

Insurance Company: **Philippine AXA Life Insurance Corporation**
Year: **2013**
Date of Financial Year End: **31/12/2013**

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.1	Clearly defined board responsibilities and corporate governance policy				
E.1.1	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	• Corporate Governance Manual	Y	1	Board responsibilities and policies are provided for in the Corporate Governance Manual
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?		Y	1	
E.1.3	Does the company disclose its corporate governance policy / board charter?		Y	1	
E.2	Code of ethics or conduct				
E.2.1	Does the company have a code of ethics or conduct?	• Corporate Governance Manual	Y	1	AXA's Code of Conduct is provided for in the Corporate Governance Manual
E.2.2	Are the details of the code of ethics or conduct disclosed?		Y	1	
E.2.3	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?		Y	1	
E.2.4	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?		Y	1	
E.3	Corporate Vision/Mission				
E.3.1	Does the board of directors/commissioners periodically review and approve the vision and mission?	• Corporate Governance Manual	Y	1	This is part of the responsibilities by the Board as stated in the Corporate Governance Manual

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E	Responsibilities of the Board				
E.4	Board Structure & Composition				
E.4.1	Does the board of directors/ commissioners comprise at least five members and no more than 12 members? (i.e., between 5 - 12 members)	<ul style="list-style-type: none"> • Annual Report • Articles of Incorporation • By-Laws • General Information Sheet 2013 	Y	1	In 2013, AXA had nine (9) directors sitting in the Board
E.4.2	Do independent, non-executive directors/commissioners number at least three <u>and</u> make up more than 50% of the board of directors/commissioners?		N	0	AXA currently has 2 independent directors
E.4.3	Does the company provide a definition of independence in its Annual Report?	<ul style="list-style-type: none"> • Corporate Governance Manual 	Y	1	The term "independence" is defined by law and reiterated in the Corporate Governance Manual
E.4.4	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	<ul style="list-style-type: none"> • Annual Report • Corporate Governance Manual 	Y	1	AXA's independent directors are independent of its management and major shareholders.
E.4.5	Does the company have a term limit of nine years or less for its independent directors/commissioners?		N	0	There is currently no term limit for its independent directors.
E.4.6	Has the company set a limit of five board seats in publicly-listed companies that an individual director/commissioner may hold simultaneously?	<ul style="list-style-type: none"> • Corporate Governance Manual 	Y	1	AXA's indicative limit on board membership is provided for in the Corporate Governance Manual.

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E	Responsibilities of the Board				
E.4.7	Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies?		N/A	0	
E.4.8	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	• Annual Report	N	1	There are no executive directors who serve on more than 2 board of listed companies outside of the group.
E.5	Skills and Competencies				
E.5.1	Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?	• Annual Report	Y	1	Bio-datas of AXA's directors are submitted to the Insurance Commission
E.5.2	Does the company disclose a board of directors/commissioners diversity policy?	• Corporate Governance Manual	Y	1	Equal Opportunity Policy is provided in the Group Standards Handbook and appended in the Corporate Governance Manual
E.6	Board Chairman				
E.6.1	Do different persons assume the roles of chairman and CEO?	• Annual Report • Corporate Governance Manual • By-Laws • General Information Sheet 2013	Y	1	The Chairman of the Board is currently being held by Mr. Solomon S. Cua while the Chief Executive Officer is held by Mr. Rien Hermans
E.6.2	Is the chairman a non-executive director/commissioner?		Y	1	Mr. Cua, the Chairman, is a non-executive director.

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E	Responsibilities of the Board				
E.6.3	Is the chairman an independent director/commissioner?		N	0	
E.6.4	Is the chairman the current or immediate past CEO?		N	1	Mr. Cua, the Chairman, is not the current or immediate past CEO of AXA
E.6.5	Are the role and responsibilities of the chairman disclosed?		Y	1	Role and responsibility of the Chairman is sufficiently disclosed in the Corporate Governance Manual
E.7	Board meetings and attendance				
E.7.1	Are the board of directors/commissioners meetings scheduled before or at the beginning of the year?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	These information are sufficiently disclosed in the Annual Report and Corporate Governance Manual of AXA.
E.7.2	Does the board of directors/commissioners meet at least six times per year?		Y	1	
E.7.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?		Y	1	
E.7.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	<ul style="list-style-type: none"> Annual Report 	Y	1	Matters requiring 2/3 quorum for board decisions are sufficiently disclosed in AXA's By-Laws

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E	Responsibilities of the Board				
E.7.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?		N	0	
E.8	Orientation Programme for New Directors				
E.8.1	Does the company have orientation programmes for new directors/commissioners?	<ul style="list-style-type: none"> • Annual Report • Corporate Governance Manual 	Y	1	New directors are given an Induction Pack after his election
E.9	Director Training				
E.9.1	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	<ul style="list-style-type: none"> • Corporate Governance Manual 	Y	1	This is sufficiently disclosed in the Corporate Governance Manual
E.10	Access to information				
E.10.1	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	<ul style="list-style-type: none"> • Corporate Governance Manual 	Y	1	Board packs are distributed to the directors at least 7 days before the date of the meeting.
E.10.2	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?		Y	1	This is provided for in AXA's Corporate Governance Manual
E.10.3	Is the company secretary trained in legal, accountancy or company secretarial practices?		Y	1	Bio-data of BML, submitted to the IC.
E.11	Nominating Committee				

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E	Responsibilities of the Board				
E.11.1	Does the company have a Nominating Committee (NC)?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	AXA has a Board Nominations Committee
E.11.2	Does the Nominating Committee comprise of a majority of independent directors/commissioners?		N	0	
E.11.3	Is the chairman of the Nominating Committee an independent director/commissioner?		N	0	
E.11.4	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The BNC's Terms of Reference is contained in the Corporate Governance Manual
E.11.5	Does the Annual Report disclose the number of Nominating Committee meetings held?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The number of meetings held by the BNC is sufficiently disclosed in the Annual Report
E.11.6	Did the Nominating Committee meet at least twice during the year?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The BNC had three (3) meetings in 2013.
E.11.7	Is the attendance of members at Nominating Committee meetings disclosed?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The attendance of members in BNC meetings is sufficiently disclosed in the Annual Report
E.12	Board Appointments and Re-Election				
E.12.1	Does the company disclose the <u>criteria used in selecting</u> new directors/commissioners?	<ul style="list-style-type: none"> Corporate Governance Manual 	Y	1	Criteria used and process followed in the election and appointment of directors are stated in the Corporate Governance Manual

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E	Responsibilities of the Board				
E.12.2	Does the company disclose the <u>process followed in appointing</u> new directors/commissioners?	• Corporate Governance Manual	Y	1	
E.12.3	Are all the directors/commissioners subject to re-election at least once every three years?		Y	1	Default
E.13	CEO/Executive Management Appointments and Performance				
E.13.1	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?		N	0	AXA currently do not disclose the succession plan for CEO, managing directors and key management.
E.13.2	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	• Corporate Governance Manual	Y	1	The Board conducts an annual assessment of its and CEO's performance as provided for in the Corporate Governance Manual
E.14	Board Appraisal				
E.14.1	Is an annual performance assessment conducted of the board of directors/commissioners?	• Corporate Governance Manual	Y	1	The Board conducts an annual assessment of its and CEO's performance as shown in the Corporate Governance Manual
E.14.2	Does the company disclose the process followed in conducting the board assessment?		Y	1	
E.14.3	Does the company disclose the criteria used in the board assessment?		Y	1	
E.15	Director Appraisal				

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E	Responsibilities of the Board				
E.15.1	Is an annual performance assessment conducted of individual director/commissioner?	• Corporate Governance Manual	Y	1	The Board conducts an annual assessment of its and CEO's performance as shown in the Corporate Governance Manual
E.15.2	Does the company disclose the process followed in conducting the director/commissioner assessment?		Y	1	
E.15.3	Does the company disclose the criteria used in the director/commissioner assessment?	• Corporate Governance Manual	Y	1	The criteria for the director assessment is specified in the Corporate Governance Manual
E.16	Committee Appraisal				
E.16.1	Is an annual performance assessment conducted of the board of directors/commissioners committees?	• Corporate Governance Manual	Y	1	The Board conducts an annual assessment of its and CEO's performance as shown in the Corporate Governance Manual
E.17	Remuneration Committee/ Compensation Committee				
E.17.1	Does the company have a Remuneration Committee?	• Annual Report • Corporate Governance Manual	Y	1	AXA has a Board Remuneration Committee (BRC)
E.17.2	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?		N	0	
E.17.3	Is the chairman of the Remuneration Committee an independent director/commissioner?		N	0	

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E	Responsibilities of the Board				
E.17.4	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	BRC's Terms of Reference is contained in the Corporate Governance Manual
E.17.5	Does the Annual Report disclose the number of Remuneration Committee meetings held?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The number of meetings held by the BRC and attendance of its members are sufficiently disclosed in the Annual Report
E.17.6	Did the Remuneration Committee meet at least twice during the year?	<ul style="list-style-type: none"> Annual Report Corporate Governance Manual 	Y	1	The number of meetings held by the BRC and attendance of its members are sufficiently disclosed in the Annual Report
E.17.7	Is the attendance of members at Remuneration Committee meetings disclosed?		Y	1	
E.18	Remuneration Matters				
E.18.1	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	<ul style="list-style-type: none"> Corporate Governance Manual 	Y	1	Remuneration policy is sufficiently disclosed in the Corporate Governance Manual
E.18.2	Is there disclosure of the fee structure for non-executive directors/commissioners?	<ul style="list-style-type: none"> Minutes of the Annual Stockholders Meeting 	Y	1	Fee structure of non-executive directors are presented and approved in the Annual Stockholders Meeting

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E	Responsibilities of the Board				
E.18.3	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?		Y	1	Default
E.18.4	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	<ul style="list-style-type: none"> • Annual Report • Corporate Governance Manual 	N	1	Independent and non-executive directors receive bonuses as approved in the Annual Shareholders Meeting
E.19	Audit Committee				
E.19.1	Does the company have an Audit Committee?	Annual Report	Y	1	Default
E.19.2	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	<ul style="list-style-type: none"> • Corporate Governance Manual 	Y	1	There are only 4 members in the Board Risk Management Audit and Compliance Committee (BRMACC) and comprise entirely of non-executive and independent directors
E.19.3	Is the chairman of the Audit Committee an independent director/commissioner?	<ul style="list-style-type: none"> • Annual Report • Corporate Governance Manual 	Y	1	Mr. Jaime Laya, the Chairman of the BRMACC is an independent director
E.19.4	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?		Y	1	The Terms of Reference of the BRMACC is contained in the Corporate Governance Manual
E.19.5	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?		Y	1	This information is sufficiently disclosed in the Corporate Governance Manual

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E	Responsibilities of the Board				
E.19.6	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?		Y	1	Bio-data of BRMACC Members
E.19.7	Does the Annual Report disclose the number of Audit Committee meetings held?		Y	1	The number of meetings held by the BRMACC and attendance of its members are sufficiently disclosed in the Annual Report
E.19.8	Did the Audit Committee meet at least four times during the year?		Y	1	
E.19.9	Is the attendance of members at Audit Committee meetings disclosed?		Y	1	
E.19.10	Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?		Y	1	This information is sufficiently disclosed in the Corporate Governance Manual
E.20	Internal Audit				
E.20.1	Does the company have a separate internal audit function?	• Corporate Governance Manual	Y	1	Yes, AXA has an Internal Audit Division.
E.20.2	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	• Internal Audit Organization Chart	Y	1	Head of Internal Audit is clearly identified in the Team's Organization Chart
E.20.3	<u>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</u>		Y	1	Default

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E	Responsibilities of the Board				
E.21	Risk Oversight				
E.21.1	Does the company disclose the internal control procedures/risk management systems it has in place?	• Corporate Governance Manual	Y	1	This is included in the Terms of Reference of the BRMACC as provided for in Corporate Governance Manual.
E.21.2	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?	• Corporate Governance Manual	Y	1	This is provided for in the Corporate Governance Manual
E.21.3	Does the company disclose how key risks are managed?	• Corporate Governance Manual	Y	1	Key Risks Reports are submitted to the Board and BRMACC for information as provided for in the Corporate Governance
			78	69	