

**2014 ASEAN CORPORATE GOVERNANCE SCORECARD  
THE FIRST NATIONWIDE ASSURANCE CORPORATION**

PART E: RESPONSIBILITIES OF THE BOARD				
		Source Document	Yes/No	Remarks
<b>E.1 Board Duties and Responsibilities</b>				
	<b>Clearly defined board responsibilities and corporate governance policies</b>			
E.1.1	Does the company disclose its corporate governance policy / board charter?	Corporate Governance Manual	Y	The Company discloses its Corporate Governance Policy in the Board Charter.
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	Corporate Governance Manual	Y	The Corporate Governance Manual, as well as the Company By-Laws disclose matters which requires Directors' approval.
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	Corporate Governance Manual	Y	The roles and responsibilities of the members of the Board are expressly provided in the Corporate Governance Manual.
<b>Corporate Vision/Mission</b>				
E.1.4	Does the company have a vision and mission statement?	Company Profile	Y	The Company's Mission is: "to provide policyholders the best non-life insurance protection and fair and prompt settlement of valid claims at all times".
E.1.5	Has the board review the vision and mission/strategy in the last financial year?	Corporate Governance Manual, p. 16	Y	Among the responsibility 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.
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	Corporate Governance Manual	Y	Corporate Governance Manual provides for the criteria in selecting new directors.
<b>E.2 Board structure</b>				
<b>Code of Ethics or Conduct</b>				
E.2.1	Are the details of the code of ethics or conduct disclosed?	Code of Ethics	Y	
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Code of Ethics	Y	
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Code of Ethics	Y	Code of Ethics provides for the ethical standards an employee must observe and the means to monitor compliance with the same.
<b>Board Structure &amp; Composition</b>				
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?		N	The requirement of the law is to have at least two (2) independent directors. The Company complies with the requirement.
E.2.5	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Profile of the Board Members	Y	Profile demonstrates that the Company's independent Directors are competent and independent.
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?	Corporate Governance Manual	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	Y	The Company follows the requirement as mandated by appropriate regulation or law. We reiterate the Company policy do not tolerate violation of laws.
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?	Biographical Data	N	None of our Directors serve on more than two (2) boards outside the Malayan Group.
E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	Biographical Data	N	
<b>Nominating Committee</b>				
E.2.10	Does the company have a Nominating Committee (NC)?	Corporate Governance Manual, pp. 7-8 / Minutes of the Remuneration and Nomination Committee / Minutes of the Organizational Board Meeting	Y	Corporate Governance Manual discloses that the Company shall have its own Remuneration and Nomination Committee. Minutes of the Organizational Board and the Minutes of the Remuneration and Nomination Committee demonstrates election of the members of the Committee and that the said Committee met and discharged their functions.

E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	Minutes of the Organizational Board Meeting/ Minutes of the Remuneration and Nomination Committee	N	Majority of the members of the Remuneration Committee are non-executive.
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	Minutes of the Organizational Board Meeting	Y	Mr. Edmundo L. Bunyi is the Chairman of the Remuneration and Nomination Committee and is an Independent Director of the Company.
E.2.13	Does the company disclose the terms of reference/ governance structure/ charter of the Nominating Committee?	Charter of the Remuneration and Nomination Committee	Y	
E.2.14	Did the Nominating Committee meet at least twice during the year?	Summary of Board Meetings	N	The Remuneration and Nomination Committee met only once for the period in review.
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?	Summary of Board Meetings	Y	Members attending the meeting of the Remuneration and Nomination Committee are disclosed in the Summary of Board Meetings.
<b>Remuneration Committee/ Compensation Committee</b>				
E.2.16	Does the company have a Remuneration Committee?	Corporate Governance Manual	Y	The Corporate Governance Manual disclose that the Company has a Remuneration and Nomination Committee.
E.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	Excerpts of the Minutes of the Organizational Board Meeting/ General Information Sheet on Directors and Officers	Y	Majority of the members of the Remuneration Committee are non-executive.
E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	Minutes of the Organizational Board Meeting	Y	Mr. Edmundo L. Bunyi is the Chairman of the Remuneration and Nomination Committee and is an Independent Director of the Company.
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Charter of the Remuneration and Nomination Committee	Y	
E.2.20	Did the Remuneration Committee meet at least twice during the year?	Summary of Board Meetings	N	The Remuneration and Nomination Committee met only once for the period in review.
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	Summary of Board Meetings	Y	The Summary of the Board Meetings disclose who attended the meeting of the Remuneration and Nomination Committee meeting.
<b>Audit Committee</b>				
E.2.22	Does the company have an Audit Committee?	Corporate Governance Manual/Minutes of the Organizational Board Meeting	Y	<u>Default item.</u> Notwithstanding being a default item, Minutes of the Organizational Board Meeting demonstrate that the Company have an Audit Committee.
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Minutes of the Organizational Board Meeting	Y	Audit Committee is comprised entirely of non-executive and independent directors.
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	Excerpt of the Minutes of the Organizational Board Meeting,	Y	<u>Default item.</u> The Chairman of the Audit Committee is an independent director.
E.2.25	Does the company disclose the terms of reference/ governance structure/ charter of the Audit Committee?	Audit Committee Charter	Y	
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	Profile of the Members of the Board	Y	Profile of the members of the Audit Committee (i.e: Mr. Antonio G. Puyat and Mr. Edmundo L. Bunyi) are disclosed in the Profile of the Members of the Board
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Profile of the Members of the Board of Directors	Y	One of the Company's Independent Director, possesses relevant experience in understanding Accounting principles.
E.2.28	Did the Audit Committee meet at least four times during the year?	Summary of Board Meetings	N	
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	Summary of Board Meetings	Y	The Summary of the Board Meetings disclose who attended the meetings of the Audit Committee.
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Minutes of the 2014 ASM (Part VII) / Charter of the Audit Committee	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.
<b>E.3 Board Processes</b>				
<b>Board meetings and attendance</b>				
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	By Laws	Y	

E.3.2	Does the board of directors/commissioners meet at least six times during the year?	Summary of Board Meetings	Y	The members of the Board met 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?	Excerpts of the Minutes of the 2014 Annual Stockholders' Meeting, pp. 1	Y	
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	By-laws	N	
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	Summary of Board Meetings	Y	
<b>Access to information</b>				
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 Board 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.
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	By-laws	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	In all Company meetings, the Company Secretary acts as the Corporate Secretary.
<b>Board Appointments and Re-Election</b>				
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Excerpts of Corporate Governance Manual, p. 4. / Minutes of the Remuneration and Nomination Committee	Y	Corporate Governance Manual provides for the criteria in selecting new directors.
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	Excerpts of Corporate Governance Manual, p.4	Y	Corporate Governance Manual expressly provides for the process to be observed in appointing new directors.
E.3.11	Are all the directors/commissioners subject to re-election at least once every three years?	By laws (Article III)	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.
<b>Remuneration Matters</b>				
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?		N	
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?		N	
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Minutes of the Remuneration and Nomination Committee	Y	
E.3.15	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	Corporate Governance Manual	N	
<b>Internal Audit</b>				
E.3.16	Does the company have a separate internal audit function?	Corporate Governance Manual	Y	Corporate Governance Manual disclose that the Company has an Internal Audit Department.
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Profile of the Head of Internal Audit	Y	Internal Audit Department Head is Mr. Jeffrey C. Pena
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	Audit Committee Charter	N	
<b>Risk Oversight</b>				
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	Corporate Governance Manual, pp. 13 / Annual Report, pp. 10	Y	The Company disclose through the following documents that it has internal control procedures and risk management systems in place.
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, p.18	Y	
E.3.21	Does the company disclose how key risks are managed?	Annual Report, p. 68	Y	The following documents demonstrate how key risks are managed.
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, p. 18	Y	The Stakeholders Report by the Group President and the Group Chairperson commented on the overall adequacy of the Company's Risk Management System.
<b>E.4 People on the Board</b>				
<b>Board Chairman</b>				
E.4.1	Do different persons assume the roles of chairman and CEO?	General Information Sheet	Y	Different persons assume the roles of the Chairman and CEO.
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	N	The Company Chairperson is not the Company CEO/President for the immediately preceding three (3) years.
E.4.4	Are the role and responsibilities of the chairman disclosed?	By laws	Y	The Company By Laws expressly provide for the roles and responsibilities of the Chairman.
<b>Skills and Competencies</b>				
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?	Profile of the Members of the Board of Directors	Y	
E.4.6	Does the company disclose a board of directors/commissioners diversity policy?	Excerpts of Corporate Governance Manual, p. 5	Y	The Company's Corporate Governance Manual provides for a diversity policy among the members of the Board.
<b>E.5 Board Performance</b>				
<b>Directors Development</b>				
E.5.1	Does the company have orientation programmes for new directors/commissioners?	Orientation Program for New Directors	Y	
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, pp. 11	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 President and the Assistant Corporate Secretary attended this years, ACGR Workshop facilitated by Institute of Corporate Directors ("ICD").
<b>CEO/Executive Management Appointments and Performance</b>				
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, pp. 6	Y	
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Minutes of the Remuneration and Nomination Committee Meeting, pp. 1	Y	
<b>Board Appraisal</b>				
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	Minutes of the Remuneration and Nomination Committee Meeting	Y	Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment.
E.5.6	Does the company disclose the process followed in conducting the board assessment?	Corporate Governance Manual / Excerpt of the Minutes of the Remuneration and Nomination Committee Meeting, pp. 1	Y	
E.5.7	Does the company disclose the criteria used in the board assessment?	Corporate Governance Manual / Excerpt of the Minutes of the Remuneration and Nomination Committee Meeting, pp. 1	Y	The Corporate Governance Manual shows the criteria used in the assessment of the Board.
<b>Director Appraisal</b>				
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	Minutes of the Remuneration and Nomination Committee Meeting	Y	Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment.
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?	Minutes of the Remuneration and Nomination Committee Meeting	Y	
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?	Minutes of the Remuneration and Nomination Committee Meeting	Y	The Minutes of the Remuneration and Nomination Committee meeting shows the criteria used in the director's assessment.
<b>Committee Appraisal</b>				
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	Corporate Governance Manual/Excerpts of Remuneration and Nomination Committee Meeting	Y	Both Corporate Governance Manual and Minutes of the Remuneration and Nomination Committee demonstrates that members of the Board undergo regular performance assesment.