

## PART E

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>	<u>Annual Report and Company Website</u>	The company discloses its corporate governance policy / board charter in the Annual Report and Company Website
<b>E.1.2. Are the types of decisions requiring board of directors/commissioners' approval disclosed?</b>	<u>Y</u>	<u>By-Laws pp. 3-5 and Corporate Governance Code pp. 2 and pp. 8</u>	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.
<b>E.1.3. Are the roles and responsibilities of the board of directors/commissioners clearly stated?</b>	<u>Y</u>	<u>By-Laws pp. 5-9 and Corporate Governance Code pp. 13-15</u>	The 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>	<u>Corporate Governance Code pp. 4, 2015 Annual Report and Company Website- Vision, Mission and Values</u>	The Company's Vision and Mission statements are reflected in the Corporate Governance Code - Vision Mission Values, page 4; 2015 Annual Report and Company Website- Vision, Mission and Values.
<b>E.1.5. Has the board reviewed the vision and mission/strategy in the last financial year?</b>	<u>Y</u>	2015 Annual Report and Company Website- Vision, Mission and Values	The Board reviewed the vision, mission, corporate objectives and strategies in August 2015. This is stated in the 2015 Annual Report and Company Website- Vision, Mission and Values.

<b>E.1.6. Does the board of directors monitor/oversee the implementation of the corporate strategy?</b>	<u>Y</u>	<u>Corporate Governance Code pp. 12</u>	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>			
<b>E.2.1. Are the details of the code of ethics or conduct disclosed?</b>	<u>Y</u>	Code of Conduct and Discipline	The Employee Handbook on Code of Conduct and Discipline contains the Company's policies on the business conduct and discipline affecting senior management and employees.
<b>E.2.2. Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?</b>	<u>Y</u>	Code of Conduct and Discipline pp. 1	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.
<b>E.2.3. Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?</b>	<u>Y</u>	<u>Code of Conduct and Discipline pp. 15</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.
<b>Board Structure &amp; Composition</b>			
<b>E.2.4. Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?</b>	<u>N</u>	<u>Corporate Governance Code pp. 8-9 and Company Website</u>	The Company complies with the requirement of the law to have at least two (2) independent directors. AFPGEN is composed of three (3) independent directors, one of whom is a female, from its 12-member Board, as disclosed in the Corporate Governance Code -1.2 Size And Composition, pages 8-9.

E.2.5. Are the independent directors/commissioners independent of management and major/substantial shareholders?	<u>Y</u>	<u>Corporate Governance Code pp. 9</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.
E.2.6. Does the company have a term limit of nine years or less for its independent directors/commissioners?	<u>Y</u>	<u>Code of Corporate Governance pp. 12 and SEC Memorandum Circular No. 9.</u>	The Code of Corporate Governance explicitly provides the term of office of the independent directors, Code of Corporate Governance, 1.5 Term of Office, page 12. The company also follows the SEC Memorandum Circular No. 9.
E.2.7. Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	<u>N</u>		
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?	<u>N</u>		
E.2.9. Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	<u>N</u>	<u>Annual Report and Company Website</u>	AFPGEN's Executive Director, LTGEN Alan R Luga AFP (Ret), does not serve on more than two (2) boards outside the company. This is explicitly stated in the Company's Annual Report and Company Website.
E.2.10. Does the company have a Nominating Committee (NC)?	Y	Corporate Governance Code pp. 18, Governance Committee Charter pp. 3, and Annual Report	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; 2013 Proposed Governance Committee Charter - 2. Nomination and Remuneration Responsibilities, page 3 and; Annual Report
E.2.11. Does the Nominating Committee comprise of a majority of independent directors/commissioners?	N	Corporate Governance Code pp. 18 and Annual Report	Only one of the three members, Mr Jose Luis Moreno, is an independent director, as per the Corporate Governance Code - 2.3 Governance Committee, page 18. It is also disclosed in the Annual Report.

<b>E.2.12. Is the chairman of the Nominating Committee an independent director/ commissioner?</b>	Y	Annual Report and Company Website	Mr Jose Luis Moreno is the Chairman of the Nomination Committee and is an Independent Director of the Company, as disclosed in the Annual Report
<b>E.2.13. Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?</b>	Y	Corporate Governance Code and Governance Committee Charter	The Corporate Governance Code and Governance Committee Charter, which contains the terms of reference/ governance structure/charter of the Nomination Committee is publicly-available through the company website.
<b>E.2.14. Did the Nominating Committee meet at least twice during the year?</b>	Y	Governance Committee Charter and Annual Report	The Nominating Committee had 3 meetings in 2015
<b>E.2.15. Is the attendance of members at Nominating Committee meetings disclosed?</b>	Y	Annual Report	The attendance of the Nominating Committee members is disclosed in the Annual Report.
<b><i>Remuneration Committee/ Compensation Committee</i></b>			
<b>E.2.16. Does the company have a Remuneration Committee?</b>	Y	Corporate Governance Code pp. 18-19 and Governance Committee Charter pp. 3-4	The Corporate Governance Committee is the Remuneration Committee, given that they perform remuneration responsibilities, as stated in in the Corporate Governance Code - 2.3.3 Governance Committee Functions, pages 18-19 and; 2013 Governance Committee Charter - 2. Nomination and Remuneration Responsibilities pages 3-4.
<b>E.2.17. Does the Remuneration Committee comprise of a majority of independent directors/commissioners?</b>	N	Corporate Governance Code pp. 18, Annual Report and Company Website	Only one of the three members, Mr Jose Luis Moreno, is an independent director, as per the Corporate Governance Code - 2.3 Governance Committee, page 18. It is also disclosed in the Annual Report and Company Website.
<b>E.2.18. Is the chairman of the Remuneration Committee an independent director/commissioner?</b>	Y	Annual Report and Company Website	Mr Jose Luis Moreno is the Chairman of the Remunerations Committee and is an Independent Director of the Company, as disclosed in the Annual Report Annual Report and Company Website.
<b>E.2.19. Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?</b>	Y	Corporate Governance Code and Governance Committee Charter	The Corporate Governance Code and Governance Committee Charter, which contains the terms of reference/ governance structure/charter of the Remuneration Committee is publicly-available through the company website.

<b>E.2.20. Did the Remuneration Committee meet at least twice during the year?</b>	Y	Governance Committee Charter pp. 2 and Annual Report	The Remuneration Committee had 2 meetings in 2015.
<b>E.2.21. Is the attendance of members at Remuneration Committee meetings disclosed?</b>	Y	Annual Report and Company Website	The attendance of the Remuneration Committee members is disclosed in the Annual Report and Company Website.
<b><i>Audit Committee</i></b>			
<b>E.2.22. Does the company have an Audit Committee?</b>	Y	ARMC Charter	The Company has an Audit and Risk Management Committee (ARMC) to assist the Board in the performance of its functions, as disclosed in the ARMC Charter.
<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 Corporate Governance Code	The Audit and Risk Management Committee is comprised of five non-executive directors, with a majority of independent directors.
<b>E.2.24. Is the chairman of the Audit Committee an independent director/commissioner?</b>	Y	Annual Report	The Chairman of the Audit and Risk Management Committee, Ms Corazon D Bumanglag, is an Independent Director, as disclosed in the Annual Report
<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 ARMC Charter is publicly-available through the company website.
<b>E.2.26. Does the Annual Report disclose the profile or qualifications of the Audit Committee members?</b>	Y	Annual Report and Company Website	Detailed profiles of the members of Audit and Risk Management Committee are disclosed in the Annual Report 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	Annual Report 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 Annual Report and Company Website
<b>E.2.28. Did the Audit Committee meet at least four times during the year?</b>	Y	ARMC Charter pp. 2, Annual Report and Company Website	The Audit Committee requires at least 4 meetings a year, as stated in the ARMC Charter, 4. Meetings, page 2. The Committee held 6 meetings in 2015, as disclosed in the Annual Report and Company Website.
<b>E.2.29. Is the attendance of members at Audit Committee meetings disclosed?</b>	Y	Annual Report and Company Website	The attendance of the ARMC members is disclosed in the Annual Report 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 pp. 3 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>		
<b>E.3.2 Does the board of directors/commissioners meet at least six times during the year?</b>	<u>Y</u>	Annual Report and Company Website	The Board met 12 times in 2015, as disclosed in the Annual Report 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>Annual Report and Company website</u>	Three directors out of twenty attended less than 75% of all the board meetings in 2015, as reflected in the Annual Report 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>By-Laws pp. 3</u>	A majority of the Board directors present shall constitute a quorum in board and committee meetings. The majority has the power to decide on matters being discussed and transact for corporate business, as disclosed in the organization's By-laws -Section 2. Quorum page 3.
<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 pp. 8 and Corporate Governance Code pp. 21</u>	The Corporate Secretary plays a significant role in supporting the Board 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>Company Website</u>	The Resume of the Corporate Secretary , Atty. Maria Cecilia Capa shows that she possesses the qualifications and skills required of the position, which includes an adequate legal, basic financial and accountancy skills.
<b><i>Board Appointments and Re-Election</i></b>			
<b>E.3.9. Does the company disclose the criteria used in selecting new directors/commissioners?</b>	<u>Y</u>	<u>Corporate Governance Code pp. 9</u>	YES. The selection, nomination and election of new Directors are 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	Corporate Governance Code pp. 11	The Corporate Governance Code expressly provides for the process to be observed in appointing new directors. All members of the Board are annually elected by stockholders of the Corporation and by a majority vote of the Board of Directors, 1.4 Election of Board Directors page 11.
E.3.11. Are all the directors/commissioners subject to re-election at least once every three years?	Default	Corporate Governance Code	All members of the Board are annually elected by stockholders of the Corporation. The executive directors shall have a term of office co-terminus with their positions. The non-executive directors shall have a term of office of one year subject to reelection every year, unless sooner terminated, as disclosed in the Corporate Governance Code - 1.4 Election of Board Directors, pp 11-12.
<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>			



E.3.16. Does the company have a separate internal audit function?	<u>Default</u>	<u>ARMC Charter pp. 3, Code of Corporate Governance pp. 22 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.
E.3.17. Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	<u>Y</u>	<u>Annual Report and Company Website - About Us - Management - <a href="http://afpgen.com/?page_id=94">http://afpgen.com/?page_id=94</a></u>	The Head of Internal Audit, Ms Mary Grace B Facto, is an Executive of the Company. This is disclosed in the Annual Report and Company Website - About Us - Management - <a href="http://afpgen.com/?page_id=94">http://afpgen.com/?page_id=94</a>
E.3.18. Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	<u>Default</u>		
<i>Risk Oversight</i>			
E.3.19. Does the company disclose the internal control procedures/risk management systems it has in place?	<u>Y</u>	Corporate Governance Code pp. 22 and 2015 Annual Report	The internal control procedures/risk management systems of the company is disclosed in the Corporate Governance Code - 5. INTERNAL CONTROL AND RISK MANAGEMENT, pp. 22 and 2015 Annual Report
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?	<u>Y</u>	Corporate Governance Code pp. 22 and 2015 Annual Report	The Corporate Governance Code- 5. INTERNAL CONTROL AND RISK MANAGEMENT, pp. 22 and 2015 Annual Report demonstrate that the Board has conducted a review of the Company's material controls.
E.3.21. Does the company disclose how key risks are managed?	<u>Y</u>	Corporate Governance Code pp. 22 and 2015 Audited Financial Statement	The Corporate Governance Code- 5. INTERNAL CONTROL AND RISK MANAGEMENT, pp. 22 and 2015 Annual Report state how key risks are managed.
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>			
<b>E.4.1. Do different persons assume the roles of chairman and CEO?</b>	<u>Y</u>	Annual Report and Company Website	Different persons assume the roles of the Chairman and CEO. AFPGEN's Chairman is MGEN Edgardo Rene C Samonte while the President & CEO is LTGEN Alan R Luga, as disclosed in the Annual Report and Company Website
<b>E.4.2. Is the chairman an independent director/commissioner?</b>	<u>N</u>	Annual Report and Company Website	AFPGEN's Chairman of the Board of Directors, MGEN Edgardo C Samonte, is a Non-Executive Director as disclosed in the Annual Report and Company Website
<b>E.4.3. Has the chairman been the company CEO in the last three years?</b>	<u>N</u>	General Information Sheet for the years 2015, 2014 and 2013/ Directors and Officers and Company Website	The Company Chairperson has not been the Company President/CEO in the last three (3) years, as stated in the General Information Sheet for the years 2015, 2014 and 2013/ Directors and Officers and Company Website
<b>E.4.4. Are the role and responsibilities of the chairman disclosed?</b>	<u>Y</u>	Corporate Governance Code pp. 15	Full details of the roles and responsibilities of AFPGEN's Chairman of the Board of Directors is disclosed through the Company Corporate Governance Code - 1.8 Powers and Duties of the Chairman of the Board, page 15.
<b><i>Skills and Competencies</i></b>			
<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?</b>	<u>Y</u>	<u>Annual Report</u>	AFPGEN's directors, including non-executive directors, hold extensive knowledge and professional working experience in the field of insurance, as disclosed in the Annual Report - Profiles of the Stockholders/Board of Directors
<b>E.4.6. Does the company disclose a board of directors/commissioners diversity policy?</b>	<u>Y</u>	<u>Annual Report and Company Website</u>	As a company policy, no nominee or candidate for director shall be discriminated upon by reason of a different political, religious or cultural background. This is reflected in the Annual Report and Company Website.
<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>	Annual Report and Company Website	Incoming members of the AFPGEN Board are required to undergo an orientation program, as disclosed in the Code of Corporate Governance. In 2015, only one director attended the training conducted by the Institute of Corporate Governance (ICD). The other new directors finished their training in previous years.
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>Y</u>	Corporate Governance Code pp. 12	The company's policy on succession is stated as one of the Board duties and responsibilities, as embodied in the Corporate Governance Code- 1.6 Duties and Functions of the Board, pp. 12
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?	N		
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		