

| | | | | |
|-------------------------------|---|---|-----------------|--|
| Country | Philippines | | | |
| PLCName | BDO Insurance Brokers, Inc. | | | |
| StockCode | | | | |
| Expert Name | | | | |
| Sector | Financials | | | |
| Year | 2012 | | | |
| Date of Financial Year | 31/12/2012 | | | |
| | | Source Document/ Location of Information | Yes / No | Points |
| E | Responsibilities of the Board | | | |
| E.1 | Clearly defined board responsibilities and corporate governance policy | | | |
| E.1.1 | Are the roles and responsibilities of the board of directors/commissioners clearly stated ? | Corporate Governance Manual/Section II.B.1.a. Board of Directors/General Responsibility and Duties and Responsibility | Y | 1 |
| E.1.2 | Are the types of decisions requiring board of directors/commissioners' approval disclosed ? | Corporate Governance Manual/Section II.B.1.a. Board of Directors/General Responsibility and Duties and Responsibility | Y | 1 |
| E.1.3 | Does the company disclose its corporate governance policy / board charter? | | N | 0 |
| E.2 | Code of ethics or conduct | | | |
| E.2.1 | Does the company have a code of ethics or conduct? | Parent Company website/Code of Conduct | Y | 1 |
| E.2.2 | Are the details of the code of ethics or conduct disclosed? | Parent Company website/Code of Conduct | Y | 1 |
| E.2.3 | Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code? | Parent Company website/Code of Conduct | Y | 1 |
| E.2.4 | Does the company disclose how it implements and monitors compliance with the code of ethics or conduct? | Parent Company website/Code of Conduct | Y | 1 |
| E.3 | Corporate Vision/Mission | | | |
| E.3.1 | Does the board of directors/commissioners periodically review and approve the vision and mission? | Broking Manual - Vision and Mission | Y | 1 |
| | | | | Regularly reviewed but makes change only when needed |
| E.4 | Board Structure & Composition | | | |
| E.4.1 | Does the board of directors/ commissioners comprise at least five members and no more than 12 members? (i.e., between 5 - 12 members) | General Information Sheet | Y | 1 |
| E.4.2 | Do independent, non-executive directors/commissioners number at least three <u>and</u> make up more than 50% of the board of directors/commissioners? | | N/A | 0 |
| | | | | Not applicable, no independent director |
| E.4.3 | Does the company provide a definition of independence in its Annual Report? | | N | 0 |

| | | | | | |
|-------|--|--|-----|---|--|
| E.4.4 | Are the independent directors/commissioners independent of management and major/substantial shareholders? | | N/A | 0 | Not applicable, no independent director |
| E.4.5 | Does the company have a term limit of nine years or less for its independent directors/commissioners? | | N/A | 0 | Not applicable, no independent director |
| E.4.6 | Has the company set a limit of five board seats in publicly-listed companies that an individual director/commissioner may hold simultaneously? | | N | 0 | Not a Publicly Listed Company / BDOIBI is 100% owned by BDO Unibank Inc. |
| E.4.7 | Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies? | | N | 1 | Not a Publicly Listed Company / BDOIBI is 100% owned by BDO Unibank Inc. |
| E.4.8 | Does the company have any executive directors who serve on more than two boards of listed companies outside of the group? | | N/A | 0 | Not a Publicly Listed Company / BDOIBI is 100% owned by BDO Unibank Inc. |
| E.5 | Skills and Competencies | | | | |
| E.5.1 | Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in? | | N | 0 | |
| E.5.2 | Does the company disclose a board of directors/commissioners diversity policy? | | N | 0 | |
| E.6 | Board Chairman | | | | |
| E.6.1 | Do different persons assume the roles of chairman and CEO? | | N | 0 | |
| E.6.2 | Is the chairman a non-executive director/commissioner? | | N | 0 | |
| E.6.3 | Is the chairman an independent director/commissioner? | | N | 0 | |
| E.6.4 | Is the chairman the current or immediate past CEO? | | Y | 0 | |
| E.6.5 | Are the role and responsibilities of the chairman disclosed? | BY-Laws/Officers/Chairman of the Board | Y | 1 | |
| E.7 | Board meetings and attendance | | | | |
| E.7.1 | Are the board of directors/commissioners meetings scheduled before or at the beginning of the year? | Notice of Annual Stockholders Meeting / BY - LAWS-Notice of Meeting and Quorum | Y | 1 | |
| E.7.2 | Does the board of directors/commissioners meet at least six times per year? | Secretary Certificate/Summary of the Meetings of the Board | Y | 1 | |
| E.7.3 | Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year? | Secretary Certificate/Summary of the Meetings of the Board | Y | 1 | |

| | | | | | |
|--------|---|--|-----|---|--|
| E.7.4 | Does the company require a minimum quorum of at least 2/3 for board decisions? | Notice of Annual Stockholders Meeting / BY - LAWS-Notice of Meeting and Quorum | Y | 1 | |
| E.7.5 | Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present? | | N | 0 | |
| E.8 | Orientation Programme for New Directors | | | | |
| E.8.1 | Does the company have orientation programmes for new directors/commissioners? | BDO Unibank, Inc. Annual Report(Parent Company)/Corporate Governance/Employees | Y | 1 | |
| E.9 | Director Training | | | | |
| E.9.1 | Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes? | BDO Unibank, Inc. Annual Report(Parent Company)/Corporate Governance/Employees | Y | 1 | |
| E.10 | Access to information | | | | |
| E.10.1 | Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting? | | N | 0 | |
| E.10.2 | Does the company secretary play a significant role in supporting the board in discharging its responsibilities? | BY-Laws/Officers/The Secretary | Y | 1 | |
| E.10.3 | Is the company secretary trained in legal, accountancy or company secretarial practices? | BY-Laws/Officers/The Secretary | Y | 1 | |
| E.11 | Nominating Committee | | | | |
| E.11.1 | Does the company have a Nominating Committee (NC)? | Manual on Corporate Governance, II.B.2.d Board Committees – Nominations and Audit Committee. | Y | 1 | Board assumes membership in all committee. Meetings are narrated in the minutes of the board and presented for notation/approval |
| E.11.2 | Does the Nominating Committee comprise of a majority of independent directors/commissioners? | | N/A | 0 | No Independent Director |
| E.11.3 | Is the chairman of the Nominating Committee an independent director/commissioner? | | N/A | 0 | No Independent Director |
| E.11.4 | Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee? | | N | 0 | |
| E.11.5 | Does the Annual Report disclose the number of Nominating Committee meetings held? | | N | 0 | |
| E.11.6 | Did the Nominating Committee meet at least twice during the year? | | N | 0 | |
| E.11.7 | Is the attendance of members at Nominating Committee meetings disclosed? | | N | 0 | |

| | | | | | |
|--------|--|--|---|---|---|
| E.12 | Board Appointments and Re-Election | | | | |
| E.12.1 | Does the company disclose the <u>criteria used in selecting</u> new directors/commissioners? | | N | 0 | |
| E.12.2 | Does the company disclose the <u>process followed in appointing</u> new directors/commissioners? | BY-Laws/Board of Directors/Vacancies | Y | 1 | |
| E.12.3 | Are all the directors/commissioners subject to re-election at least once every three years? | | N | 0 | |
| E.13 | CEO/Executive Management Appointments and Performance | | | | |
| E.13.1 | Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management? | Management Succession Planning Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Corporate Governance Committee of the Parent Bank |
| E.13.2 | Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President? | Management Succession Planning Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.14 | Board Appraisal | | | | |
| E.14.1 | Is an annual performance assessment conducted of the board of directors/commissioners? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.14.2 | Does the company disclose the process followed in conducting the board assessment? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.14.3 | Does the company disclose the criteria used in the board assessment? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.15 | Director Appraisal | | | | |
| E.15.1 | Is an annual performance assessment conducted of individual director/commissioner? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.15.2 | Does the company disclose the process followed in conducting the director/commissioner assessment? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.15.3 | Does the company disclose the criteria used in the director/commissioner assessment? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.16 | Committee Appraisal | | | | |
| E.16.1 | Is an annual performance assessment conducted of the board of directors/commissioners committees? | Board, Director, Committee, and CEO Appraisal | Y | 1 | Covered by the Performance Appraisal conducted by the Parent Bank |
| E.17 | Remuneration Committee/ Compensation Committee | | | | |
| E.17.1 | Does the company have a Remuneration Committee? | Remuneration Committee | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.17.2 | Does the Remuneration Committee comprise of a majority of independent directors/commissioners? | Remuneration Committee | N | 0 | Covered by Parent Bank Remuneration Policy |

| | | | | | |
|--------|--|--|-----|---|--|
| E.17.3 | Is the chairman of the Remuneration Committee an independent director/commissioner? | Remuneration Committee | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.17.4 | Does the company disclose the terms of reference/governance structure/ charter of the Remuneration Committee? | Remuneration Matters | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.17.5 | Does the Annual Report disclose the number of Remuneration Committee meetings held? | Remuneration Committee | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.17.6 | Did the Remuneration Committee meet at least twice during the year? | Remuneration Committee | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.17.7 | Is the attendance of members at Remuneration Committee meetings disclosed? | Remuneration Committee | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.18 | Remuneration Matters | | | | |
| E.18.1 | Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO? | Remuneration Matters | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.18.2 | Is there disclosure of the fee structure for non-executive directors/commissioners? | Remuneration Matters | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.18.3 | Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives? | Remuneration Matters | Y | 1 | Covered by Parent Bank Remuneration Policy |
| E.18.4 | Do independent non-executive directors/commissioners receive options, performance shares or bonuses? | | N/A | 0 | |
| E.19 | Audit Committee | | | | |
| E.19.1 | Does the company have an Audit Committee? | Manual on Corporate Governance, II.B.2.d Board Committees – Nominations and Audit Committee. | Y | 1 | Board assumes membership in all committee. Meetings are narrated in the minutes of the board and presented for notation/approval |

| | | | | | |
|---------|---|---|-----|---|---|
| E.19.2 | Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners? | | N/A | 0 | No Independent Director |
| E.19.3 | Is the chairman of the Audit Committee an independent director/commissioner? | | N/A | 0 | No Independent Director |
| E.19.4 | Does the company disclose the terms of reference/governance structure/charter of the Audit Committee? | | N | 0 | |
| E.19.5 | Does the Annual Report disclose the profile or qualifications of the Audit Committee members? | Manual on Corporate Governance, II.B.2.d Board Committees – Nominations and Audit Committee. | Y | 1 | |
| E.19.6 | Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)? | | N/A | 0 | No Independent Director |
| E.19.7 | Does the Annual Report disclose the number of Audit Committee meetings held? | | N | 0 | |
| E.19.8 | Did the Audit Committee meet at least four times during the year? | | N | 0 | |
| E.19.9 | Is the attendance of members at Audit Committee meetings disclosed? | | N | 0 | |
| E.19.10 | Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor? | Manual on Corporate Governance, II.B.2.d Board Committees – Nominations and Audit Committee. | Y | 1 | Not only Audit Committee - divided during the Annual Stockholders Meeting |
| E.20 | Internal Audit | | | | |
| E.20.1 | Does the company have a separate internal audit function? | Service Level Agreement | Y | 1 | Outsource to BDO Unibank |
| E.20.2 | Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed? | Service Level Agreement | Y | 1 | Outsource to BDO Unibank |
| E.20.3 | Does the appointment and removal of the internal auditor require the approval of the Audit Committee? | Manual on Corporate Governance, II.B.2.d Board Committees – Nominations and Audit Committee. | Y | 1 | |
| E.21 | Risk Oversight | | | | |
| E.21.1 | Does the company disclose the internal control procedures/risk management systems it has in place? | Secretary Certificate Annual Review/Renewal of the Market & Liquidity Policy Manual Audited Financial Statements Risk Management Objectives and Policies | Y | 1 | |

| | | | | | |
|--------|---|---|----|----|--|
| E.21.2 | Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems? | Secretary Certificate Annual Review/Renewal of the Market & Liquidity Policy Manual Audited Financial Statements Risk Management Objectives and Policies | Y | 1 | |
| E.21.3 | Does the company disclose how key risks are managed? | Secretary Certificate Annual Review/Renewal of the Market & Liquidity Policy Manual Audited Financial Statements Risk Management Objectives and Policies | Y | 1 | |
| | | | 69 | 47 | |