

AFPGEN	ASEAN CORPORATE GOVERNANCE SCORECARD
--------	--------------------------------------

Questions		Y/ N	Reference/Source document	REMARKS
E. Responsibilities of the Board				
E.1 Board Duties and Responsibilities				
<i>Clearly defined board responsibilities and corporate governance policy</i>				
E.1.1	Does the company disclose its corporate governance policy / board charter?	Y	Corporate Governance Code	https://afpgen.com.ph/pst_corporate/charters/
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?	Y	By-Laws pp3-5, Corporate Governance Code p2 & p8	Board of Directors authority to approve is on Section 4 Powers, of the By-Laws and on p2 Commitment to Good Corporate Governance & Section 1.1 General Responsibilities of the Board on p8.
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	Y	By-Laws pp5-9, Corporate Governance Code pp13-15	
<i>Corporate Vision/Mission</i>				
E.1.4	Does the company have a vision and mission statement?	Y	Corporate Governance Code, Annual Report & Company website	https://afpgen.com.ph/about-us/#section-1
E.1.5	Has the board review the vision and mission/strategy in the last financial year?	Y	Annual Report	The Board approved the revision of the Vision & Mission on October 2017.
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	Y	Corporate Governance Code p12	Section 1.6 Duties and Functions of the Board indicates that the primary function of the Board is to monitor and oversee the company's strategic plans.
E.2 Board structure				
<i>Code of Ethics or Conduct</i>				
E.2.1	Are the details of the code of ethics or conduct disclosed?	Y	Code of Conduct and Discipline	AFPGEN's handbook on Code of Conduct and Discipline includes the policies on business conduct and discipline affecting senior management and employees.
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Y	Code of Conduct and Discipline p1	Section III. Coverage states that AFPGEN employees and officers are mandated to comply with the company code of conduct and discipline.
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	Code of Conduct and Discipline p 15	
<i>Board Structure & Composition</i>				
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	N	Corporate Governance Code pp 8-9 and Company website	AFPGEN complies with the requirement of the law to have at least two (2) independent directors, one of whom is female. As of to date, AFPGEN has three (3) independent directors, from its fourteen (14) Board members.

E.2.5	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Y	Corporate Governance Code p9	AFPGEN observes the SEC Memorandum Circular No. 6, series of 2009.
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?	Y	Corporate Governance Code p12	AFPGEN follows the SEC Memorandum Circular No. 6, series of 2011 - Qualifications of Independent Directors and IC Circular No. 2014-49 - Term Limits of Independent Directors.
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	N		
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?	N		
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)?	Y	Corporate Governance Code pp18, Governance Committee Charter p3 and Annual Report	The Corporate Governance Committee serves as the nomination committee.
E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	N	Corporate Governance Code p18 and Annual Report	One of the three independent directors, Mr Jose Luis Z Moreno, sits in the Corporate Governance Committee.
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	Y	Annual Report	The Chairman of the Corporate Governance Committee, Mr Jose Luis Z Moreno is an independent director.
E.2.13	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Y	Corporate Governance Code and Governance Committee Charter	https://afpgen.com.ph/pst_corporate/charters/
E.2.14	Did the Nominating Committee meet at least twice during the year?	Y	Annual Report	The Corporate Governance Committee conducted four (4) meetings in 2017.
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	Y	Annual Report	The Chairman and members of the Corporate Governance Committee had 100% attendance in the scheduled meetings in 2017.
Remuneration Committee/ Compensation Committee				
E.2.16	Does the company have a Remuneration Committee?	Y	Corporate Governance Code pp18-19 and Governance Committee Charter pp3-4	One of the functions of the Corporate Governance Committee is the remuneration responsibilities.
E.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	N	Corporate Governance Code p18 and Annual Report p--	One of the three independent directors, Mr Jose Luis Z Moreno, sits in the Corporate Governance Committee.
E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	Y	Annual Report	The Chairman of the Corporate Governance Committee, Mr Jose Luis Z Moreno is an independent director.
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Y	Corporate Governance Code and Governance Committee Charter	https://afpgen.com.ph/pst_corporate/charters/

E.2.20	Did the Remuneration Committee meet at least twice during the year?	Y	Annual Report	The Corporate Governance Committee conducted four (4) meetings in 2017.
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	Y	Annual Report	The Chairman and members of the Corporate Governance Committee had 100% attendance in the scheduled meetings in 2017.
Audit Committee				
E.2.22	Does the company have an Audit Committee?	Y	Audit and Risk Management Committee Charter	https://afpgen.com.ph/pst_corporate/charters/
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	N	Annual Report	The Audit and Risk Management Committee has only one independent director.
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	Y	Annual Report	Ms Corazon Bumanglag, an independent director is the Chairman of the Audit and Risk Management Committee.
E.2.25	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Y	ARMC Charter	https://afpgen.com.ph/pst_corporate/charters/
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Y	Annual Report	Profiles of the members of the Audit & Risk Management Committee are posted in the website.
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Y	Company website and Annual Report	Ms Corazon Bumanglag, an independent director and the Chairman of the ARMC has an accounting and financial expertise. Her profile is posted in the company website.
E.2.28	Did the Audit Committee meet at least four times during the year?	Y	Annual Report	The Audit and Risk Management Committee conducted five (5) meetings in 2017.
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	Y	Annual Report	The Chairman had 100% attendance while the members had 72% attendance in the scheduled meetings in 2017.
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Y	ARMC Charter p3 and Company Website	AFPGEN follows the SEC Memorandum Circular No. 6, series of 2009 - Revised Code of Corporate Governance and IC Circular No. 2015-40 - Expectation of the Insurance Commission for an Effective External Audit Function
E.3 Board Processes				
Board meetings and attendance				
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Y	Annual Report	The schedule of Board meetings is every last Thursday of the month.
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	Y	Company website and Annual Report	The Board of Directors conducted twelve (12) meetings in 2017.
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Y	Annual Report	There are nineteen (19) directors in 2017, and ten (10) of them has 100% attendance in the scheduled meetings.
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Y	By-Laws p3	Sec 2 - Quorum states that a majority of directors shall be necessary at all meetings to constitute a quorum for the transaction of any business.

E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	N		
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?	N		
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Y	By-Laws p8 and Corporate Governance Code p21	https://afpgen.com.ph/pst_corporate/charters/
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	Y	Company website and Annual Report	https://afpgen.com.ph/about-us/#section-2
Board Appointments and Re-Election				
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Y	Corporate Governance Code p9	https://afpgen.com.ph/pst_corporate/charters/
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	Y	Corporate Governance Code p11	https://afpgen.com.ph/pst_corporate/charters/
E.3.11	Are all the directors/commissioners subject to re-election at least once every three years?	Default		
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?	N		
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?	Default		
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	N		
Internal Audit				
E.3.16	Does the company have a separate internal audit function?	Y	ARMC Charter p3, Code of Corporate Governance p22	AFPGEN has a separate Internal Audit Office which directly reports to the Audit and Risk Management Committee.
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Y	Company website and Annual Report	https://afpgen.com.ph/about-us/#section-2

E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Default		
Risk Oversight				
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	Corporate Governance Code p22	https://afpgen.com.ph/pst_corporate/charters/
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?	Y	Corporate Governance Code p22 and Annual Report	https://afpgen.com.ph/pst_corporate/charters/
E.3.21	Does the company disclose how key risks are managed?	Y	Corporate Governance Code p22 and 2017 Audited Financial Statements	https://afpgen.com.ph/pst_corporate/charters/
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?	N		
E.4 People on the Board				
Board Chairman				
E.4.1	Do different persons assume the roles of chairman and CEO?	Y	Company website and Annual Report	Different persons assume the responsibilities of the Chairman and CEO. AFPGEN Chairman of the Board is RADM Primitivo P Gopo AFP(Ret), while the President & CEO is LtGen Alan R Luga AFP(Ret)
E.4.2	Is the chairman an independent director/commissioner?	N		
E.4.3	Has the chairman been the company CEO in the last three years?	N	Company website and Annual Report	AFPGEN's Chairman of the Board was appointed on March 29, 2016.
E.4.4	Are the role and responsibilities of the chairman disclosed?	Y	Corporate Governance Code p15	Sec 1.9 - Powers and Duties of the Chairman of the Board, p9 entails the responsibilities of the AFPGEN Board Chair.
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?	Y	Annual Report	Profiles of the directors show that they are equipped with knowledge and experience in the insurance industry.
E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	Y	Company website and Annual Report	It is a policy that no nominee shall be discriminated due to political, religious or cultural background.
E.5 Board Performance				
Directors Development				

E.5.1	Does the company have orientation programmes for new directors/commissioners?	Y	Corporate Governance Code p16 and Annual Report	All new board directors are required to attend the training conducted by Institute of Corporate Governance (ICD).
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	N		
CEO/Executive Management 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?	Y	Corporate Governance Code p12	https://afpgen.com.ph/pst_corporate/charters/
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	N		
Board Appraisal				
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	N		
E.5.6	Does the company disclose the process followed in conducting the board assessment?	N		
E.5.7	Does the company disclose the criteria used in the board assessment?	N		
Director Appraisal				
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	N		
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		
Committee Appraisal				
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	N		