

COMPANY NAME : BPI-PHILAM LIFE ASSURANCE (BPLAC) CORPORATION
 COMPANY STRUCTURE : CLASS 3
 FINANCIAL YEAR END : 2019
 SECTOR : INSURANCE

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?	Y	<p>Subject to Section 42 of the revised Corporation Code of the Philippines and to the requirements set forth under Article VII Section 1 of the Company By-Laws, BPI-Philam pays its shareholders dividends proportionate to their shares; dividends are paid immediately from approval of the relevant regulatory authorities (i.e. Insurance Commission and the Securities and Exchange Commission).</p> <p>BPLAC Board has declared and paid Cash Dividends to all Shareholders of BPLAC. Unclaimed Cash Dividends from Minority Shareholders, due to unknown location were temporarily lodged in a Reserve Account for reference in the future claims of the shareholders.</p> <p>Source Document: By-Laws, Article VIII, Section 1, page 15</p>
A.2	Right to participate in decisions concerning fundamental corporate changes.		
<i>Do shareholders have the right to participate in:</i>			
A.2.1	Amendments to the company's constitution?	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-23) dated 8 May 2015.</p> <p>As prescribed by the revised Corporation Code of the Philippines, the shareholders are given the right to participate in decisions concerning amendment of the Company's Articles of Incorporation.</p> <p>Under Section 35 of the revised Corporation Code, the Company has the power and capacity to amend its articles of incorporation in accordance with the provisions of the Code, and adopt by-laws, not contrary to law, morals, or public policy, and to amend or repeal the same in accordance with the Code. Said provision of the law is deemed incorporated into the Charter and By-Laws of the Company.</p> <p>Also, under Article IV, Section 9 (e) of the Company By-Laws, the owners of the majority of the subscribed capital stock may at a regular or special meeting duly called for the purpose, amend or repeal the By-Laws or adopt a new By-Laws. The owners of two-thirds of the subscribed capital stock may delegate to the Board of Directors, the power to amend or repeal these By-Laws or to adopt new By-Laws, provided however, that any power delegated to the Board of Directors to amend or repeal the By-Laws or to adopt any new By-Laws shall be considered as revoked whenever a majority of the</p>

				<p>stockholders shall so vote at a regular or special meeting called for the purpose.</p> <p>Source Document: By-Laws, Article IV, Section 9 (e), page 8</p>
A.2.2	The authorisation of additional shares?	OECD Principle II (B): (2) the authorisation of additional shares.	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-23) dated 8 May 2015.</p> <p>Under Section 37 of the Corporation Code, no corporation shall increase or decrease its capital stock unless approved by a majority vote of the board of directors and, at a stockholder's meeting duly called for the purpose, two-thirds (2/3) of the outstanding capital stock shall favour the increase or diminution of the capital stock. Said provision of the law is deemed incorporated into the Charter and By-Laws of the Company.</p> <p>Source Document: Revised Corporation Code of the Philippines</p>
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 in effect result in the sale of the company.	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-23) dated 8 May 2015.</p> <p>Under Section 39 of the revised Corporation Code, subject to the provisions of existing laws on illegal combinations and monopolies, a corporation may, by a majority vote of its board of directors or trustees, sell, lease, exchange, mortgage, pledge or otherwise dispose of all or substantially all of its property and assets, including its goodwill, upon such terms and conditions and for such consideration, which may be money, stocks, bonds or other instruments for the payment of money or other property or consideration, as its board of directors or trustees may deem expedient, when authorized by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock, in a stockholder's or member's meeting duly called for the purpose.</p> <p>Source Document: Revised Corporation Code of the Philippines</p>
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 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	Y	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-23) dated 8 May 2015.</p> <p>Under the BPI-Philam's Manual of Corporate Governance, the Compensation/Remuneration Committee has been tasked to assist the Board of Directors to carry out its responsibilities relating to executives' and directors' compensation/remuneration. As disclosed in the Agenda and Minutes of</p>

		board members and employees should be subject to shareholder approval.		<p>the Annual Stockholder's Meeting, one of the agenda items was the approval of non-executive and independent directors' remuneration by the shareholders. During the annual stockholders' meeting held on 10 April 2019, the Compensation/Remuneration Committee has not proposed an increase in the remuneration for the non-executive/independent directors of the Company, and retain the same in the amount of P1 Million. During the annual stockholders' meeting held on 17 April 2020, The Committee thus proposed to retain the current remuneration of the non-executive/independent directors; the stockholders unanimously approved the recommendation of the Compensation/Remuneration Committee.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ Minutes of the Annual Stockholders' Meeting dated 10 April 2019, page 7 ▪ Minutes of the Annual Stockholders' Meeting dated 17 April 2020, page 7
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	<p>As prescribed by the Company By-Laws, all shareholders, whether controlling or minority), are given the right to nominate candidates for the Board. In the last annual stockholders' meetings for the year 2019 & 2020, although the minority stockholder was not present, the Corporate Secretary still informed the stockholders that the minority stockholder has the right to nominate member/s of the Board, in accordance with the Company's Articles of Incorporation & By-Laws.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ By-Laws, Article III, Section 8, page 3 ▪ Minutes of the Annual Stockholders' Meeting dated 10 April 2019 ▪ Minutes of the Annual Stockholders' Meeting dated 17 April 2020
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	<p>As prescribed by Section 5 of the Company By-Laws, at every meeting of stockholders, such stockholder with voting privilege shall be entitled to one vote for each share of stock standing in his name on the books of the corporation; provided, however, that in the election of directors, each stockholder is entitled to cumulate his vote in the manner provided by law. During the annual stockholders' meeting, the stockholders were informed that each stockholder with voting privilege was entitled to one vote for each share of stock standing in his name on the books of the Company and to elect the directors individually. During the last stockholders' meetings held on 10 April 2019 and 17 April 2020, the Corporate Secretary informed the shareholders are allowed to elect the directors individually; she also informed the stockholders of the voting method and vote count system.</p> <p>Source Documents:</p>

				<ul style="list-style-type: none"> ▪ By-Laws, Article III, Section 8, page 3 ▪ Minutes of the Annual Stockholders' Meeting dated 10 April 2019 ▪ Minutes of the Annual Stockholders' Meeting dated 17 April 2020
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 shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Y	<p>Before the start of the election of the members of the Board of Directors, the Corporate Secretary, in behalf of the Board, informed the stockholders of the voting method and vote counting system, wherein each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote; voting may be done in person or by proxy. The election of the directors shall be by ballot and each stockholder entitled to vote may cast the votes to which the number of shares he owns entitles him, for as many persons as are to be elected as directors, or he may give to one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.</p> <p>Source Documents:</p> <ul style="list-style-type: none"> ▪ Minutes of the Annual Stockholders' Meeting dated 10 April 2019, pages 5 to 6 ▪ Minutes of the Annual Stockholders' Meeting dated 17 April 2020, page 5
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	OECD Principle II (C): (2) Shareholders should have the opportunity to ask questions 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	<p>As stated in the Minutes of the Stockholders' Meeting of the Company, the Chairman encouraged the stockholders present to ask questions and raise issues, if any. Before ending the meeting, the Chairman again asked the stockholders if there were any questions or issues they would like to raise to Management and to the Board, to which the stockholders replied in the negative.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020, page 8</p>
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	<p>As stated in the Minutes of the Stockholders' Meeting of the Company, the Chairman encouraged the stockholders present to ask questions and raise issues, if any. Before ending the meeting, the Chairman again asked the stockholders if there were any questions or issues they would like to raise to Management and to the Board, to which the stockholders replied in the negative.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	<p>As stated in the Minutes of the Stockholders' Meeting of the Company held on 17 April 2020, the stockholders passed and adopted resolutions on the approval of all the acts of Management,</p>

				<p>the Board of Directors, its standing committees, and the Executive Officers of the Company; the President's Annual Report and the 2019 Audited Financial Statements; the appointment of the independent auditors; and the confirmation of annual bonus of the board of directors.</p> <p>All resolutions adopted during the meeting were approved by the stockholders present.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
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	<p>As stated in the Minutes of the Stockholders' Meeting of the Company held on 17 April 2020, the stockholders passed and adopted resolutions on the approval of the previous stockholders' meeting minutes; the acts of Management, the Board of Directors, its standing committees, and the Executive Officers of the Company; the President's Annual Report and the 2018 Audited Financial Statements; the appointment of the independent auditors; and the approval of the annual bonus of the independent directors. The minutes contain the voting results, wherein all action items and resolutions, except for the approval of the annual bonus and meeting fees of the independent directors, were unanimously approved by the stockholders present.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	<p>OECD Principle II (C); and</p> <p>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.</p>	Y	<p>As stated in the Minutes of the Stockholders' Meetings of the Company held on 17 April 2020, all members of the Board were present during the meeting: Mr. Jacky Chan, Mr. Kelvin Ang, Mr. Surendra Menon, Mr. Cezar P. Consing, Ms. Maria Consuelo Lukban, Mr. Jesse O. Ang and Ms. Stephanie Sy</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020, pages 1 to 2</p>
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?		Y	<p>The Minutes of the Stockholders' Meeting discloses that the Chairman of the Board of Directors, Mr. Jacky Chan, attended the most recent Annual Stockholders' Meeting of the Company last 17 April 2020.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	<p>The Minutes of the Stockholders' Meeting discloses that the CEO/President, Mr. Surendra Menon, attended the most recent Annual Stockholders' Meeting of the Company last 17 April 2020.</p>

				<p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	<p>The Minutes of the Stockholders' Meeting discloses that the Chairman of the Audit Committee, Mr. Jesse O. Ang, attended the most recent Annual Stockholders' Meeting of the Company last 17 April 2020.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	OECD Principle II (C)	Y	<p>The 2020 Annual Stockholders' Meeting was held at the 15th Floor, Ayala North Exchange Tower I, Ayala Avenue, Makati City.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 20, page 1</p>
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	<p>Default Item as per Insurance Commission Guidelines on Compliance with ACGS (Circular Letter No. 2015-23) dated 8 May 2015.</p> <p>Per Article III, Section 6 of the Company By-Laws, each stockholder entitled to vote at a meeting of stockholders may vote by proxy, provided the proxy has been appointed in writing by the stockholder himself or by his duly authorized attorney. During the last annual stockholders' meeting held on 17 April 2020, Philam Life and BPI, majority stockholder of BPLAC, issued a proxy in favour of Mr. Jacky Chan and Mr. Cezar P. Consing, respectively.</p> <p>Source Document:</p> <ul style="list-style-type: none"> ▪ Company By-Laws, Article III, Section 6. Voting, page 3 ▪ Minutes of the Annual Stockholders' Meeting dated 17 April 2020, pages 1 to 2
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	OECD Principle II (C)	Y	<p>Per Article III, Section 6 of the Company By-Laws, stockholders with voting privileges are entitled to one vote for each share of stock standing in his name on the books of the Company. Thus, the Chairman announced at the beginning of the stockholders' meeting that all resolutions shall be voted by poll (one vote for each share of stock held).</p> <p>During the last annual stockholders' meeting held on 10 April 2019. The Chairman of the Board announced that the voting shall be done by poll.</p> <p>Source Document: Minutes of the Annual Stockholders' Meeting dated 17 April 2020</p>
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?		N/A	<p>BPLAC does not require the appointment of an independent party to count or validate the votes at the stockholders' meeting. It is the Corporate Secretary</p>

				who performs such function and records all votes and resolutions passed. Source Document: Minutes of the Annual Stockholders meeting dated 17 April 2020
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 meetings, as well as full and timely information regarding the issues to be decided at the meeting.	N/A	BPLAC does not disclose by the next working day result of the votes taken during the most recent annual stockholders' meeting for all resolutions. BPLAC however ensures that the minutes of the stockholders' meeting and the General Information Sheet are submitted to the IC and the SEC, within 30 days from the date of meeting. Source Documents: ▪ Minutes of the Stockholders Meeting submitted to regulator
A.3.18	Do companies provide at least 21 days notice for all resolutions?		Y	BPLAC provided the Notice of Meeting with Agenda Items for Resolution at least 21 days prior to the actual meeting. For the 10 April 2019 Annual Stockholders' Meeting, the notice was sent on 22 March 2019, or 24 days prior to the actual meeting. Source Document: Notice of 2019 Annual Stockholders' 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/circulars and/or the accompanying statement?		Y	BPLAC provides the rationale for each agenda item which requires shareholders' approval in the Notice of the Annual Stockholders' Meeting. The shareholders are given the shareholder pack which contains information, background and recommendations for stockholders' approval. Source Document: Notice of Annual Stockholders' Meeting
A.4	Markets 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?		Y	Per BPLAC's Manual of Corporate Governance, the Board has the duty to review and approve the strategic and business plans, including operating and capital plans, mergers, acquisitions and takeovers of the Company, and in the performance of such duty, to appoint independent party to evaluate the fairness of the transaction price. However in 2019, no such event transpired to warrant such action. Source Document: Manual of Corporate Governance, page 1 – Duties of the Board of Directors
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 (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	BPLAC, on a yearly basis, releases its Annual Performance Report which contains among others the financial performance and position, company structure, company activities, marketing efforts, corporate governance policies and all other relevant information necessary for the shareholders as well as other stakeholders.

				Source Document: 2019 Annual Report
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