



**2021 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)**  
**AIA PHILIPPINES LIFE AND GENERAL INSURANCE COMPANY**

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<b>PRINCIPLE 1: ESTABLISHING A COMPETENT BOARD</b> <b>The company should be headed by a competent working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long term interests of its shareholders and other stakeholders.</b>			
<b>Recommendation 1.1</b> The Board should be composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector. The Board should always ensure that it has an appropriate mix of competent and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.	COMPLIANT	As shown in the Directors Profile in AIA Philippines' 2021 Annual Report, the board consists of members from diverse but relevant background. The Board's non-executive directors, apart from their extensive insurance background have lengthy experiences in the field of actuarial (Chairman of the Board, Mr Jacky Chan), risk (Ms Jane Plunkett), and legal (Mr. Mitchell New), to name a few. The company's independent directors, Mr. Francis Estrada, Mr. Antonino Aquino, Ms Doris Magsaysay Ho and Mr. Joaquin Quintos are seasoned and multi-awarded directors who have served either as senior executives or as board member of several public and private enterprises within the country or abroad in diverse industries. The Company's sole executive director and CEO, Mr. Chee Keong (Kelvin) Ang, is AIA Group's homegrown talent with over 20 years in leadership role across the AIA Group Office and local business units in Asia.  <a href="#">See Annual Report pages 41-44, Board of Directors' Profile</a>	N/A
<b>Recommendation 1.2</b> The Board should be composed of a <b>majority of non-executive</b> directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on company affairs and to substantiate proper checks and balances.	COMPLIANT	The following are board members of the company:  1. Mr. Wing Shing (Jacky) Chan, AIA Regional Chief Executive -Non-Executive Director, Chairman of the Board 2. Mr. Chee Keong (Kelvin) Ang - Chief Executive Officer, Executive Director 3. Mr. Mitchell New -Non-Executive Director 4. Ms. Jayne Plunkett - Non-Executive Director 5. Mr. Antonino Aquino - Independent Director 6. Mr. Francis Estrada - Lead Independent Director 7. Ms. Doris Magsaysay Ho - Independent Director 8. Mr. Joaquin Quintos, IV - Independent Director  As shown, the company has only one (1) executive director and all others are independent (50%) or non-executive directors.  <a href="#">See Annual Report pages 41-44, Board of Directors' Profile</a>	N/A
<b>Recommendation 1.3</b> The Company should provide in its Board Charter or Manual of Corporate Governance a policy on the training of directors, including an orientation program for first-time directors and relevant annual continuing training for all directors.	COMPLIANT	The Revised Corporate Governance Policy and Procedure Manual (RCGM) was approved in a board meeting last 21 October 2020 wherein the policy on training and training topics in accordance with IC CL 2020-71 were institutionalized.  <a href="#">See website, Revised Manual of Corporate Governance</a>  Further, since 2020, the company has conducted its own annual continuing board training on corporate governance. The annual continuing board training for 2021 was conducted last 4 November 2021 covering 4-hour training on mandatory topics as provided in IC CL 2020-71. It was attended by several staff from the Insurance Commission as well.  <a href="#">See 2021 Annual Report, page 40, Insurance Commission Mandated Annual Continuing Training</a>	N/A
<b>Recommendation 1.4</b> The Board should have a policy on board diversity.	COMPLIANT	The Board approved the company's Board Diversity Policy last 27 October 2021.  <a href="#">See Annual Report, page 36-37, Board Diversity Policy</a>	N/A
<b>Recommendation 1.5</b> The Board should ensure that it is assisted in its duties by a Corporate Secretary, who should be a separate individual from the Compliance Officer. The Corporate Secretary should not be a member of the Board of Directors and should attend annually a training on corporate governance.	COMPLIANT	The Company's Corporate Secretary, Atty Carla Domingo, is a fellow of the Institute of Corporate Directors and a lawyer by profession. She is assisted by the Assistant Corporate Secretary, Atty Ace Devino Custodio. Atty. Domingo is not the company's Compliance Officer. She attended the annual continuing training on corporate governance together with the Board last 4 November 2021.  <a href="#">See Annual Report, page 45, Board Support</a>	N/A
<b>Recommendation 1.6</b> The Board should ensure that it is assisted in its duties by a Compliance Officer who should have a rank of Vice President or an equivalent position with adequate stature and authority in the corporation. The Compliance Officer should not be a member of the Board of Directors and should annually attend a training on corporate governance.	COMPLIANT	The Company's Chief Compliance Officer (CCO), Ms Maria Cristina Helena Samaniego, is a senior officer with a rank equivalent to Senior Vice President and is a member of the company's Executive Committee. Ms. Samaniego is not a member of the Board. She attended the annual continuing training on corporate governance together with the Board last 4 November 2021.  <a href="#">See Annual Report, page 45, Board Support</a>	N/A

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<b>PRINCIPLE 2: ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD</b> The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws and other legal pronouncement and guidelines should be clearly made known to all directors as well as shareholders and other stakeholders			
<b>Recommendation 2.1</b> The Board members should act on a fully informed basis, in good faith with due diligence and care, and in the best interest of the company and shareholders	COMPLIANT	To ensure that Board members are fully informed, the agenda and papers/materials during board meetings are sent in full to the board members at least five (5) days prior to the meeting. Further, management is obliged to supply the Board with adequate and reliable information in a timely manner to enable the Board to make informed decisions.  <a href="#">See website, Board Charter</a>	N/A
<b>Recommendation 2.2</b> The Board should oversee the development of and approve the company's business objectives and strategy, and monitor their implementation, in order to sustain the company's long term-viability and strength.	COMPLIANT	As provided in the Revised Corporate Governance Policy and Procedure Manual (RCGM), one of the main responsibilities of the Board is to oversee the development of and approve on an annual or quarterly basis Business Objectives, Strategies and Capital Plans of the Company, and monitor their implementation in order to sustain the Company's long-term viability and strength. As such, these matters are part of board or committee meetings' agenda on a regular basis. Strategies and Capital Plans are reported and discussed quarterly in the CEO and CFO reports.  <a href="#">See website, Revised Corporate Governance Manual, page 8, Roles and Responsibilities of the Board 4.4 (b)</a>	N/A
<b>Recommendation 2.3</b> The Board should be headed by a competent and qualified Chairperson.	COMPLIANT	The Chairman of the Board is Mr. Jacky Chan. Mr Chan is a non-executive director of the company and is the incumbent AIA Regional Chief Executive. He has extensive industry experience having worked with the parent company for the past 32 years. He is a Fellow of the Society of Actuaries (MAAA) and a Fellow of Canadian Institute of Actuaries (CIA).  <a href="#">See Annual Report, page 41, Board of Directors Profile, Jacky Chan</a>	N/A
<b>Recommendation 2.4</b> The Board should be responsible for ensuring and adopting an effective succession planning program for directors, key officers and management to ensure growth and continued increase in the shareholders' value. This should include adopting a policy on the retirement age for directors, and key officers as part of management succession and to promote dynamism in the company	COMPLIANT	In the 26 October 2021 board meeting, the Board approved and adopted the Company's annual Organization People Review (OPR) aimed at ensuring effective succession planning for directors, key officers and management to ensure growth and continued increase in the shareholders' value.  <a href="#">See 2021 Annual Report, page 40, Annual Organization People Review and Performance Development Dialogue (PDD)</a>  Further, as part of succession planning and to promote dynamism in the Company, the Board approved the Retirement Age Policy that provides, among others, the maximum tenure for independent directors to be aligned with local regulations; for retirement age of directors other than independent, key officers and employees; and for the procedures for their retirement.  <a href="#">See 2021 Annual Report, page 37, Retirement Age Policy</a>	N/A
<b>Recommendation 2.5</b> The board should be able to formulate a policy specifying the relationship between remuneration and performance of key officers and board members which should be aligned with long term interests of the company. Further, no director should participate in discussions or deliberations involving his own remuneration.	COMPLIANT	The Board approved the company's Remuneration Policy which ensures that the Board and senior management remuneration programs are designed to be market competitive, fully compliant with local regulations, and foster a strong performance-oriented culture within an appropriate risk management framework.  <a href="#">See 2021 Annual Report, page 36, Remuneration Policy</a>	N/A
<b>Recommendation 2.6</b> The board should have and disclose in its Manual of Corporate Governance a formal and transparent board nomination and election policy that should include how it accepts nominations from minority shareholders and reviews nominated candidates.	COMPLIANT	The formal process for board nomination and election are stated in the company's Revised Manual of Corporate Governance Policy and Procedure Manual (RCGM). It provides, among others, that election and/or appointments to the Company's Board of Directors shall be made on merit and subject to objective criteria. In the nomination and election process, the Board and the shareholders shall review and evaluate the qualifications of all persons nominated in the Board, including whether the candidates: 1) possess the knowledge, skills, competence and experience, in terms of management capabilities, preferably in the field of insurance or insurance-related disciplines; 2) in the case of non-executive independent directors, independence of mind given their responsibilities to the Board and in light of the Company's business and risk profile; 3) have a record of integrity, credibility and good repute; 4) have sufficient time to carry out their responsibilities; and 5) have the ability to promote a smooth interaction between board members. In searching for qualified candidates, the Company may resort to the use of professional search firms or external sources. xxx All directors shall be subject to election by the shareholders (including minority) of the Company at the annual stockholders' meeting after their nomination, and to be re-elected thereafter on an annual basis.  <a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 11-12, Nomination in the Board</a>	N/A
<b>Recommendation 2.7</b> The Board should have overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequent occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	The RPT Policy of the company sets forth the necessary control system to ensure effective management of RPTs. It requires that all RPTs should be on a normal commercial terms, at arm's length and fair and reasonable in the interest of the company. Material RPTs are submitted to the Regulatory and Compliance Committee (RCC) for endorsement to the Audit and RPT Board Committee (ARBC) then to the Board and stockholders for confirmation or approval. RPTs below the materiality threshold are subject for approval by the RCC and confirmation by the ARBC.  <a href="#">See Annual Report, page 48, Related Party Transaction</a>	N/A

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<p><b>Recommendation 2.8</b> The Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the Chief Executive Officer (CEO) and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).</p>	COMPLIANT	<p>As provided in the Company's Revised Corporate Governance Policy and Procedure Manual (RCGM), it is the Board's primary duty to approve the selection and assessment of the performance of the Management led by the Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Head of Internal Audit).</p> <p>The evaluation forms for the Board, the Committees, and key officers above are likewise uploaded on website.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, pages 8-9, Roles and Responsibilities of the Board</a></p>	N/A
<p><b>Recommendation 2.9</b> The Board should establish an effective performance management framework that will ensure that the management, including the Chief Executive Officer, and the personnel's performance is at par with the standards set by the Board and Senior Management</p>	COMPLIANT	<p>The Board has approved the company's Performance Development Dialogue (PDD) ensuring that performance of all officers and employees are in accordance with the goals and objectives of the company. PDD also aims to encourage employees to actively participate in the realization of the company's goals and governance by aligning individual goals of employees with the company strategic goals. For 2021, management committee have specific risk and compliance goals as part of their performance targets.</p> <p><a href="#">See Annual Report, page 40, Annual Organization People Review and Performance Development Dialogue</a></p>	N/A
<p><b>Recommendation 2.10</b> The Board should oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. The Board should also approve the Internal Audit Charter.</p>	COMPLIANT	<p>Management is mandated to present to the Board through the Audit and RPT Committee, on a regular basis, Internal Audit Report, Compliance Report, RPTs, and Major Litigation Update. On a quarterly basis, the agenda of the Audit and RPT Committee meetings shall regularly include, among others, the following: Quarter Review of Financial Position; Internal Audit Report; Compliance Report; Related Party Transactions; and other Finance-related developments, if any. On semi-annual basis, the following may be included in the agenda: Update on non-audit services performed by external auditor, if any; Major Litigation Update; and hiring of external auditor's employees, if any. On an annual basis, the following items shall also be included in the agenda (the inclusion and timing of which shall vary as may be determined by the Committee or the Company Secretary): Audited Financial Statements for the Fiscal Year; External Audit Report and External Audit Plan; Internal Audit Plan; Appointment of the External Auditor and Audit Fee for the Financial Year; Annual Tax Update; Review of the External Auditor's Independence, Objectivity and Effectiveness; Review of the Audit and RPT Committee's Compliance with these Charter; and Review of the Performance of the Head of Internal Audit, and Internal Audit Resources and Effectiveness. The Audit and RPT Committee, at its discretion, may include and discuss other business, as it deems necessary to perform its functions under these Charter.</p> <p><a href="#">See website, Audit and RPT Committee Charter, page 6, VI Conduct of Meetings, item 12</a> <a href="#">See website, Revised Corporate Governance Manual, page 28-31</a></p> <p>The Board also approved the Company's Internal Audit Charter last 16 December 2020.</p> <p><a href="#">See Annual Report, page 37, Internal Audit Charter</a></p>	N/A
<p><b>Recommendation 2.11</b> The Board should oversee that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>	COMPLIANT	<p>At the board level, the Board Risk Committee (BRC) is responsible for the oversight of the Company's Enterprise Risk Management (ERM) system to ensure its functionality and effectiveness. It is responsible for the development of formal enterprise risk management plan; oversee its implementation through the Group Risk Management Committee (GRMC); it conducts regular discussions on the company's prioritized and residual risk exposures based on regular risk management reports; and assesses how the concerned units or offices are addressing and managing these risks; evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness; advises the Board on its risk appetite levels and risk tolerance limits and the review of such at least on annually; and assessment of the risks to any potential financial impact that it may have; and reports to the board on a regular basis or as deemed necessary.</p> <p><a href="#">See website: Revised Corporate Governance Manual, page 28-31</a> <a href="#">See website, AIA PH Board Risk Committee Charter, page 7-8</a></p> <p>At the management level, the company has Risk and Compliance Office headed by the Chief Risk Officer (CRO) and Chief Compliance Officer who administers the company's ERM with the company's Board Risk Committee maintaining oversight of the risk functions. The company operates using the three lines of defense model in running its Risk Management Framework (RMF). The model defines primary risk ownership by the business areas in order to drive a strong culture of ethics and accountability in the way business is conducted day to day. In this way, risks are identified and mitigated immediately as they emerge.</p> <p><a href="#">See Annual Report, page 45, Board Support</a> <a href="#">See also Annual Report, pages 52-54, Enterprise Risk Management</a></p>	N/A
<p><b>Recommendation 2.12</b> The Board should have a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter should serve as a guide to the directors in the performance of their functions and should be publicly available and posted on the company's website.</p>	COMPLIANT	<p>The company's Board Charter was approved by the Board last 21 October 2020.</p> <p><a href="#">See website, Board Charter</a></p>	N/A

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<b>PRINCIPLE 3. ESTABLISHING BOARD COMMITTEES</b>			
Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
<b>Recommendation 3.1</b> The Board should establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	The company's Board Committees, among others, are: 1. Audit & Related Party Transactions Committee <a href="#">See website, Audit &amp; RPT Committee Charter</a> 2. Corporate Governance Committee <a href="#">See website, Corporate Governance Committee Charter</a> 3. Board Risk Committee <a href="#">See website, Board Risk Committee</a>	N/A
<b>Recommendation 3.2</b> The Board should establish an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The committee should be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees.	COMPLIANT	The company's Audit and RPT Committee is composed of the following independent directors:  3. Mr. Antonino T. Aquino - Independent Director; 2. Mr. Joaquin E. Quintos IV - Independent Director; and 3. Mr. Francis Estrada - Independent Director.  All members of the Committee are independent directors.  <a href="#">See website for Audit and RPT Committee Charter</a> <a href="#">See Annual Report, page 35, Tables of Committee Memberships</a>	N/A
<b>Recommendation 3.3</b> The Board should establish a <a href="#">Corporate Governance Committee</a> that should be tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. It should be composed of at least three members, majority of whom should be independent directors, including the Chairman.	COMPLIANT	Pursuant to IC CL 2020-71, the Board has approved the establishment of the Corporate Governance Committee merging into it the duties and responsibilities of the former Nomination and Remuneration Committee.  In compliance with the IC CL 2020-71, the Corporate Governance Committee members are: 1. Ms Doris Ho, independent director - Committee Chair 2. Mr Joaquin Quintos, independent director - Member 3. Mr Mitchell New, non-executive director - Member Majority of the members are independent directors.  <a href="#">See website, Corporate Governance Charter</a> <a href="#">See also Annual Report, page 35, Tables of Committee Memberships</a>	N/A
<b>Recommendation 3.4</b> Subject to a corporation's size, risk profile and complexity of operations, the Board should establish a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. The BROC should be composed of at least three members, the majority of whom should be independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committee. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	The Board has an existing Board Risk Committee (BROC) which has oversight of the company's Enterprise Risk Management system. In compliance with IC CL2020-71, the members of the BROC are as follows: 1. Mr Francis Estrada, independent director - Committee Chair 2. Ms Doris Magsaysay Ho, independent director - Member 3. Mr Antonino Aquino, independent director - Member 4. Mr Kelvin Ang, executive director - Member 5. Ms Jayne Plunkett, non-executive director - Member  Mr. Estrada is not the chairman of the board or any other committee. Ms Plunkett has experience in risk management being the incumbent Group Risk Officer of the company's parent company, AIA Group Ltd.  <a href="#">See Annual Report, page 35, Tables of Committee Memberships</a> , <a href="#">See website, Board Risk Committee</a>	N/A
<b>Recommendation 3.5</b> Subject to a corporation's size, risk profile and complexity of operations, the board should establish a Related Party Transaction (RPT) Committee, which should be tasked with reviewing all material related party transactions of the company and should be composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	COMPLIANT	The Board has an existing Audit and RPT Committee, whose task among others based on its Charter, is to review related party transactions of the Company. The members of the Committee are as follows: 1. Mr. Antonino T. Aquino - independent director (Chair) 2. Mr. Joaquin E. Quintos, IV - independent director 3. Mr. Francis Estrada - independent director  <a href="#">See website, RPT Committee Charter</a> <a href="#">See also Annual Report, page 35, Tables of Committee Memberships</a> , <a href="#">See website, Audit and RPT Committee</a>	N/A
<b>Recommendation 3.6</b> All established committees should be required to have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information. The Charters should provide the standards for evaluating the performance of the Committees. It should also be fully disclosed on the company's website.	COMPLIANT	The committee charters - Audit and RPT Committee, Board Risk Committee, Corporate Governance Committee - are posted on company website.  1. Audit & Related Party Transactions Committee - <a href="#">See website, Audit &amp; RPT Committee Charter</a> 2. Corporate Governance Committee - <a href="#">See website, Corporate Governance Committee Charter</a> 3. Board Risk Committee - <a href="#">See website, Board Risk Committee</a>	N/A

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<b>PRINCIPLE 4: FOSTERING COMMITMENT</b>			
<b>To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.</b>			
<b>Recommendation 4.1</b> The directors should attend and actively participate in all meetings of the Board, Committees, and Shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.	COMPLIANT	For 2021, the Board of Directors had a total of seven (7) meetings where the Board posted an overall attendance rate of 96.42%.  <a href="#">See Annual Report, page 34, Board Meetings in 2021</a>	N/A
<b>Recommendation 4.2</b> The non-executive directors of the Board should concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities and Publicly Listed Companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the longterm strategy of the company	COMPLIANT	The company's Revised Code of Corporate Governance Policy and Procedure Manual (RCGM) provides for optimum number of directorships. It mandates that non-executive directors can only serve as directors to a maximum of 5 publicly listed companies. All directors are also required to disclose their incumbent directorship or before accepting a new directorship in another company.  <a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 8, 4.3 Multiple Board Seats</a>  Moreover, NEDs directorships in any company and affiliations are declared in their respective biographical data submitted annually to the Insurance Commission pursuant to IC Circular 35-2006 dated 23 October 2006.	N/A
<b>Recommendation 4.3</b> A director should notify the Board where he/she is an incumbent director before accepting a directorship in another company.	COMPLIANT	As stated in the immediately preceding row.	N/A
<b>PRINCIPLE 5. REINFORCING BOARD INDEPENDENCE</b>			
<b>The board should endeavor to exercise an objective and independent judgment on all corporate affairs.</b>			
<b>Recommendation 5.1</b> The Board should be composed of at least twenty percent (20%) independent directors	COMPLIANT	The following are board members of the company: 1. Mr. Wing Shing (Jacky) Chan AIA Regional Chief Executive -Non-Executive Director, Chairman of the Board 2. Mr. Chee Keong (Kelvin) Ang - Executive Director, Chief Executive Officer 3. Mr. Mitchell New -Non-Executive Director 4. Ms. Jayne Plunkett - Non-Executive Director 5. Mr. Antonino T. Aquino - Independent Director 6. Mr. Francis G. Estrada - Lead Independent Director 7. Ms. Doris Magsaysay Ho - Independent Director 8. Mr. Joaquin E. Quintos, IV - Independent Director  As shown, the Board is composed of 50% independent directors.  <a href="#">See Annual Report, pages 41-44, Board of Directors' Profile</a>	N/A
<b>Recommendation 5.2</b> The Board should ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.	COMPLIANT	The company's independent directors, Mr. Francis Estrada, Mr. Antonino Aquino, Ms. Doris Magsaysay Ho and Mr. Joaquin Quintos are seasoned and multi-awarded directors who have served either as senior executives or as board member of several public and private enterprises within the country or abroad in diverse industries. Even so, none of their past background and affiliations can pose any material conflict of interest nor affect their independent judgment as board member of the company since they have not been connected with the company or any of its subsidiaries and affiliates in the past or present except as such independent director.  <a href="#">See Annual Report, page 41-44, Board of Directors' Profile</a>	N/A
<b>Recommendation 5.3</b> The Board's independent directors should serve for a maximum cumulative term of nine years. After which, the independent director should be perpetually barred from re-election as such in the same company, but may continue to qualify for nomination and election as a non-independent director. In the instance that a company wants to retain an independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.	COMPLIANT	None of the independent directors exceed the 9-year term (reckoned from 02 January 2015)  <a href="#">See Annual Report, pages 41-44, Board of Directors' Profile</a>	N/A

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<p><b>Recommendation 5.4</b> The positions of Chairman of the Board and Chief Executive Officer should be held by separate individuals and each should have clearly defined responsibilities.</p>	COMPLIANT	<p>The Company's CEO is Mr Kelvin Ang while the Chairman of the Board is Mr Jacky Chan.</p> <p><a href="#">See Annual Report, page 41-44, Board of Directors' Profile</a></p> <p>Their responsibilities as defined in the company's Revised Code of Corporate Governance are distinct and separate.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, pages 16-17</a></p>	N/A
<p><b>Recommendation 5.5</b> The Board should designate a lead director among the independent directors if the Chairman of the Board is not independent, including if the positions of the Chairman of the Board and Chief Executive Officer are held by one person.</p>	COMPLIANT	<p>Mr. Francis Estrada was first appointed as Lead Independent Director last 21 October 2020 board meeting. He was re-elected as such during the company's organizational meeting last 27 April 2021.</p> <p><a href="#">See Annual Report, page 41-44, Board of Directors' Profile</a></p>	N/A
<p><b>Recommendation 5.6</b> A director with a material interest in any transaction affecting the corporation should abstain from taking part in the deliberations for the same.</p>	COMPLIANT	<p>The Board of Directors will be the final approving authority of all material RPTs. Any member of the relevant Committees or the Board who has an interest in a transaction must abstain from deliberation and approval of such transaction. For 2021, the Company declares that all related party transactions are conducted in arm's length basis. Directors execute annual RPT recertification to ensure compliance with the Company's RPT Policy.</p> <p><a href="#">See Annual Report, pages 48, Related Party Transaction</a></p>	N/A
<p><b>Recommendation 5.7</b> The non-executive directors (NEDs) should have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation. The meetings should be chaired by the lead independent director.</p>	COMPLIANT	<p>As provided in the Revised Code of Corporate Governance Policy and Procedure Manual (RCGM), the non-executive and independent directors are encouraged to have separate periodic meetings with the External Auditor, Head of Internal Audit, and Head of Risk and Compliance without the presence of the executive director. The meeting is to be chaired by the lead independent director.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 15, Board Meetings (last paragraph)</a></p> <p>In 2021, the Non-Executive Directors had separate meetings with the External Auditor and Head of Group Internal Audit Philippines without the presence of management on 27 January; 27 April; 21 July and 26 October. • Meetings with the Chief Risk and Compliance Officer, with the first one held in September 2021 and the second in December 2021.</p> <p><a href="#">See Annual Report, Board Meetings 2021, page 34</a></p>	N/A
<p><b>Principle 6. Assessing Board Performance</b> <b>The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</b></p>			
<p><b>Recommendation 6.1</b> The Board should conduct an annual assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment may be supported by an external facilitator.</p>	COMPLIANT	<p>As provided in the Revised Code of Corporate Governance Policy and Manual (RCGM), a formal and rigorous evaluation of the performance of the Board, its Committees, the Board Chairman, CEO, and individual directors shall be taken annually. The Corporate Secretary shall provide the necessary support to the Board in conducting the evaluation but the Board may consider engaging an external facilitator once every 3 years.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, pages 27-28</a> <a href="#">See website, Annual Board Performance Evaluation and Shareholder's Feedback Mechanism</a></p> <p>In compliance thereto, for 2021, performance evaluation surveys of the Board, its individual directors, and its committees and members were conducted and the results were presented during the 27 April 2021 Outgoing Meeting of the Board. The evaluation survey posted an overall rating of "consistently good" to "excellent". This clearly exemplifies the effectiveness and competence of the Board and its committees. It shows that the Board clearly understands the objectives of the Company to its shareholders and stakeholders as well as the major roles it plays in the Company, to its shareholders and stakeholders. Key themes and observations of the members of the Board were also noted.</p> <p><a href="#">See Annual Report, Performance Evaluation, page 32</a></p>	N/A

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<p><b>Recommendation 6.2</b> The Board should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the shareholders.</p>	COMPLIANT	<p>Performance evaluation of the Board, CEO, individual directors and Committees is to be undertaken annually. The result of which is to be presented to the shareholders for their comments. The company further appointed the Corporate Secretary as the Chief Investor Relations Officer who may act as point of contact for shareholders to raise their concerns.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual</a> <a href="#">See website, Annual Board Performance Evaluation and Shareholder's Feedback Mechanism</a></p> <p>The results of the 2020 Annual Board Performance Evaluation Survey was presented during the Annual Stockholders Meeting last 27 April 2021 where the stockholders confirmed and approved the result.</p> <p><a href="#">See Annual Report 2021, Board Meetings, page 34</a> <a href="#">See website, Minutes of AGM</a></p>	N/A
<p><b>Principle 7. Strengthening Board Ethics</b> <b>Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</b></p>			
<p><b>Recommendation 7.1</b> The Board should adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code should be properly disseminated to the Board, senior management and employees. It should also be disclosed and made available to the public through the company website.</p>	COMPLIANT	<p>The company has a Code of Conduct which all employees are required to certify their faithful compliance on an annual basis. The Code is posted on company website</p> <p><a href="#">See website, Code of Conduct</a></p>	N/A
<p><b>Recommendation 7.2</b> The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies</p>	COMPLIANT	<p>The company annually conducts Code of Conduct certification exercise. The company also maintain an Ethics Hotline where its stakeholders may anonymously raise their concerns and appropriate investigation are in place to ensure that ethical concerns and/or violations of legal, regulatory and internal policies or guidelines are properly dealt with. Any major issues or findings are part of the quarterly Compliance Report, Audit Report, Major Litigation Update, etc., presented to the Board as endorsed by the Audit and RPT Committee.</p> <p><a href="https://aiacompliance.alertline.eu/gcs/welcome">See website, AIA Ethics and Compliance Hotline https://aiacompliance.alertline.eu/gcs/welcome</a> <a href="#">See website, Code of Conduct</a> <a href="#">See also website, Audit and RPT Committee Charter, page 6, Conduct of Meetings (par12</a> <a href="#">See also Annual Report, page 46, Code of Conduct Annual Certification</a></p>	N/A

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<b>DISCLOSURE AND TRANSPARENCY</b>			
<b>Principle 8. Enhancing Company Disclosure Policies And Procedures</b> <b>The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.</b>			
<b>Recommendation 8.1</b> The Board should establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	The Board approved the company's Financial Disclosure Policy last 16 December 2020. The Policy sets out the company's approach to disclosure of financial information in order to give a complete picture of the company's financial standing and results of business operations to stakeholders. It states that the company shall fully abide by legal and regulatory mandates on financial reporting standards and disclosures of financial information.  <a href="#">See Annual Report, page 37, Financial Disclosure Policy</a>	N/A
<b>Recommendation 8.3</b> The Board should fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Information about individual directors and senior management are publicly available through the company's website or the annual report. They are also required to undergo annual Code of Conduct and Related Party Transaction (RPT) certifications. All directors and key officers (Vice President level and up) submit to the Insurance Commission (IC) their individual biographical data which provide complete information about their own or immediate family's affiliations that enable regulator to assess any potential conflict of interests.  <a href="#">See Annual Report, pages 41-45, Board of Directors' Profile, Board Support See website/About Us/Our Management Team</a> <a href="#">See Annual Report, page 46, Code of Conduct Annual Certification; Conflict of Interest</a>	N/A
<b>Recommendation 8.4</b> The company should provide a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code. Also, companies should disclose the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	The Board approved last 21 October 2020 the Remuneration Policy which provides that Board remuneration should be designed to be market competitive and their allowances aligned with market practices and fully compliant with regulations. Components of executive remuneration consisting of guaranteed and variable components that reward performance and value creation are likewise detailed in the Policy. Details of individual directors' remuneration and key officer (CEO) are provided in the Annual Report.  <a href="#">See Annual Report, page 36, Remuneration Policy</a>	N/A
<b>Recommendation 8.5</b> The company should disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions. The material or significant RPTs should be reviewed and approved by the Board and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting. All material or significant RPTs for the year should be disclosed in its Annual Company Report or Annual Corporate Governance Report.	COMPLIANT	A summary of the RPT Policy is disclosed in the Annual Report. Actual RPTs including significant or material RPTs (if any) are disclosed through the company's Audited Financial Statements as provided in the Annual Report after the same has been approved by the Board and confirmed by majority stockholders during the annual meeting.  <a href="#">See Annual Report, pages 46 Related Party Transactions</a> <a href="#">See Annual Report, pages 56, Audited Financial Statements, Related Party Transactions</a>	N/A
<b>Recommendation 8.6</b> The company's corporate governance policies, programs and procedures should be contained in its Manual on Corporate Governance, which should be submitted to the regulators and posted on the company's website.	COMPLIANT	Pursuant to IC CL 2020-71, the Board revised and approved last 21 October 2020 its Revised Corporate Governance Policy and Procedure Manual (RCGM) which articulates the company's corporate governance policy, framework, programs and procedures. The RCGM is also posted on company's website.  <a href="#">See website, Revised Corporate Governance and Procedure Manual</a>	N/A
<b>Principle 9. Strengthening The External Auditor's Independence And Improving Audit Quality.</b> <b>The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality</b>			
<b>Recommendation 9.1</b> The Audit Committee should have a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external auditor should be recommended by the Audit Committee, approved by the Board and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures.	COMPLIANT	The Revised Manual of Corporate Governance (RCGM) provides that in order to maintain the external auditor's independence and audit quality, the Audit and RPT Committee maintains oversight of the same. Appointment, removal, and fees of external auditors shall pass through the Audit and RPT Committee for approval and endorsement to the Board. In case of removal, such fact and the reason thereof is to be reported to the IC and disclosed publicly.  <a href="#">See website, Revised Corporate Governance Manual, pages 23-24 and page 31, External Auditor's Independence and Audit Quality</a> <a href="#">See also website, Audit and RPT Committee Charter, page 8, Relationship with External Auditor</a>	N/A



RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<p><b>Recommendation 9.2</b> The Audit Committee Charter should include the Audit Committee's responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter should also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	COMPLIANT	<p>The Audit and RPT Committee Charter defines the committee's relationship with the external auditor/s. The charter provides that the Committee in performing oversight functions over the external auditor shall annually review and monitor the external auditor/s technical competence, independence, and effectiveness in accordance with rules and regulations, evaluate non-audit work and fees disallowing non-audit work that will conflict with their independence and disclosing non-audit work publicly. The Committee shall also discuss with the external auditor before commencement of audit, the nature and scope of audit, etc., including the problems and reservations arising from the interim and final audits and any other matters which the external auditor may wish to discuss.</p> <p><a href="#">See website for a copy of the Audit and RPT Committee Charter</a></p>	N/A
<p><b>Recommendation 9.3</b> The company should disclose the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee should be alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.</p>	COMPLIANT	<p>Audit and non-audit work (if any) performed by the external auditor are presented to the Audit and RPT Committee. If there are any non-audit work, the Committee shall evaluate and disallow non-audit work that will conflict with their independence. These non-audit work, if allowed, are likewise required to be disclosed in the Annual Report of the company.</p> <p><a href="#">See website for a copy of the Audit and RPT Committee Charter</a> <a href="#">See Annual Report, page 55, Engagement of External Auditors</a></p>	N/A
<p><b>Principle 10. Increasing Focus On Non-Financial And Sustainability Reporting.</b> <b>The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</b></p>			
<p><b>Recommendation 10.1</b> The Board should have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. Companies should adopt a globally recognized standard/framework in reporting sustainability and nonfinancial issues.</p>	COMPLIANT	<p>The Board approved the Company's ESG Disclosure Policy which provides that the company shall aligned its ESG effort with that of its parent company, AIA Group Limited, and relevant local laws and regulations. Full report on the company's ESG effort is disclosed in the Annual Report.</p> <p><a href="#">See Annual Report, page 37, Environment, Social and Governance (ESG) Disclosure Policy</a> <a href="#">See website, ESG Report 2021</a></p>	N/A
<p><b>Principle 11. Promoting A Comprehensive And Cost-Efficient Access To Relevant Information</b> <b>The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.</b></p>			
<p><b>Recommendation 11.1</b> The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.</p>	COMPLIANT	<p><a href="https://www.aia.com.ph/en/index.html">https://www.aia.com.ph/en/index.html</a></p>	N/A

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<b>INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT FRAMEWORK</b>			
<b>Principle 12. Strengthening The Internal Gontrol System And Enterprise Risk Management Framework</b> <b>To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.</b>			
<b>Recommendation 12.1</b> The Company should have an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of operations.	COMPLIANT	The company has adopted a risk management and internal control structure based on the "three lines of defense" model with the Board, senior management as first line, Compliance and Risk functions as the second line and Group Internal Audit as the third line of defense, while all employees are expected to commit to the company's maintenance of integrity of the company's control environment.  <a href="#">See Annual Report, page 52, Enterprise Risk Management</a> <a href="#">See Annual Report, page 55, Group Internal Audit</a>	N/A
<b>Recommendation 12.2</b> The Company should have in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	As the third line of defense in its risk management and internal control structure, the Company has always had its independent Group Internal Audit - AIA Philippines (GIAPH). In accordance with its internal charter, GIAPH's purpose is to assist the Board, the Audit Committee, and the executive management to protect the assets, reputation and sustainability of the company. It's mission is to provide independent and objective assessment and reporting of the overall effectiveness of risk management, internal controls and governance processes and appropriately challenge executive management to improve the effectiveness of these processes.  GIAPH is directly overseen and supported by AIA GIA, and functionally reports to the Audit Committee, while administratively reporting to the Chief Executive Officer.  <a href="#">See Annual Report, page 55, Group Internal Audit</a> <a href="#">See Annual Report, page 37, Internal Audit Charter</a>	N/A
<b>Recommendation 12.3</b> Subject to a company's size, risk profile and complexity of operations, it should have a qualified Chief Audit Executive (CAE) appointed by the Board. The CAE shall oversee and be responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel should be assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	In accordance with the Manual of Corporate Governance, the Board of Directors is required to establish an Audit Committee that will be responsible for the setting-up of an Internal Audit Department and the appointment of the internal auditors. Thus, by virtue of such mandate, the Group Internal Audit – AIA Philippines (GIAPH) was established.  Ms. Rikka C. Peralta is the Head of GIAPH, who is effectively the Chief Audit Executive. Her appointment was confirmed during the Audit and RPT Committee meeting in January 2021.  The Head of GIAPH, on behalf of GIAPH, is responsible for reporting the result and status of internal audit work to the Audit and RPT Committee on a regular basis. In overseeing the internal audit function, the Audit and RPT Committee is actively involved in approving the audit plan including any subsequent changes, assessing the result of audit engagements and monitoring the resolution of key issues identified.  The function is not outsourced to an external firm.  <a href="#">See Annual Report, page 55, Group Internal Audit</a> <a href="#">See Annual Report, page 45, Rikka Peralta as Head of Group Internal Audit Philippines</a> <a href="#">See Annual Report, page 37, Internal Audit Charter</a>	N/A
<b>Recommendation 12.4</b> Subject to its size, risk profile and complexity of operations, the company should have a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	The company has a Risk and Compliance Office which administers its Risk Management Framework (RMF) on a day-to-day basis. RMF identifies, quantifies, and mitigates risks within the company and is governed by the Group Risk Management Committee (GRMC) which oversees and reviews both key financial and operational risks. At grassroots level, a sub-meeting called the Functional Unit Risk Management Meeting was created to ensure that risk and compliance matters are regularly identified, assesses and mitigated.  <a href="#">See Annual Report, page 52, Enterprise Risk Management; Philam Group Risk Management Committee (GRMC) Charter</a>  Further, as provided in the Board Risk Committee Charter, the Board Risk Committee maintains oversight of the company's Risk Management Framework, Risk Appetite, Risk Management Statement and Risk Management Framework, among others.  <a href="#">See website, Board Risk Committee Charter</a>	N/A

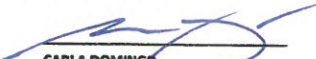
RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<p><b>Recommendation 12.5</b> In managing the company's Risk Management System, the company should have a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources and support to fulfill his/her responsibilities, subject to a company's size, risk profile and complexity of operations.</p>	Compliant	<p>The company's Risk Office is headed by Ms. Maria Cristina Helena G. Samaniego, Chief Risk Officer (CRO) who is a senior ranking officer with a rank equivalent to Senior Vice President and is part of the company's Executive Committee.</p> <p><a href="#">See Annual Report, page 45, Board Support</a></p>	N/A
<b>D. CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS</b>			
<p><b>Principle 13. Promoting Shareholder Rights</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights</p>			
<p><b>Recommendation 13.1</b> The Board should ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance and on the company's website'</p>	COMPLIANT	<p>The company's Revised Code of Corporate Governance Policy and Procedure Manual (RCGM) provides that it shall ensure that shareholders are aware and shall allow shareholders to reasonably exercise their basic rights which include: the right to receive dividends in an equitable and timely manner; pre-emptive rights; right to inspect corporate books; right to financial statements; right to participate in decisions concerning fundamental corporate changes; right to propose the holding of meetings and to include agenda items ahead of the scheduled annual and special shareholders' meetings; right to nominate candidates to the Board; and right to notice and to participate effectively in and vote in shareholder's meetings.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 32, Promoting Shareholder Rights</a></p>	N/A
<p><b>Recommendation 13.2</b> The Board should encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.</p>	COMPLIANT	<p>As provided in the RCGM, the annual shareholders meeting of the Company shall be held annually on the date fixed in the Company's By-Laws. Notice of the annual meeting shall be sent to shareholders at least 21 days prior to the meeting. The notice may be sent to through electronic mail or such other manner as the SEC shall allow under its guidelines.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 32, Promoting Shareholder Rights</a></p>	N/A
<p><b>Recommendation 13.3</b> The Board should encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting may be available on the company website within Five (5) business days from the end of the meeting.</p>	COMPLIANT	<p>As provided in the RCGM, to further encourage shareholder participation, the Company shall make the result of the votes taken during the most recent Annual or Special Shareholders' Meeting available to the shareholders the next working day after the conduct of such meeting, by emailing to them a copy of the minutes of the meeting. In addition, the results of the votes and the minutes of the meeting was posted on the website within one and five (5) business days from the conduct of the meeting, respectively.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 32, Promoting Shareholder Rights</a> <a href="#">See also website, Minutes of Annual Stockholders Meeting</a></p>	N/A
<p><b>Recommendation 13.4</b> The Board should have an alternative dispute mechanism to resolve intracorporate disputes in an amicable and effective manner. This should be included in the company's Manual on Corporate Governance.</p>	COMPLIANT	<p>As provided in the RCGM, the Board should also make available, at the option of the shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. Thus, through the Corporate Secretary, shareholders shall be properly informed of the Company's processes, procedures and remedies to address any infringement or violation of their rights.</p> <p><a href="#">See website, Revised Corporate Governance Policy and Procedure Manual, page 32, Promoting Shareholder Rights</a></p>	N/A

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<b>DUTIES TO STAKEHOLDERS</b>			
<b>Principle 14. Respecting Rights Of Stakeholders And Effective Redress For Violation Of Stakeholder's Rights</b>			
<b>The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' right and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.</b>			
<b>Recommendation 14.1</b> The Board should identify the company's various stakeholders and promote cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	The Board has approved the Stakeholder Engagement Policy which identifies the various stakeholders of the company and defines the Stakeholders Engagement Framework.  <a href="#">See Annual Report, pages 37, Stakeholder Engagement Policy</a>	N/A
<b>Recommendation 14.2</b> The Board should establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	The Board has approved various policies and programs for the protection and fair treatment of all stakeholders. These include, the AIA Code of Conduct, Data Privacy Policy and programs, AML policies and programs, Customer Commitment Standards, supplier manual for its vendors, Vitality program, Insider Trading and Market Conduct Policy, various ESG initiatives, to name a few.  <a href="#">See Annual Report, pages 46, Operating Philosophy</a> <a href="#">See Annual Report, pages 37, Stakeholder Engagement Policy</a>	N/A
<b>Recommendation 14.3</b> The Board should adopt a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	The Board has approved the Stakeholder Engagement Policy which defines the Stakeholders Engagement Framework where the companies various stakeholders were identified and the various touchpoints by which they can communicate with the company.  <a href="#">See Annual Report, pages 37, Stakeholder Engagement Framework</a>	N/A


RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<p><b>Principle 15. Encouraging Employees' Participation</b>  <b>A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.</b></p>			
<p><b>Recommendation 15.1</b>  The Board should establish policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>COMPLIANT</p>	<p>The company regularly update the employees about various policies and information, such as those related to employee training development, through email announcements and through Work. The company values its people and wants them to grow professionally and personally during their time in the Company and encourage them to actively participate in the achievement of the company's goals and governance. Some of the courses offered for 2021 are the following:</p> <ol style="list-style-type: none"> <li>1. New Hire Orientation Program</li> <li>2. AIA Mandatory Training for NH - Your Role in Safeguarding AIA's Interest</li> <li>3. PDD goals setting, mid-year, year end process and conversation</li> <li>4. UdeMy to support TDA development for technical employees</li> <li>5. DOT Native to support TDA development for all managers and leaders</li> <li>6. Agile and TDA for All to support TDA development fo all employees</li> <li>7. LinkedIn Learning Courses for all employees</li> <li>8. Community or Practices learning session for all employees topics varies from Data Analytics, AI, HCD, Project management, etc</li> <li>9. Development programs as part of OOTF Capability building for Exco, MANCOM, managers and generla employees</li> <li>10. Leadership Pitstop</li> <li>11: TDA Accelerator</li> <li>12. LOMA</li> <li>13. Group leadership Program for leaders and hipotentials</li> </ol> <p><a href="#">See Annual Report, pages 23, Our People</a>  <a href="#">See Annual Report, page 40, Annual Organization People Review and Performance Development Dialogue</a>  <a href="#">See Annual Report, page 51, Employee Welfare</a></p>	<p>N/A</p>
<p><b>Recommendation 15.2</b>  The Board should set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. Further, the Board should disseminate the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>COMPLIANT</p>	<p>In addition to the Code of Conduct - which also tackles topics that include conflict of interest and gifts and entertainment, among others - the Company also adopted an Anti-Corruption and Bribery Policy. The AIA Group Anti-Corruption Policy ("the Policy") sets out the organizational approach, roles and responsibilities and minimum standards to ensure AIA businesses implement a robust Anti-Corruption Programme. The Policy sets the guidelines on various scenarios when dealing with current and former government officials and in onboarding 3rd party providers.</p> <p><a href="#">See Annual Report, page 47, Anti-Corruption and Bribery Policy</a></p>	<p>N/A</p>
<p><b>Recommendation 15.3</b>  The Board should establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. The Board should be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.</p>	<p>COMPLIANT</p>	<p>The Company has long established a Whistleblower Protection Programme. In 2020, the updated Whistleblower Protection Policy (WBPP) was adopted. The WBPP has the following key requirements:</p> <ol style="list-style-type: none"> <li>1. Induction and periodic refresher training or communication re: the WBPP;</li> <li>2. Definition of reportable conducts that are within the scope of the WBPP;</li> <li>3. All employees, officers, tied intermediaries, business partners, customers, etc., are provided with access to internal and external reporting channels (Speak Up channel);</li> <li>4. Protection against retaliation are accorded to the WB; and</li> <li>5. Investigation in accordance with the AIA investigation standard and WB SOP.</li> </ol> <p><a href="#">See Annual Report, page 48, Whistleblower Protection Program</a></p>	<p>N/A</p>

RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
<b>Principle 16. Encouraging Sustainability And Social Responsibility</b> <b>The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</b>			
<b>Recommendation 16.1</b> The company should recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	<b>COMPLIANT</b>	The company's corporate social responsibility arm, Philam Foundation, Inc. (PFI), has been absorbed within AIA Philippines' Marketing Department, under the ESG Team. PFI has implemented programs that helped Filipinos especially during the Pandemic. These include: <ol style="list-style-type: none"> <li>1. Alliance for the Philippines Health and Advocacy (ALPHA) - a collaborative platform for health related programs in the country. Spearheaded by Philam Foundation in partnership with the Philippine College of Physicians and the Philippine College of Surgeons. ALPHA supported integration of a hospital -based cancer registry in 100 hospitals nationwide and 3 national cancer researches on lung and blood malignancies as well as enhancing the cancer surgical practices in the country.</li> <li>2.</li> <li>3. Philam Paaralan – A program to address shortage of classrooms and provide disaster-resilient classrooms in disaster-stricken, unserved and underserved communities in the Philippines. From 2011 – 2021, PFI was able to build 263 classrooms in 66 provinces, benefitting 109 schools and an estimate of 50,000 students nationwide.</li> <li>4.</li> <li>5. My Peso and I- a three-unit tertiary level curriculum on basic financial education for college students with the aim of supporting the industry's thrust to help build financial literacy capability among Filipinos. The program is supported by regulators from the financial services industry, Bangko Sentral ng Pilipinas, Insurance Commission, National Economic Development Authority, Securities and Exchange Commission, Philippine Deposit Insurance Corporation and the Commission on Higher Education.</li> </ol> <a href="#">See website, ESG Report 2021</a>	N/A


RECOMMENDED CORPORATE GOVERNANCE PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION (IN SUPPORT OF CG PRACTICE/POLICY)	EXPLANATION
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**CARLA DOMINGO**  
 Corporate Secretary

  
**MARIA CRISTINA HELENA SAMANIEGO**  
 Chief Compliance Officer

  
**ANTONINO T. AQUINO**  
 Independent Director

  
**JOAQUIN E. QUINTOS IV**  
 Independent Director

  
**DORIS MAGSAYSAY HO**  
 Independent Director


  
**FRANCIS ESTRADA**  
 Independent Director

**WING SHING (JACKY) CHAN**  
 Chairman of the Board

  
**CHEE KEONG (KELVIN) ANG**  
 Chief Executive Officer

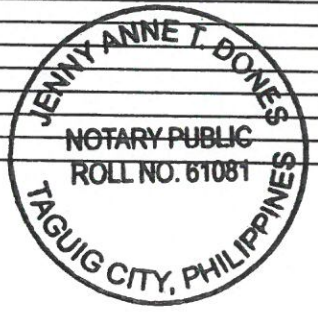
INSURANCE COMMISSION  
ADMINISTRATIVE DIVISION  
RECORDS SECTION


MAY 24 2022

By:  Time: 02:31 PM

SUBSCRIBED AND SWORN TO, before me, this 28 of April, 2021 in Taguig City, Philippines, affiants exhibiting to me their government issued identification cards as follows:

CARLA J. DOMINGO
MARIA CRISTINA HELENA SAMANIEGO
ANTONINO T. AQUINO
FRANCIS G. ESTRADA
DORIS MAGSAYSAY HO
JOAQUIN E. QUINTOS IV
WING SHING (JACKY) CHAN
CHEE KEONG (KELVIN) ANG



  
**JENNY ANNE T. DONES**  
 Notary Public Taguig City  
 Appointment No. 70 (2021-2022)  
 Roll No: 61081  
 IBP No: 172275-1/5/2022  
 PTR No: A-5431912-1/20/2022  
 MCLE No: VII-0015518-4/14/2025

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**CARLA DOMINGO**  
 Corporate Secretary

  
**ANTONINO AQUINO**  
 Independent Director


  
**DORIS MAGSAYSAY HO**  
 Independent Director

  
**WING SHING (JACKY) CHAN**  
 Chairman of the Board

**MARIA CRISTINA HELENA SAMANIEGO**  
 Chief Compliance Officer

  
**JOAQUIN E. QUINTOS IV**  
 Independent Director

**FRANCIS ESTRADA**  
 Independent Director

  
**CHEE KEONG (KELVIN) ANG**  
 Chief Executive Officer

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MARIA CRISTINA HELENA SAMANIEGO
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CHEE KEONG (KELVIN) ANG

Doc No.:  
 Page No.:  
 Book No.:  
 Series of 2022



**TO ALL TO WHOM THESE PRESENTS SHALL COME I, ANTHONY JOHN JEX,**  
Notary Public, duly admitted, authorized and sworn, practicing in Hong Kong, Special  
Administrative Region of the People's Republic of China DO HEREBY CERTIFY that to the  
best of my knowledge and belief, the signature of Wing Shing (Jacky) Chan appearing on the  
annexed 2021 Annual Corporate Governance Report is the signature of the said Wing Shing  
(Jacky) Chan, which I have compared with his specimen signature filed in my records.

**IN FAITH AND TESTIMONY** whereof I have hereunto subscribed my name and affixed  
my Seal of office at Hong Kong this Seventeenth day of May in the year of Two Thousand  
and Twenty Two.



ANTHONY JOHN JEX  
Notary Public, Hong Kong SAR  
33B United Centre  
95 Queensway, Admiralty  
Hong Kong

