>E.2 Board structure</b>			
<i>Code of Ethics or Conduct</i>			
E.2.1. Are the details of the code of ethics or conduct disclosed?	<u>Y</u>	<u>Code of Conduct and Discipline</u>	The Code of Conduct and Discipline is disclosed in the Company Website.
E.2.2. Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	<u>Default</u>	<u>Code of Conduct and Discipline</u>	All employees including company officers are required to comply with the code, as stated in the Code of Conduct and Discipline - III. Coverage, page 1.
E.2.3. Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	<u>Y</u>	<u>Code of Conduct and Discipline</u>	The company discloses the manner of implementing and monitoring compliance in the Code of Conduct and Discipline - VIII. Policy on Administrative Investigation and Proceedings, page 15.
<i>Board Structure &amp; Composition</i>			
E.2.4. Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	<u>Default</u>	<u>Corporate Governance Code, and Company Website</u>	The Company's Board is composed of 3 Independent Directors out of 12 Directors, as disclosed in the Corporate Governance Code -1.2 Size And Composition, pages 8-9; and in the Company Website.

<b>E.2.5. Are the independent directors/commissioners independent of management and major/substantial shareholders?</b>	<u>Y</u>	<u>Corporate Governance Code, 2014</u> <u>ACGR and Company Website</u>	The Company's Independent Directors, are independent of management and and free from any business or other relationship which could materially interfere with his judgment, as stated in the Corporate Governance Code - 1.3.2 Qualifications of the Independent Director - page 9.
<b>E.2.6. Does the company have a term limit of nine years or less for its independent directors/commissioners?</b>	<u>Y</u>	<u>Code of Corporate Governance, SEC Memorandum Circular No. 9, 2014</u> <u>ACGR and Company Website</u>	<p>The Code of Corporate Governance provides the term of office of the independent directors:</p> <p>1.5.3 An Independent Director can be re-elected for 5 consecutive years. There will be a 2-year gap before he can be re-elected yearly for another 4 years. The Independent Director is barred from being elected after this nine-year term.</p> <p>The Company follows the SEC Memorandum Circular No. 9 which prescribes a 5-year term limit imposed on independent directors of insurers. After completion of the five-year service period, an ID shall be ineligible for election as such in the same company unless the ID has undergone a ""cooling off"" period of two (2) years. Reference: Code of Corporate Governance, 1.5 Term of Office, page 12, SEC Memorandum Circular No. 9  <a href="http://www.sec.gov.ph/laws/memorandumcircular/CY%202011/sec%20memo%20no.%209,%20s2011.pdf">http://www.sec.gov.ph/laws/memorandumcircular/CY%202011/sec%20memo%20no.%209,%20s2011.pdf</a>" and Company Website.</p>
<b>E.2.7. Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?</b>	<u>N</u>		
<b>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?</b>	<u>N</u>		
<b>E.2.9. Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?</b>	<u>N</u>		

<b><i>Nominating Committee</i></b>			
<b>E.2.10. Does the company have a Nominating Committee (NC)?</b>	Y	<u>Corporate Governance Code, 2013 Proposed Governance Committee Charter, 2014 ACGR and Company Website</u>	The Corporate Governance Committee is the Nominating Committee, given that one of their main functions is to nominate officers. This is reflected in the Corporate Governance Code - 2.3.3 Governance Committee Functions, page 18 and; 2013 Proposed Governance Committee Charter - 2. Nomination and Remuneration Responsibilities, page 3.
<b>E.2.11. Does the Nominating Committee comprise of a majority of independent directors/commissioners?</b>	N	Corporate Governance Code, 2013 Proposed Governance Committee Charter, 2014 ACGR and Company Website	Only one of the three members, Mr Jose Luis Moreno, is an independent director, as disclosed in the Corporate Governance Code - 2.3 Governance Committee, page 18.
<b>E.2.12. Is the chairman of the Nominating Committee an independent director/ commissioner?</b>	Y	2014 ACGR and Company Website	The Chairman of the Nominating Committee, Mr Jose Luis Moreno, is an Independent Director, as disclosed in the 2014 ACGR and Company Website.
<b>E.2.13. Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?</b>	Y	<u>Corporate Governance Code, 2013 Proposed Governance Committee Charter and Company Website</u>	The Company disclosed the terms of reference/ governance structure/charter of the Nominating Committee in its Corporate Governance Code and 2013 Proposed Governance Committee Charter . It is also reflected in the Company Website.
<b>E.2.14. Did the Nominating Committee meet at least twice during the year?</b>	Y	<u>2013 Proposed Governance Committee Charter, 2014 ACGR and Company Website</u>	The Nominating Committee had 15 meetings in 2014, in accordance with the prescribed number of meetings in its 2013 Proposed Governance Committee Charter - 2. Meetings, 2014 ACGR and Company Website
<b>E.2.15. Is the attendance of members at Nominating Committee meetings disclosed?</b>	Y	2014 ACGR and Company Website	The attendance of the Nominating Committee members is disclosed in the 2014 ACGR and Company Website.
<b><i>Remuneration Committee/ Compensation Committee</i></b>			

<b>E.2.16. Does the company have a Remuneration Committee?</b>	Y	<u>Corporate Governance Code and 2013 Proposed Governance Committee Charter</u>	The Corporate Governance Committee is the Remunerations Committee, given that one of their main functions is to evaluate compensatoin. This is disclosed in the Corporate Governance Code - 2.3.3 Governance Committee Functions, pages 18-19 and; 2013 Proposed Governance Committee Charter - 2. Nomination and Remuneration Responsibilities.
<b>E.2.17. Does the Remuneration Committee comprise of a majority of independent directors/commissioners?</b>	N	Corporate Governance Code, 2013 Proposed Governance Committee Charter, 2014 ACGR and Company Website	Only one of the three members, Mr Jose Luis Moreno, is an independent director, as disclosed in the Corporate Governance Code - 2.3 Governance Committee, page 18.
<b>E.2.18. Is the chairman of the Remuneration Committee an independent director/commissioner?</b>	Y	2014 ACGR and Company Website	The Chairman of the Remunerations Committee, Mr Jose Luis Moreno, is an Independent Director, as disclosed in the 2014 ACGR and Company Website.
<b>E.2.19. Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?</b>	Y	<u>Corporate Governance Code, 2013 Proposed Governance Committee Charter and Company Website</u>	The Company disclosed the terms of reference/governance structure/charter of the Remunerations Committee in its Corporate Governance Code and 2013 Proposed Governance Committee Charter . It is also reflected in the Company Website.
<b>E.2.20. Did the Remuneration Committee meet at least twice during the year?</b>	Y	<u>Corporate Governance Code and 2013 Proposed Governance Committee Charter</u>	The Remunerations Committee had 15 meetings in 2014, in accordance with the prescribed number of meetings in its 2013 Proposed Governance Committee Charter - 2. Meetings, 2014 ACGR and Company Website
<b>E.2.21.Is the attendance of members at Remuneration Committee meetings disclosed?</b>	Y	Corporate Governance Committee Meetings	The attendance of the Remunerations Committee members is disclosed in the 2014 ACGR and Company Website.
<b>Audit Committee</b>			

<b>E.2.22. Does the company have an Audit Committee?</b>	Y	ARMC Charter and Company Website	The Company has an Audit and Risk Management Committee (ARMC) that is adjunct to the Board, as disclosed in the ARMC Charter and Company Website.
<b>E.2.23. Does the Audit Committee comprise entirely of non-executive directors/ commissioners with a majority of independent directors/commissioners?</b>	Y	ARMC Charter and Company Website	The Audit and Risk Management Committee is comprised of five members - four executive directors and one executive director (AFPGEN President), as disclosed in the ARMC Charter - 3. Composition, page 2. One of the five (5) members is an independent director, as stated in the ARMC Charter - 2.2.1 Composition, page 17 and Company Website.
<b>E.2.24. Is the chairman of the Audit Committee an independent director/commissioner?</b>	Y	2014 ACGR and Company Website	The Chairman of the Audit and Risk Management Committee, Ms Corazon D Bumanglag, is an Independent Director, as disclosed in the 2014 ACGR and Company Website.
<b>E.2.25. Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?</b>	Y	ARMC Charter and Company Website	The Company disclosed the terms of reference and governance structure of the Audit and Risk Management Committee, as disclosed in the ARMC Charter - 1. Purpose, and 2. Authority, page 2 and Company Website.
<b>E.2.26. Does the Annual Report disclose the profile or qualifications of the Audit Committee members?</b>	Y	2014 ACGR and Company Website	Detailed profiles of the members of Audit and Risk Management Committee are disclosed in the 2014 ACGR and Company Website.

<b>E.2.27. Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?</b>	Y	2014 ACGR and Company Website	The independent director and ARMC Chairman, Ms Corazon D Bumanglag, has a vast accounting expertise. She obtained her Bachelor's Degree in Business Administration and Accountancy from the University of the Philippines, earned 24 units in Master's in Business Administration program from De La Salle University, as well as Executive Development Program and Advanced Bank Management Training from the Asian Institute of Management. She is also a Director at the Gieco Financing and Resource Corporation and she was previously a Vice President at BPI and FEBTC. Profiles are further elaborated in the 2014 ACGR and Company Website.
<b>E.2.28. Did the Audit Committee meet at least four times during the year?</b>	Y	ARMC Charter, 2014 ACGR and Company Website	The Audit Committee requires at least 4 meetings a year, as stated in the ARMC Charter, 4. Meetings, page 2. he Committee held 8 meetings in 2014, as disclosed in the 2014 ACGR and Company Website.
<b>E.2.29. Is the attendance of members at Audit Committee meetings disclosed?</b>	Y	2014 ACGR and Company Website	The attendance of the ARMC members is disclosed in the 2014 ACGR and Company Website.
<b>E.2.30. Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?</b>	Y	ARMC Charter and Company Website	Included in the primary responsibility of the Committee is to make recommendation to the Board regarding the engagement of the services of the external auditor, in consonance with the IC and SEC requirements. This is disclosed in the ARMC Charter - 5.5.1 External Audit, page 3 and Company Website
<b>E.3 Board Processes</b>			
<b>E.3.1 Are the board of directors meeting scheduled before the start of financial year?</b>	<u>N</u>	<u>2014 ACGR and Company Website</u>	The Board meetings are held every fourth week of the month.

<b>E.3.2 Does the board of directors/ commissioners meet at least six times during the year?</b>	<u>Y</u>	<u>2014 ACGR and Company Website</u>	The Board met 13 times in 2014, as disclosed in the 2014 ACGR and Company Website.
<b>E.3.3 Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?</b>	<u>N</u>	<u>Company website</u>	Four directors out of twenty attended less than 75% of all the board meetings in 2014, as reflected in the 2014 ACGR and Company Website.
<b>E.3.4 Does the company require a minimum quorum of at least 2/3 for board decisions?</b>	<u>N</u>	<u>Code of Corporate Governance, 2014 ACGR and Company Website</u>	The minimum quorum is majority of 11 Directors of the Board(50% +1), or at least 6 Directors.
<b>E.3.5 Did the non-executive directors/ commissioners of the company meet separately at least once during the year without any executives present?</b>	<u>N</u>		
<b><i>Access to information</i></b>			
<b>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?</b>	<u>N</u>		
<b>E.3.7. Does the company secretary play a significant role in supporting the board in discharging its responsibilities?</b>	<u>Y</u>	<u>By-Laws and Corporate Governance Code</u>	The Corporate Secretary plays a significant role in supporting the BOD in the discharge of its functions. Duties and responsibilities of the Corporate Secretary are disclosed in the By-Laws - Section 6. Secretary, page 8 and Corporate Governance Code - 4.4 Corporate Secretary, page 21.
<b>E.3.8. Is the company secretary trained in legal, accountancy or company secretarial practices?</b>	<u>Y</u>	<u>2014 ACGR and Company Website</u>	The Corporate Secretary, Atty. Maria Cecilia Capa, meets the qualifications and skills required of the position, which includes an adequate legal, basic financial and accountancy skills, as stated in the 2014 ACGR and Company Website.
<b><i>Board Appointments and Re-Election</i></b>			



E.3.9. Does the company disclose the criteria used in selecting new directors/commissioners?	Y	<u>Corporate Governance Code, 2014</u> <u>ACGR and Company Website</u>	YES. The selection, nomination and election of new Directors re based on their qualification, merit, and other objective criteria. This is disclosed in the Corporate Governance Code - 1.3.1 Qualifications of the Members of the Board, page 9.
E.3.10. Does the company disclose the process followed in appointing new directors/commissioners?	Y	<u>By-Laws and Corporate Governance</u> <u>Code</u>	All members of the Board are annually elected by stockholders of the Corporation and by a majority vote of the Board of Directors.
E.3.11. Are all the directors/commissioners subject to re-election at least once every three years?	Default	<u>By-Laws and Corporate Governance</u> <u>Code</u>	Election is conducted annually and whenever a vacancy occurs based on the Corporate Governance Code - 1.4 Election of Board Directors, page 11.
<b>Remuneration Matters</b>			
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?	<u>N</u>		
E.3.13. Is there disclosure of the fee structure for non-executive directors/commissioners?	N		
E.3.14. Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	<u>Default</u>		
E.3.15. Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	<u>N</u>		
<b>Internal Audit</b>			

<b>E.3.16. Does the company have a separate internal audit function?</b>	<u>Default</u>	<u>ARMC Charter, Code of Corporate Governance, 2014 ACGR and Company Website</u>	The Company has established an Internal Audit Office, functionally reporting to the Audit & Risk Management Committee of the Board and administratively to the CEO. The structure and functions of the Internal Audit Office are disclosed in the ARMC Charter - 5.4 Internal Audit, page 3; and Code of Corporate Governance - 4.4.4 The Internal Audit Department, page 22.
<b>E.3.17. Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?</b>	<u>Y</u>	<u>2014 Interim Report, 2014 ACGR Company Website</u>	The Head of Internal Audit, Ms Mary Grace B Facto, is an Executive of the Company. It is based on Board Resolution 2008-45 Appointment of Internal Auditor, and disclosed in the 2014 Interim Report - The Management, page 14 and company website - About Us - Management - <a href="http://afpgen.com/?page_id=94">http://afpgen.com/?page_id=94</a>
<b>E.3.18. Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</b>	<u>Default</u>	<u>Internal Audit Charter BR 2010-33 and 2014 ACGR</u>	The appointment (and removal) of the internal auditor require the approval of the Audit Committee, as stated in the Internal Audit Charter - Board Resolution 2010-33.
<b><i>Risk Oversight</i></b>			
<b>E.3.19. Does the company disclose the internal control procedures/risk management systems it has in place?</b>	<u>Y</u>	<u>2014 Audited Financial Statement</u>	The risk management systems of the company is disclosed in the 2014 Audited Financial Statement, Financial Risks, pages 29-33.
<b>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?</b>	<u>N</u>		
<b>E.3.21. Does the company disclose how key risks are managed?</b>	<u>Y</u>	<u>2014 Audited Financial Statement</u>	The procedures on how key risks are managed are disclosed in the 2014 Audited Financial Statement, Financial Risks, pages 29-33.

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?	<u>N</u>		
<b>E.4 People on the Board</b>			
E.4.1. Do different persons assume the roles of chairman and CEO?	<u>Y</u>	<u>2014 ACGR and Corporate Governance Code.</u>	The role of Chairman and the CEO shall be separate to ensure the appropriate balance of power, increased accountability and independence. This is stated in the Corporate Governance Code - 1.2 Size and Composition, page 8.
E.4.2. Is the chairman an independent director/commissioner?	<u>N</u>	<u>Corporate Governance Code</u>	The Company Chairman is not an Independent Director but a Non-Executive Director as disclosed in the By-Laws Section Section 2. Chairman of the Board, page 5.
E.4.3. Has the chairman been the company CEO in the last three years?	<u>N</u>	<u>2014 ACGR and Company Website</u>	The Chairman of the Board is different from the company CEO. The former is MGen Edgardo C Samonte, (AFP Ret), while the latter is LTGen Alan R Luga (AFP Ret).
E.4.4. Are the role and responsibilities of the chairman disclosed?	<u>Y</u>	<u>Corporate Governance Code, 2014 ACGR and Company Website</u>	The roles and responsibilities of the chairman is disclosed in the Corporate Governance Code - 1.8 Powers and Duties of the Chairman of the Board, page 15, 2014 ACGR and Company Website.
<b><i>Skills and Competencies</i></b>			
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?	<u>Y</u>		
E.4.6. Does the company disclose a board of directors/commissioners diversity policy?	<u>N</u>		
<b>E.5 Board Performance</b>			
<b>Directors Development</b>			

E.5.1. Does the company have orientation programmes for new directors/commissioners?	<u>Y</u>		MGEN JUAN MANUEL DF RAMOS PCG attended the Corporate Governance Orientation Program by the Institute of Corporate Directors on August 28 & 29, 2014.
E.5.2. Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	<u>N</u>		
<b>CEO/Executive Management Appointments and Performance</b>			
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?	<u>N</u>		
E.5.4. Does the board of directors/commissioners conduct an annual performance assessment of the CEO/ Managing Director /President?	<u>N</u>		
<b>Board Appraisal</b>			
E.5.5. Is an annual performance assessment conducted of the board of directors/commissioners?	<b>N</b>		
E.5.6. Does the company disclose the process followed in conducting the board assessment?	<b>N</b>		
E.5.7. Does the company disclose the criteria used in the board assessment?	<b>N</b>		
<b>Director Appraisal</b>			
E.5.8. Is an annual performance assessment conducted of individual director/commissioner?	<b>N</b>		
E.5.9. Does the company disclose the process followed in conducting the director/commissioner assessment?	<b>N</b>		

E.5.10. Does the company disclose the criteria used in the director/commissioner assessment?	N		
<i>Committee Appraisal</i>			
E.5.11. Is an annual performance assessment conducted of the board of directors/ commissioners committees?	N		