

**2018 ASEAN CORPORATE GOVERNANCE SCORECARD
BANKERS ASSURANCE CORPORATION**

PART E: RESPONSIBILITIES OF THE BOARD

	Source Document	Yes/No	Remarks
E.1 Board Duties and Responsibilities			
	Clearly defined board responsibilities and corporate governance policies		
E.1.1	Does the company disclose its corporate governance policy / board charter?	Corporate Governance Manual; Annual Report - Corporate Policies (Page 14-17)	Y The Company discloses its Corporate Governance Policy in the Corporate Governance Manual. As a member of the Malayan Group of Insurance Companies, the Company adopts the Corporate Governance Manual (CGM) of Malayan Insurance Company, Inc. The source document(s) may be accessed by the public through the Company's website.
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	Corporate Governance Manual (Page 4); Annual Report (Page 14-15); and By-laws (Page 3)	Y The Corporate Governance Manual, as well as the Company By-Laws disclose matters which requires Directors' approval. The source document(s) may be accessed by the public through the Company's website.
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	Corporate Governance Manual (Pages 4-5)	Y The roles and responsibilities of the members of the Board are expressly provided in the Corporate Governance Manual. The source document(s) may be accessed by the public through the Company's website.
Corporate Vision/Mission			
E.1.4	Does the company have a vision and mission statement?	Company website http://bankersassurance.com.ph ; Mission vision statement of BAC; Annual Report (Page 139)	Y The source document(s) may be accessed by the public through the Company's website.
E.1.5	Has the board review the vision and mission/strategy in the last financial year?	Corporate Governance Manual (Page 4)	Y Among the responsibilities of the Members of the Board is to review the Corporate Governance Manual which is an expression of the Company's Mission and Vision statement. A review has been conducted and the Company has decided to adhere to the Vision and Mission of the previous year. The source document(s) may be accessed by the public through the Company's website.
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	Corporate Governance Manual (Page 4); Minutes of the Annual Stockholders' Meeting	Y The public can view the CGM and Minutes of the Annual Stockholders Meeting through the Company's website.

E.2 Board structure

Code of Ethics or Conduct				
E.2.1	Are the details of the code of ethics or conduct disclosed?	Malayan Insurance Code of Ethics; YGC Code of Business Conduct and Ethics	Y	As a member of the Malayan Group of Insurance Companies and the Yuchengco Group of Companies, the Company adopts Malayan's Code of Ethics and the YGC Code of Business Conduct and Ethics. The source document(s) may be accessed by the public through the Company's website.
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	YGC Code of Business Conduct and Ethics Manual (Page 2); Code of Ethics (Pages 1-2)	Y	The source document(s) may be accessed by the public through the Company's website.
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	YGC Code of Business Conduct and Ethics (Pages 3- 4)	Y	Code of Ethics and CBCE provide for the ethical standards an employee must observe and the means to monitor compliance with the same. The source document(s) may be accessed by the public through the Company's website.
Board Structure & Composition				
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	Corporate Governance Manual	N	The requirement of the law is to have at least two (2) independent directors. The Company complies with the requirement. The same rule is adopted in the CGM. The source document(s) may be accessed by the public through the
E.2.5	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Corporate Governance Manual (Page 1);	Y	The Independent Directors are not officers or employees of the corporation, its parent or subsidiaries, or any other individuals having any relationship with the corporation, which could interfere with the exercise of independent judgment. The source document(s) may be accessed by the public through the Company's website.
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?	IC CL No. 2014-49	Y	The Company follows the term limits for independent director under IC CI No. 2014-49. We reiterate that the Company has zero tolerance for violation of laws.
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	Corporate Governance Manual (Page 6)	N	The Company follows the requirement as mandated by appropriate regulation or law. We reiterate the Company has zero tolerance for violation of laws. The source document(s) may be accessed by the public through the Company's website.
E.2.8	Does the company have any independent directors/commissioners who serve on a total of more than five boards of publicly-listed companies?	Annual Report (Page 136); Profile of the Board of Directors	N	The source document(s) may be accessed by the public through the Company's website.

E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	Annual Report (Pages 130-134)	N	The Executive Director, Antonio M. Rubin does not serve on more than two (2) boards outside the Malayan Group. The source document(s) may be accessed by the public through the Company's website.
	Nominating Committee			
E.2.10	Does the company have a Nominating Committee (NC)?	Corporate Governance Manual (Pages 6-7)	Y	The Corporate Governance Manual (CGM) discloses that the Company shall have its own Remuneration and Nomination Committee. The Company adopts Malayan's CGM as it is a member of the Malayan Group of Insurance Companies. The source document(s) may be accessed by the public through the Company's website.
E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	Corporate Governance Manual (Page 6); Annual Report (Page 132)	Y	The Constitution of the Nominating Committee follows what is stated in the Corporate Governance Manual. The source document(s) may be accessed by the public through the Company's website.
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	Corporate Governance Manual (Page 6); Annual Report (Page 132)	Y	Mr. Edmundo L. Dury is the Chairman of the Remuneration and Nomination Committee and is an Independent Director of the Company. The Company adopts Malayan's CGM as it is a member of the Malayan Group of Insurance Companies. The source document(s) may be accessed by the public through the Company's website.
E.2.13	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Annual Report (Page 15); Charter of the Remuneration and Nomination Committee	Y	The Charter may be accessed through the Company's Website. The public can access the document(s) through the Company's website.
E.2.14	Did the Nominating Committee meet at least twice during the year?	2018 Attendance Matrix	Y	The Nominating Committee met at least twice during the year. The public can access the document(s) through the Company's website.
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	2018 Attendance Matrix	Y	The members of the Nominating Committee were present at all meetings. The public can access the document(s) through the Company's website.
	Remuneration Committee/ Compensation Committee			
E.2.16	Does the company have a Remuneration Committee?	Corporate Governance Manual (Pages 6-7)	Y	The Corporate Governance Manual discloses that the Company has a Remuneration and Nomination Committee. The source document(s) may be accessed by the public through the Company's website.
E.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	Corporate Governance Manual; Annual Report (Page 15 & 132)	Y	The constitution of the Remuneration Committee follows what is stated in the Corporate Governance Manual. The source document(s) may be accessed by the public through the Company's website.

E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	Annual Report (Page 132)	Y	Mr.Edmundo Bunyi is the Chairman of the Remuneration and Nomination Committee and is an Independent Director of the Company. The source document(s) may be accessed by the public through the Company's website.
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Annual Report (Page 15); Charter of the Remuneration and Nomination Committee	Y	The source document(s) may be accessed by the public through the Company's website.
E.2.20	Did the Remuneration Committee meet at least twice during the year?	2018 Attendance Matrix	Y	The Remuneration Committee met at least twice in 2016. All the Members of the Remuneration and Nomination Committee are present during the meeting.
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	2018 Attendance Matrix	Y	
Audit Committee				
E.2.22	Does the company have an Audit Committee?	Corporate Governance Manual (Pages 7-8)	Y	<u>Default item.</u> The source document(s) may be accessed by the public through the Company's website.
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Annual Report (Page 5 &132)	Y	The Constitution of the Nominating Committee follows what is stated in the Corporate Governance Manual. The source document(s) may be accessed by the public through the Company's website.
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	Annual Report (Page 5 &132)	Y	Default. The Chairman of the Audit Committee is Mr. Antonio G. Puyat, who is an Independent Director of the Company.The source document(s) may be accessed by the public through the Company's website.
E.2.25	Does the company disclose the terms of reference/ governance structure/charter of the Audit Committee?	Audit Committee Charter	Y	The source document(s) may be accessed by the public through the Company's website.
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Annual Report - Director's Profile (Page 15 & 136); Profile of the Board of Directors (Annex to the Notice of Annual Stockholders Meeting)	Y	The Annual Report of the Company discloses the profile of the members of the Audit Committee.The source document(s) may be accessed by the public through the Company's website.
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Annual Report - Director's Profile (Page 131); Profile of the Board of Directors (Annex to the Notice of Annual Stockholders Meeting)	Y	The source document(s) may be accessed by the public through the Company's website.

E.2.28	Did the Audit Committee meet at least four times during the year?	2018 Attendance Matrix	Y	The Audit Committee met at least twice in 2018.
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	2018 Attendance Matrix	Y	All the members of the Audit Committee attended the meetings.
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Corporate Governance Manual (Page 7-8);	Y	Among the major responsibility of the Audit Committee is to recommend the appointment and removal of the external auditor. In fact, last ASM the Audit Committee chair nominated the SGV.
E.3 Board Processes				
Board meetings and attendance				
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Notice of Tentative Schedule of the Board of Directors' Meetings	Y	Two regular meetings of the Board are set in the beginning and the middle of the year.
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	2018 Attendance Matrix	Y	The members of the Board met at least more than six (6) times during the period in review.
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	2018 Attendance Matrix	Y	
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	By-laws (Page 3)	N	The Company follows what is provided in the By-laws. The source document(s) may be accessed by the public through the Company's website.
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	2018 Attendance Matrix	N	The source document(s) may be accessed by the public through the Company's website.
Access to information				
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	Notice of Annual Stockholders Meeting	Y	Among the items enclosed as part of the Notice Agenda are materials for the said board meeting. Both are provided ahead of the meeting date. The source document(s) may be accessed by the public through the Company's website.
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	By-Laws (Pages 8)	Y	In all Company meetings, the Company Secretary acts as the Corporate Secretary.

E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	Biographical Data of Corporate Secretary	Y	The Biographical Data of the Corporate Secretary shows that he possess the required educational background and training to effectively perform his functions. The source document(s) may be accessed by the public through the Company's website.
	Board Appointments and Re-Election			
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Corporate Governance Manual (Page 10)	Y	Corporate Governance Manual provides for the criteria in selecting new directors. The source document(s) may be accessed by the public through the Company's website.
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	Corporate Governance Manual (Page 10)	Y	Corporate Governance Manual expressly provides for the process to be observed in appointing new directors. The source document(s) may be accessed by the public through the Company's website.
E.3.11	Are all the directors/commissioners subject to re-election at least once every three years?	By Laws, Article III (Page 6)	Y	Article III of the Company By Laws provides that Directors shall be elected by the Stockholders for a term of one (1) year and shall serve until the election and acceptance of their duly qualified successors.
	Remuneration Matters			
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Annual Report - Corporate Policies (Pages 14-17)	Y	The source document(s) may be accessed by the public through the Company's website.
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	Annual Report - Corporate Policies (Pages 14-17)	Y	The source document(s) may be accessed by the public through the Company's website.
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Annual Report (Page 15); Charter of the Remuneration and Nomination Committee (Page 2)	Y	The source document(s) may be accessed by the public through the Company's website.
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	Corporate Governance Manual	N	The source document(s) may be accessed by the public through the Company's website.
	Internal Audit			

E.3.16	Does the company have a separate internal audit function?	Internal Audit Department Table of Organization (Internal audit is also handled by Malayan Insurance Company Inc.'s Internal Audit Department)	Y	Both the Table of Organization of the Company and Corporate Governance Manual Disclose that the Company has an Internal Audit Department. The source document(s) may be accessed by the public through the Company's website.
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Internal Audit Department Table of Organization (Internal audit is also handled by Malayan Insurance Company Inc.'s Internal Audit Department)	Y	The Head of the Internal Audit Department is Mr. Patrick J. Santos. The source document(s) may be accessed by the public through the Company's website.
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Audit Committee Charter (Page 3)	Y	The source document(s) may be accessed by the public through the Company's website.
Risk Oversight				
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	Corporate Governance Manual (Pages 8-9)	Y	The source document(s) may be accessed by the public through the Company's website.
E.3.20	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Annual Report (Pages 5-9 & 15)	Y	The source document(s) may be accessed by the public through the Company's website.
E.3.21	Does the company disclose how key risks are managed?	Corporate Governance Manual (Page 11); Risk Management Committee Charter; Annual Report (Page 15)	Y	The source document(s) may be accessed by the public through the Company's website.

E.3.22	Does the Annual Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	Annual Report (Page 73)	Y	The source document(s) may be accessed by the public through the Company's website.
E.4 People on the Board				
Board Chairman				
E.4.1	Do different persons assume the roles of chairman and CEO?	Annual Report (Page 130)	Y	Different persons assume the roles of the Chairman and CEO. The source document(s) may be accessed by the public through the Company's website.
E.4.2	Is the chairman an independent director/commissioner?		N	
E.4.3	Has the chairman been the company CEO in the last three years?	General Information Sheet for the years 2017, 2016, 2015 and 2014; Directors and Officers	N	The Company Chairperson is not the Company CEO/President for the immediately preceding three (3) years. The source document(s) may be accessed by the public through the Company's website.
E.4.4	Are the role and responsibilities of the chairman disclosed?	By Laws, Article 5, Section 3 (Page 8)	Y	The Company By Laws expressly provides for the roles and responsibilities of the Chairman. The source document(s) may be accessed by the public through the Company's website.
Skills and Competencies				
E.4.5	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	Annual Report - Profile of the Board of Directors (Pages 135-137)	Y	The source document(s) may be accessed by the public through the Company's website.
E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	Corporate Governance Manual (Page 6)	Y	The Company's Corporate Governance Manual provides for a diversity policy among the members of the Board. The source document(s) may be accessed by the public through the Company's website.
E.5 Board Performance				
Directors Development				
E.5.1	Does the company have orientation programmes for new directors/commissioners?	Orientation Program for New Directors	Y	The source document(s) may be accessed by the public through the Company's website.
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Corporate Governance Manual (Page 10)	Y	The Company encourages members of the Board to undergo continuous professional education program, this policy is embodied in the Corporate Governance Manual of the Company. The source document(s) may be accessed by the public through the Company's website.
CEO/Executive Management Appointments and Performance				

E.5.3	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	Corporate Governance Manual/ Company Policy on Succession (Page 4)	Y	The source document(s) may be accessed by the public through the Company's website.
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Remuneration and Nomination Charter; Annual Report (Page 15)	Y	The source document(s) may be accessed by the public through the Company's website.
	Board Appraisal			
E.5.5	Is an annual performance assessment conducted by the board of directors/commissioners?	Remuneration and Nomination Charter; Annual Report (Page 15)	Y	Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment. The source document(s) may be accessed by the public through the Company's website.
E.5.6	Does the company disclose the process followed in conducting the board assessment?	Corporate Governance Manual (Pages 6-7)	Y	The source document(s) may be accessed by the public through the Company's website.
E.5.7	Does the company disclose the criteria used in the board assessment?	Corporate Governance Manual (Pages 6-7)	Y	The Corporate Governance Manual shows the criteria used in the assessment of the Board. The source document(s) may be accessed by the public through the Company's website.
	Director Appraisal			
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	Charter of Remuneration and Nomination Committee	Y	Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment. The source document(s) may be accessed by the public through the Company's website.
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?	Charter of Remuneration and Nomination Committee	Y	The source document(s) may be accessed by the public through the Company's website.
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?	Charter of Remuneration and Nomination Committee	Y	The Minutes of the Remuneration and Nomination Committee meeting as well as the Charter of the Remuneration and Nomination Committeee shows the criteria used in the directors' assessment. The source document(s) may be accessed by the public through the Company's website.

	Committee Appraisal			
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	Corporate Governance Manual (Pages 6-7)	Y	Both Corporate Governance Manual and Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment. The source document(s) may be accessed by the public through the Company's website.