



# Life Liberated

**FWD Philippines Annual Report 2016**



# Table of Contents

## 01 FWD Liberates Life

## 03 Unraveling FWD

## 04 About FWD

- Recent Development/News

## 09 Message Boards

- Message from the Chairman
- Message from the CEO
- Message from the CFO

## 12 Board of Directors & the Management Team

- Board of Directors
- Executive Committee
- Operations Committee

## 16 FWD Progress

- Risk Updates
- Internal Audit Updates
- Five Business Hubs
- True Multi-channel Business
- Product Propositions
- Financial Highlights
- Corporate Governance
- Activities with External Stakeholders
- Activities for Employees
- Human Resources

## 53 Policies

- Trading Policies & Conflict of Interest Policy/Related Party Transactions
- Code of Conduct and Business Ethics
- Whistleblower Policy
- Anti-Corruption Programs

## 54 Contact Information

# 2016

## Annual Report





# FWD Liberates Life



Since 2014, FWD Life Philippines (FWD Life) has staunchly committed to our vision—to change the way people feel about insurance.

After our second full year of operations, FWD Life is now ranked 12 in terms of total premium income (TPI), according to the Insurance Commission's end-2016 report<sup>1</sup>. The Company's strong operating performance, innovative product propositions, and exciting marketing initiatives have contributed to FWD's trailblazing position as one of the Philippines' fastest-growing life insurance companies.

<sup>1</sup> <http://www.insurance.gov.ph> > Statistics > 2017 > Based on Premium Income





FWD Life's product propositions encourage Filipinos to aim for greater heights, providing them with much-needed protection and long-term savings as they live out their passions and celebrate moments that matter.

The "Life Liberated" theme for our 2016 Annual Report serves as a reminder for Filipinos to go the extra mile as they live without hesitation.



# Unraveling FWD



From life protection to building wealth, FWD Life is pioneering the way to inspire the Filipinos of today to seize every opportunity, to follow their passions, and to fear less about the future. FWD Life believes that insurance should be a source of empowerment, not a constraint. It should instil optimism and confidence, not fear and worry. FWD Life is here to change the way people feel about insurance by helping them embrace the things they want out of life.

**Liberate life.  
Take it higher.**



# Live A Life

## Beyond Compare

### About FWD Group

FWD Group spans in Hong Kong & Macau, Thailand, Indonesia, Philippines, Singapore, and Vietnam, offering life and medical insurance, general insurance, and employee benefits across a number of its markets. Established in Asia in 2013, FWD is the insurance business arm of investment group, Pacific Century Group. In the Philippines, FWD has nine business hubs located in key cities nationwide with its headquarters at Bonifacio Global City in Taguig.

FWD is focused on creating fresh customer experiences, with easy-to-understand products, supported by leading digital technologies. Through this customer-led approach, FWD will achieve its vision to become the leading pan-Asian insurer that changes the way people feel about insurance.

Hong Kong & Macau

Vietnam

Philippines

Thailand

Singapore

Indonesia



Life Insurance



Medical Insurance



Employee Benefits



General Insurance

Over 1.25 M customers

11,000 tied agents  
across markets

As of 31 December 2016



# Champion Life

**Fearlessly**



## About FWD Philippines

FWD Life Insurance Corporation (“FWD Life”) is the first life insurance company licensed by the Insurance Commission of the Philippines under the new Insurance Code. FWD Life launched its commercial operations in September 2014. After its second full year of operations in 2016, FWD Life ranked no. 12 in total premium income, up one notch from the previous year, according to the Insurance Commission’s report.

Rank no. 13 (2015)  
**to no. 12**  
this 2016



> **20,000**  
customers



> **400**  
employees



> **1,800**  
tied agents

## 2016 FWD Milestones Overview

### January

Received its new Certificate of Authority to operate as a life insurance company with Certificate No. 2016/51-R

### April

Formally opened the FWD SGA Business Hub in Bonifacio Global City

### June

- Signed a three-year partnership with the PBA to become the official insurer of Asia’s pay-for-play league.
- Former Central Bank Governor & Philippine Ambassador to the USA, Jose Cuisia, Jr., joined FWD PH Board as Non-Executive Director & Special Advisor

### July

Feted at the ABF Insurance Asia Awards with two recognitions (Best Marketing Initiative & Best Digital Insurance Initiative) & as one of Asia’s Best Employer Brands as endorsed by the Asian Confederation of Businesses

### August

Launched Orange World, a lifestyle rewards app for today’s tech-savvy and passion-inspired customers

### October & November

Formally opened 4 new business hubs: Pacific Star (Makati), MDI Corporate Center (Taguig), Baguio, and Davao

### November

Launched its eCommerce sales channel by offering innovative, gamechanging “Peace”, the first-of-its-kind terrorism insurance product in the Philippines

### December

- Launched its group life insurance business, Corporate Care
- Ranked no. 12 in terms of total premium income by the Insurance Commission



## Our Vision

To change  
the way  
people feel  
about insurance.



### Open

We share knowledge & we are open to new ways of thinking and doing things. We make the right decisions by being considerate & thoughtful.

### Committed

We deliver on our promises. We are trustworthy and loyal. We are dedicated to being the best we can be.

### Our Brand Values

### Proactive

We are empowered to act swiftly & solve problems. We are decisive. We think ahead.

### Innovative

We are adaptive & ambitious. We meet the exciting opportunities & challenges ahead us with the desire to make things better.

## Celebrate Living

This is at the very core of our purpose,  
Our strategy,  
Our customer experience,  
And our internal culture.



### Straightforward

We say things in a way that is clear and easy to understand. We keep things simple.

### Dynamic

We are clearly active and energetic. We take the lead in what we say and do.

### Our Brand Values

### Surprising

We speak in ways that are surprisingly different & unique in our category. We delight and surprise with our approach.

### Passionate

Our enthusiasm & eagerness to do the best we can come across in what we say and do. We are involved and caring.



## #Brand Respect



## Our Corporate Values

These are what guide our behavior inside FWD Life, building our Corporate Culture on a daily basis.

### We succeed together

We engage and collaborate for success to produce concrete results for all stakeholders

### We dare to be different

We encourage innovation for positive transformation by openly expressing our views

### We perform with passion

We empower our people to thrive from their learning, to reach new heights in their personal development and to deliver fabulous customer experience

### We do the right thing

We believe in fair and respectful treatment of customers, colleagues & communities, and take responsibilities for our actions and obligations



### Business Target

To become a  
Top 5 insurance  
player by end-2019



# Message Boards



FWD Life is breathing life back into the insurance business by offering products that speak to the needs of different people across different lifestyles. This is how we will make #LifeLiberated for Filipinos and become industry gamechangers.



# Message

from the

## Chairman



Dear fellow stakeholders,

I am proud to share with you the progress made by FWD Life Philippines in 2016. We have continued to make great strides by expanding our footprint in the country, developing our business capabilities, establishing our reputation as the country's most exciting insurance player, and growing our brand awareness in the market.

In 2016, the Philippines recorded a 6.8% increase in its GDP, sealing its position as one of Asia's fastest-growing economies. As the country sees rapid economic growth, supported by strong capital investment and robust domestic demand, FWD Life Philippines has capitalized on this opportunity to grow. FWD opened five new business hubs in key urban and provincial cities to serve as home to our expanding distribution salesforce and client base in the country.

At the same time, FWD Life Philippines has been developing fresh and innovative product propositions that are genuinely relevant to today's customer and their changing needs, providing true value. As part of our push to innovate in the product space, we launched the FWD Peace plan, a first-in-market insurance product offering relevant, affordable peace of mind against acts of terrorism in the Philippines & globally, without exclusion.

Our "Top 5 in 5" objective has driven the commercial success of the business, but we have also found the time to champion

for financial sustainability through our corporate social responsibility (CSR) initiatives. We continue to advocate and promote the financial sustainability of the communities in which we work.

This includes our continuous commitment for the "Tanging Tanglaw Solar Lolas" as we prepare for a more robust plan to drive financial literacy amongst the Aeta community members as well as Saint Rita Orphanage and the children under their care, which FWD has been supporting since 2015.

As we come to the end of our second year of commercial operations and we look ahead to next year, we remain confident that FWD Philippines is on track for further success. With sound strategic management and great people on board, we will move forward and achieve our vision of becoming a leading life insurer in the Philippines that is changing the way people feel about insurance.

I am sending my heartfelt thanks to all stakeholders, customers, and business partners for their relentless support and confidence in our vision. My appreciation as well, to our people, who have tirelessly dedicated themselves to ensuring FWD realizes our aspirations here in the Philippines.

**Julian McQueen Lipman**  
FWD Group Chief Operating Officer  
FWD Life Insurance Philippines Chairman of the Board



# Message

from the

CEO



Dear friends of FWD,

It is with great pleasure that I share with you the significant progress that FWD Life Philippines has made throughout 2016. The growth and progress made during our first 2 years continues to motivate the management team and staff to go above and beyond our achievements to date, as we seek to create new and exciting milestones and introduce more 'firsts' to the insurance industry in the Philippines. FWD maintains its challenger-brand mindset which we believe is essential to realizing our goal of becoming a top 5 industry player by 2019. We are proud to share that, as at the end of 2016, we have moved up to a market ranking of no. 12 in terms of total premium income, based on the Insurance Commission's end-of-year performance report. As of the end of 2016,

- FWD Life Philippines' customer base has grown to well over 20,000, an increase of over 60%
- Gross Insurance Premiums for the year increased to over Php 3 Billion, up 33% over 2015 (Life Insurance sector declined by 3%) and market share increased to almost 2%
- New business annual premium equivalent (APE) grew by an even more impressive 53% over prior year
- Total assets increased to PHP 6.14 billion, an increase of 67% and total investments reached PHP 5.09 billion, up 113% over year-end 2015
- Continued expansion of our geographic footprint with the opening of 5 new business hubs in Baguio, Davao and 3 more in Metro Manila thereby giving us wider representation from which to service our customers and support our Financial Wealth Planners
- Our Agency force grew from c. 1400 to almost 1900, including attracting some highly experienced, quality advisors
- Bancassurance FSCs – our Security Bank branch-based insurance advisors – grew from 90 to 150, servicing more SBC clients across the country in more branches

- With the launch of the e-commerce and Corporate Care channels in late 2016, FWD is now a genuine multi-channel business which is entirely consistent with our goal of reaching and servicing customers with relevant product propositions through the channel of their choice
- We continued to invest in building the FWD brand in 2016, increasing both awareness and consideration, as we successfully activated a number of exciting marketing campaigns, to further spread our signature #GetReadyToLive brand attitude. Our fresh approach to marketing also landed us prestigious honors at the 1st Asian Banking & Finance (ABF) Insurance Asia Awards<sup>1</sup>.

These accomplishments are primarily made possible by one of our greatest assets – our people – and their collective efforts, supported by our values, to ensure we strive for the best possible customer experience and service excellence. Embodying its recognition as one of "Asia's Best Employer Brands<sup>2</sup>," FWD Life Philippines ensures that it maintains its commitment to securing the well-being and talent developing of our people. I thank all stakeholders for trusting & supporting FWD. With your continued support, and our unwavering commitment to our vision and values, we really are well on our way to changing the way people feel about insurance.

**Peter Grimes**  
President & Chief Executive Officer  
FWD Life Insurance Philippines

<sup>1</sup> <https://www.fwd.com.ph/en/news-press/press/2016/1st-abf-insurance-asia-awards/>

<sup>2</sup> <https://www.fwd.com.ph/en/news-press/press/2016/fwd-philippines-named-as-one-of-asias-best-employer-brands-2016/>



# Message

from the

CFO



Dear friends of FWD,

The year 2016 was another year of growth for our business operations achieving new milestones and setting trends. Our financial highlights include:

- Gross insurance premiums of Php 3 billion, up 33% year-on-year, whilst the industry declined
- Total assets at Php6 billion, up 67% year-on-year
- Invested assets of Php5 billion, up by 113%
- Healthy solvency position with infusion of Php 1.3 billion

In 2016, we also continued to strengthen our strategic and operational capabilities that are expected to provide an improved experience for customers and key stakeholders.

Besides the business growth we started the process to strengthen our capital position and took significant steps in 2016. Early 2017, we completed the process and secured all regulatory approvals to increase the Authorized Capital to Php5 billion and Paid up Capital to Php2.3 billion. We believe this positions FWD as the one the highest, if not the highest, capitalized insurer in the Philippines.

We believe we are well positioned to capitalize and harness value for our customers, employees and shareholders with the country's strong economic momentum in 2016 and outlook for the next few years.

**Manish Kumar Jain**  
Chief Finance Officer & Treasurer  
FWD Life Insurance Philippines



# Board of Directors

## and the Management Team



### Vicente Castillo

Independent Director, Chairman of the Audit Committee, Member of Remuneration Committee

### Amb. Jose L. Cuisia, Jr.

Non-Executive Director & Special Advisor

### Julian McQueen Lipman

Director & Chairman of the Board, Remuneration & Nomination Committees, & Member of Audit Committee

### Peter Grimes

President & Chief Executive Officer

### Atty. Leo Dominguez

Independent Director, Member of Nomination, Remuneration & Audit Committees



# Executive

## Committee



**Manish Kumar Jain**

Chief Finance  
Officer &  
Treasurer



**John Johnson**

Chief Distribution  
Officer



**Mervin Pobre**

Chief Strategy  
Officer



**Peter Grimes**

President &  
Chief Executive  
Officer



**Rogelio Umali Jr.**

Chief Technology  
Officer



**Rozanne Parungo**

Chief Human  
Resources  
Officer



**Atty. Juan Sotero Roman**

General Counsel,  
Head of Compliance,  
& Corporate  
Secretary



**Rina Isabel Velasquez**

Chief Actuary



**Judith Baliton**

Head of Operations



# Operations

## Committee



**Rochelle Vandenberghe**  
Head of Marketing



**Maricel Paygane**  
Head of Customer  
Experience



**Irene Andas**  
Head of  
Bancassurance



**Karl Patrick Sanvictores**  
Head of Agency  
Proposition  
& Business  
Development



**Erwin Go**  
Head of Corporate  
Care



**Alexander Sarmiento**  
Head of Digital  
Channel



**David Rowley**  
Head of Risk



**Aprilyn Escucha**  
Head of Internal Audit



**Queenie Chua**  
AVP for Strategic Planning





**Rolando De Castro**  
AVP for Business  
Solution Delivery



**Patrick Lim**  
AVP for Distribution  
Training



**Ma. Rogilyn Bertol**  
Head of Distribution  
Support



**Adam Spencer Cagaoan**  
Head of Policy Owner  
Services



**Mark Anthony Catambacan**  
Head of Information  
Technology



**Narcisa Placido**  
Head of Compensation  
& Benefits and Human  
Resources  
Operations



**Ma. Teresa Cabantog**  
Head of Facilities



**Atty. Raya Zelene  
Peneyra-Gargarita**  
Senior Compliance  
Manager



**Atty. Eir Peirre Alleistair Antig**  
Senior Legal Manager



**Eric Jayson Hernandez**  
Agency Sales  
Director



**Dr. Gina Lominoque-Molina**  
Head of Underwriting



**Ana Katrina Guarin**  
HR Manager for Employee Relations  
and Learning & Development



A person is climbing a rock wall. The wall is white with a large yellow diagonal stripe. The climber is wearing a black tank top, grey leggings, and a purple climbing harness with an orange bag. They are reaching up with their right hand to a blue hold. The wall is covered with various colorful climbing holds (blue, red, green, yellow, purple) and some 'X' marks. The climber is wearing blue and black climbing shoes.

# FWD

## Progress

FWD Life's consistent strong performance paves the way to the realization of our vision.



# Risk

## Updates



Despite being a relatively new company, FWD Life is aware of the risks associated with operating in the country. These are issues that arise as we conduct our day-to-day business, and which may hamper further growth in the industry. We have categorized such risks into Strategic, Operational, and Financial, and identified our relevant subcategories. FWD Life's Board of Directors assess each risk category with regard to the impact on FWD Life's finances, operations, customers, and reputation. To properly monitor these, we identify the key risks through several processes that include monthly review of risks by the Executive Committee that affect the Company, ad hoc risk identification by working with key business units, and a review of emerging risks identified through internal and external sources.

As we operate in the life insurance industry and are in the business of taking and managing risks, we have developed our Philippine Risk Framework in 2015. The Framework is based on the overall Group Risk Framework, but covers additional Basel risk categories that may be appropriate to the Philippine operations. To this end, FWD Life has set up a process to conduct the following risk-related activities: identification, assessment, response, monitoring and review, communication, and improvement.

Risk Identification is achieved by employing external resources such as emerging risk white papers, FWD Group guidance and discussion with the management on key processes and potential risks.

During risk assessment, we have identified a risk's inherent risk rating and the controls necessary to address it.

Related to risk assessment is risk response where we determine if management would accept the remaining risk or whether they need to employ additional controls to lower our potential exposure.

Risk monitoring, meanwhile is done by the Executive Committee who identifies and monitors the key top risks that affect the Company. Other risks are monitored by the Operations Committee.

Risk communication and improvement are performed both with local and group management through written and face-to-face communication to apprise them of the current and potential situations that may pose risks to our operations. Key risks, however, are escalated to both the Risk and Audit Committees, so that Management can devise the appropriate plan of action.



# Internal Audit

## Updates



FWD Life's Audit Committee establishes the roles and responsibilities of the Internal Audit Department. Its primary role is to ensure that proper internal control processes are in place.

The Internal Audit Department reports directly to the Audit Committee, functionally to the Group Head of Internal Audit and administratively to the President & Chief Executive Officer. It conducts regular meetings with the Audit Committee without the presence of the management.

The appointment and removal of the Internal Audit Head require the approval of the Audit Committee.

## Timely Filing and Release of Annual Financial Reports

FWD Life's Audited Financial Statement has been released within 100 days from year end. FWD Life's Corporate Officers and Board of Directors testify to the accuracy of the Company's financial statement.



# Five

## Business Hubs

Get ready  
to  
live



FWD Life brought the orange vibe to other major cities in the country. FWD Life expanded its business, with the opening of 5 business hubs at:

- SGA Business Hub, Bonifacio Global City
- MDI Corporate Center, Bonifacio Global City
- Pacific Star Building, Makati City
- Davao
- Baguio

FWD Life took the next step in further servicing its increasing customer base by establishing strategically planned business hubs around the country. This major milestone has enabled the Company to gain a solid foothold in the Philippine insurance market. By end of 2016, FWD Life had 8 business hubs, including the FWD Head Office and Customer Connect Center in Taguig City and the hubs in Cagayan de Oro and Cebu.

## Customer Connect forms part of the Customer Experience Function

As a company whose vision is to change the way people feel about insurance, FWD Life places high regard on the importance of Customer Experience (CX). The Company is focused on leading with CX as a valuable differentiator for FWD Life as we work together to strengthen the brand and deliver an entirely engaging and intuitive experience for our customers.

With this in mind, effective April 2016, the FWD Head Office Customer Connect became part of the CX function.

The move aims to deliver three (3) key objectives:

- To inculcate customer centricity across all touchpoints;
- To ensure consistency of delivering delightful experience to our customers; and
- To enable FWD Life to constantly listen to customer feedback and gather relevant data imperative in our goals to enhance relationships and, in the long term better promote their brand advocacies & propositions.



## FWD releases First Customer Experience Index Survey Score

Customer Experience (CX) Index is a Voice of the Customer strategic initiative for FWD Life. The Company believes this is a competitive advantage and a differentiator that shows how FWD Life takes customer needs seriously.

FWD Life worked with Forrester Research, one of the most influential research and advisory firms in the world, to conduct the survey to deliver the framework for the CX Index Survey.

In the fourth quarter of 2016, FWD Life has surveyed the quality of CX in the Philippine life insurance industry. The Company engaged with customers through a consumer survey to better understand a customer's experience and expectation with the Company's brand. The rankings include the effectiveness of the Company in meeting the respondents' needs and the respondents' assessment of their experience with the brand.

FWD Life is at the forefront with a CX Index score of 78, which is visibly higher than the industry average. This demonstrates that FWD Life is moving the CX strategy and action plan forward through collaborative coordination across their organization to deliver the CX efforts.



## Operational Excellence

- Operational Excellence is a collaborative initiative of CX and Operations and our focus on future state readiness.
- The journey with the focus on fixing the basics and creating a solid foundation. This is about developing into a customer led organization and streamlining our front and back-end processes.

### Initiatives:

- Call Center improvements:
  - Focused on call center process to improve efficiency & productivity including training & up-skilling of the call center team.
  - Deployment of new Interactive Voice Response (IVR) flow to deliver faster response to customers and enable our call center agents to prioritize calls effectively resulting insignificant uplift in our call center operations Key Performance Indicators (KPI) are now aligned with the industry standard.
  - Rollout of the Complaint Handling process focused on successful resolution of all customer complaints within the Service Level Agreement (SLA) target and leveraging complaint data to stimulate organizational improvement.

### Continuous improvement to E-app:

- E-app survey is conducted every 6 months to measure the advisor satisfaction of the sales tablet. Key areas to measure the improvements are functionality, usability, and intuitiveness of the E-app.
- Leverage survey findings to evaluate and prioritize the list of constraints of E-app and focus on improving agents' productivity and customer satisfaction.
- Regular E-app Committee meetings are conducted to evaluate the implementation plan and identify quick wins.
- The 2016 Overall Satisfaction Rating is currently 3 out of 5 (5 as the highest, and 1 as the lowest).





# True

## Multi-channel Business

With the addition of the e-commerce and Corporate Care channels, FWD Life is now a true multi-channel business, consistent with the goal of reaching and servicing customers through the channel of their choice.

### Agency Sales

Our growing agency salesforce, now 1800-strong, has started to become a force to reckon within the local insurance industry. It is also worth noting that the number of FWD Life's MDRT qualifiers has grown ten-fold from previous year. In addition, the opening of five (5) new business hubs/agency offices in more key cities will support the team's remarkable progress.

### Bancassurance

FWD Life Philippines' quality Bancassurance partnership with Security Bank has contributed greatly to our success thus far. Our presence in the bank's vast branch network across the Philippines, via insurance advisors in FWD Orange Zones, has enabled FWD Life to reach out to more Filipino families by offering relevant financial solutions.

### Corporate Care

Our very own group insurance/employee benefits solutions suite, launched in December 2016, has on-boarded numerous businesses and organizations. Powered by FWD Life's unique propositions, with market-leading benefits and the least number of exclusions, these companies—as well as their employees and members—can now experience group insurance differently.

### Digital Channel

Launched in November 2016, our digital channel started offering the Peace plan, FWD Life's game-changing anti-terrorism insurance product. The first of its kind in the country, FWD Peace offers relevant, affordable financial protection in the event of death or serious disability. The launch of the platform kick-starts FWD Life's foray in the eCommerce space.



# Product

## Propositions





# Individual

## Plans



## Protection and Investment Plans

### Set for Life

With Set for Life, customers are given the flexibility to decide the coverage they need while invested in their preferred investment fund. They may set aside at least PhP 18,000 per year for 5, 7, 10 years or up to age 99. This gives them protection until they reach 100 years old. The investment component provides the flexibility to choose from a range of professionally managed investment funds catering to a wide range of investment risk profiles. This gives them the opportunity to watch their savings grow. Set for Life policyholders may also put more funds in their policies through top-up premiums, maximizing their savings potential for their and their loved ones' sake. Set for Life also has add-ons for additional protection – accidental death benefit, hospital cash benefit, critical illness benefit, life assist benefit, and waiver of premium benefit.

### All Set

All Set, on the other hand, gives customers lifetime protection for a minimum single premium of PhP 100,000. This frees them from the worries of continuously paying premiums, and allows them to take advantage of windfalls as they come. Like Set for Life, All Set gives our customers the flexibility to decide which investment fund to invest in.

### All Set Higher

All Set Higher is our product positioned for high net-worth individuals whose goal is to achieve worry-free management of their wealth. All Set Higher has a minimum single premium of PhP 1 million, which can be invested across a range of investment funds catering to a wide range of investment risk profiles. FWD's experienced fund managers monitor these investments for our All Set Higher policyholders so they can focus on other important things in life. To avail of All Set Higher, FWD requires no initial fees and no medical checks so customers can enjoy a hassle-free application.



# Protection Plans

## Fight Plan

Fight Plan is a life insurance protection plan that gives customers the confidence to fight their way out of costly cancer treatments, so they can focus on regaining their strength. For a minimum premium of PhP 6,000 per year (minimum premium for 10 years), customers are financially protected for up to PhP 2 Million and are covered upon diagnosis of any type of cancer at any stage for 15 years. Fight Plan allows customers to choose to pay for 5 or 10 years for their convenience. For quick and easy application, no questions will be asked about family history, hereditary diseases and the like.

## Peace

Peace is the first insurance product of its kind in the country that offers relevant, affordable financial protection in the event of death or serious disability, against acts of terrorism in the Philippines or anywhere in the world. Individuals, 18 years old and above, can avail of the Personal Peace plan at PhP 2,000, and those who wish to extend coverage to family members (legal spouse and children under the age of 18) may opt for Family Peace at only PhP 3,000. Peace provides PhP 1 million coverage to each individual covered under the plan for one year, and can be renewed annually. Purchasing the product is simple, hassle-free, and only takes a few minutes online via [www.fwd.com.ph](http://www.fwd.com.ph), irrespective of age and without the need for any medical test.

## Mortgage Redemption Insurance (MRI)

MRI is the customers' anchor of protection for their Security Bank Home Loan. It provides full coverage of mortgage balance in the unfortunate event of death of the home loan borrower. Customers only pay for the coverage they need for as low as PhP 3,600, which is good for 1 year for a PhP 1 million loan. All it takes is one single application that covers both mortgage and insurance. Once the home loan is approved by Security Bank and the initial premium is cleared, the customer is adequately covered during the loan period.





# Corporate Care

## Plans



### Group Life

A packaged group life insurance plan that protects an organization's most important asset, their employees, by providing worldwide death coverage for their employees and family members. Group Life plan also comes with a feature that advances payment for the family of the employee or member to help cover sudden funeral expenses. Employers can customize their insurance via a wide range of add-ons which includes accidental death, accidental dismemberment or loss of use and accidental disability, terminal illness, critical illness, total and permanent disability, accidental medical expenses, and accidental hospital confinement.

This product is also available in small-to-medium enterprise (SME) packaged bundle called LiveSafe.

### Group Accident

A customizable accident plan designed to give employees or members maximum protection when an accident occurs, by providing a benefit amount for loss of life due to accidental causes. Group Accident plan also comes with a feature that advances payment for the family of the employee or member to help cover sudden funeral expenses. It also provides benefits that cover life's risks such as accidental death and dismemberment or loss of use and accidental disability, accidental medical expenses, and accidental hospital confinement.

This product is also available in small-to-medium enterprise (SME) packaged bundle called WorkSafe.



# Break Free

## Break Records



## Financial Highlights



### Gross Insurance Premiums

In 2016, Gross Insurance Premiums totaled at Php 3.0B **increased by 33% from previous year.** This resulted for FWD Life's market position to be at 12<sup>th</sup> place, up by a step from the previous year.



### Assets

**Increased by 67%** amounting to Php 6.14B attributable to the increase of assets held to cover unit linked liabilities & available-for-sale (AFS) financial assets.



### Investments and Other Income

**Increased by 63%** amounting to Php 35.6M, **other income went up by 247%** amounting to Php 39.2M from management fee income on variable products.



### Net Worth

**FWD Life's net worth improved by 12%** on account of additional Php 1.3B offset by the increase in deficit and non-admitted assets.





# Corporate Governance

FWD Life is dedicated to safeguarding all of our stakeholders' interests—from business partners to employees, to its shareholders, community members, and customers—in a balanced and transparent manner. This commitment shall contribute to the Company's vision of changing the way people feel about insurance.

## Welcome Ambassador Jose L. Cuisia, Jr.

In 2016, FWD Life conducted the New Directors Orientation for Ambassador Jose L. Cuisia, Jr. The New Directors Orientation program provides vital information about the organization and the Board's roles and responsibilities to the new Directors. Aside from providing information about the organization and the roles and responsibilities of the Directors, FWD Life's New Directors Orientation program also discusses the key highlights during the past meetings to enable the new Directors to quickly catch-up with future Board and Board Sub-Committee discussions.





## Corporate Governance Policy and Commitment to Corporate Governance

FWD Life hereby commits to advocate and adhere with the Securities and Exchange Commission's Revised Code of Corporate Governance, Insurance Commission's Circular Letter No. 31-2005, and all other relevant laws, rules and regulations on corporate governance. In addition, Company shall update the Corporate Governance Scorecard in compliance with the relevant IC Circular Letters.

FWD Life implements a strong corporate governance policy where the Company is able to effectively safeguard and consider all of its stakeholders' interests in a balanced and transparent manner and ensure that all its actions are geared towards achieving its vision of changing the way people feel about insurance. The policy ensures that the best corporate governance practices are being adhered to by the Company for the benefit of all its stakeholders.





## Role and Responsibilities of the Board

The Board of Directors exercises all the powers of the corporation as granted by the Corporation Code of the Philippines, the Company's By-laws, the Corporate Governance Manual, and all other relevant laws, rules, regulations, and documents. Thus, voting requirements and matters for voting as required by the above laws are strictly followed and exercised by the Board of Directors.

In general, the powers of a corporation are exercised, all business conducted, and all property of the corporation is controlled and held by the Board. To perform the duties of the Board diligently, the optimum number of directorships shall be generally related to the capacity of a director. Thus, if directors exceed the low indicative limit (four or lower) on membership in other corporate boards, then they should disclose this to the Board with an explanation of why they feel they can carry out their duties to the Company diligently.

The Board is also accountable to the shareholders and as such it shall ensure the highest standard of governance in running the Company's business and setting the strategic direction. The Board of Directors, together with Company Management, also sets and reviews the Company's strategic aims (including the vision and mission). A regular review is scheduled where the Board of Directors would verify with Management the effectiveness of the strategic plan and whether the vision and mission of the Company is aligned.





## Independent Directors and Non-Executive Directors

Each of the independent directors and non-executive directors (NEDs) meet the guidelines set by the Securities and Exchange Commission's ("SEC's") Revised Code of Corporate Governance & Company's Corporate Governance Manual. None of the independent directors have any business or significant financial interest in the Company or any of its subsidiaries and therefore continue to be considered independent. Similarly, current NEDs have no executive responsibility and do not perform any work related to the operations of the Company.

The Company strictly adheres to the ASEAN Corporate Governance Best Practices and adopts a term limit of nine years or less for its independent directors.

## Annual Shareholders Meeting and Board Meeting Process

A Shareholder Meeting is held annually while regular Board meetings are held four times a year. Special meetings may be conducted as may be necessary to address urgent matters.

Minutes of meetings of the Shareholders, the Board and all committees are kept by the Corporate Secretary. The minutes are open for inspection by the Board and Shareholders upon request.

Shareholders and Board materials are sent at least 14 business days in advance before the actual meeting.

## Orientation Program and Trainings

The Corporate Secretary provides the orientation for new directors to explain the organizational profile, the Corporate Governance Manual, Committee Terms of Reference, as well as policies and procedures of the Company. Directors are also strongly encouraged to attend corporate governance training to fully equip them with the latest updates on corporate governance and best practices.





## Performance Evaluation

The Company has established its own performance evaluation every end of the year. The criteria are based on the Insurance Commission circulars on corporate governance, Company's Corporate Governance Manual, and the Committees' Terms of Reference.

### Board and its Committees are assessed on their:

1. Exercise of responsibilities;
2. Conduct of operations;
3. Effectiveness of the Board or the Committee
4. Effectiveness of the Chairman of the Board or the Committee.

### Criteria for the Chairman are as follows:

1. Conduct of the meetings; and
2. Compliance with Company's guidelines on corporate governance.

### Criteria for the President & CEO are as follows:

1. Implementing and creation of Company strategy, policies, mission statements, etc.;
2. Monitoring and managing risk process;
3. Building a strong relationship with Board and Management;
4. Knowledge on the industry and the laws affecting the industry; and
5. Reporting significant matters to the Board.



### Criteria for individual Directors are:

1. Acting fairly with no conflict of interest;
2. Acting with loyalty to the Company he/she serves;
3. Devoting time and attention in the discharge of his/her duties and responsibilities;
4. Acting judiciously;
5. Exercising independent judgment;
6. Possessing working knowledge of the statutory & regulatory requirements affecting the Company;
7. Observing confidentiality; and
8. Ensuring soundness, effectiveness and adequacy of Company's control environment.

Assessments are done on a self-assessment basis and results are presented by the Office of the Corporate Secretary to the relevant body/person.


The presented body or committee then suggests on ways on how to improve for the succeeding years.

### The following assessments are conducted each year:

1. Audit Committee Assessment with assessment on its Chairman;
2. Nomination Committee Assessment with assessment on its Chairman;
3. Remuneration Committee Assessment with assessment on its Chairman;
4. Board of Directors Assessment with assessment on its Chairman;
5. Assessment on the President & CEO of the Company; and
6. Assessment on the individual Directors







## Gearing up for greater heights.

### Board and Committees Starting 11 April 2016

#### Audit Committee, its Members and Charter

The Audit Committee was given the following duties by the Board (based on the Committee Charter) without limitation:

1. Approve and review financial reporting;
2. Review, approve, and make recommendations regarding internal audit;
3. Manage the external audit; and
4. Review, approve, and evaluate Company's standards, policies, and procedures.

The Audit Committee also approves and oversees the engagement, removal, and fees of external auditor and make recommendations for the appointment, and removal of the Company's Head of Internal Audit.

The Committee reports significant matters to the Board of Directors.

#### Members are as follows:

Vicente B. Castillo  
(Chairman and Independent Director)

Atty. Leo G. Dominguez  
(Independent Director)

Julian McQueen Lipman

#### Nomination Committee, its Members and Charter

The Nomination Committee is in charge of reviewing the qualifications of the candidates to be elected/appointed as Directors and Company Officers. Company pools in recommendations from different sources including external search firms and builds the candidates for Director and Company Officer positions.

The procedure of the Committee in the selection and confirmation process would first require the submission of the candidates' bio-data (as prescribed by the Insurance Commission). The bio-data will be the basis of the Committee's discussion. Committee shall then confirm the qualifications of the candidate and submit its recommendation to the Shareholders and the Board, respectively. The Committee Charter, aside from discussing the above procedure, would highlight the objective of the Committee, which is to find the best suitable candidates for the Board and Management who have views in line with the Company's vision and mission.

Criteria for selection is as stated in the Insurance Commission Circular Letter No. 31-2005 dated September 26, 2005.

#### Members are as follows:

Julian McQueen Lipman  
(Chairman)

Vicente B. Castillo  
(Independent Director)

Atty. Leo G. Dominguez  
(Independent Director)



## Remuneration Committee, its Members and Charter

According to the Committee's Charter, the Committee is responsible for reviewing and approving Directors' and Company Officers' remuneration policies, and packages. The Committee then proposes such policies & packages to the Shareholders and the Directors for approval.

In approving, reviewing and recommending to the Board's and Shareholders' approval, the Committee's policy is to ensure that remuneration packages offered to the Directors and Company Officers are competitive and in line with industry standards.

An annual review of the remuneration packages is conducted by the Committee to ensure that they are indeed updated and satisfactory.

### Members are as follows:

Julian McQueen Lipman  
(Chairman)

Vicente B. Castillo  
(Independent Director)

Atty. Leo G. Dominguez  
(Independent Director)

## Risk Management and Actuarial Committee:

The Risk Management and Actuarial Committee is accountable for identifying principal business risks and, to ensure the implementation of appropriate risk management systems to specifically manage the underwriting, reinsurance, investment, financial, and operational risks of the Company.

### Members are as follows:

Peter Grimes  
(Chairman)

Manish Kumar Jain

Rogelio B. Umali, Jr.

Juan Sotero Roman

David Rowley

Group Office Representative

## Investment Committee:

The Investment Committee is responsible for managing all aspects of investment policy and strategy for the Company and provides oversight on the operation of the Company's investment portfolios following the established strategy, guidelines, and risk framework.

### Members are as follows:

Peter Grimes  
(Chairman)

Manish Kumar Jain

Rina Velasquez

David Rowley







## Board of Directors

**Julian McQueen Lipman**  
(Chairman)

**Vicente B. Castillo**  
(Independent Director)

**Atty. Leo G. Dominguez**  
(Independent Director)

**Peter Grimes**  
(President & Chief Executive Officer)

**Amb. Jose L. Cuisia, Jr.**  
(Non-Executive Director & Special Advisor)

## Chairman's Responsibilities may include:

1. Schedule meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;
2. Prepare meeting agenda in consultation with the CEO;
3. Exercise control over quality, quantity, and timeliness of the flow of information between Management and the Board; and
4. Assist in ensuring compliance with the Company's guidelines on corporate governance.



 <b>Julian McQueen Lipman</b> Director and Chairman of the Board Age: 48 Date of First Appointment: December 6, 2013		
Education		
Degree/ Course	School Last Attended	Year Graduated/ Attended
Bachelor of Economics	Macquarie University Sydney, Australia	1986 - 1988
Post-Graduate:		
Degree/ Course	School Last Attended	Year Graduated/ Attended
Fellow of Institute of Actuaries of Australia	Institute of Actuaries of Australia	1992
Trainings/Others		
Nature/ Title	Conducted by	Year Taken
Orientation Course on Corporate Governance	Institute of Corporate Directors	November 27, 2014
Relevant Experience (Including Corporate Directorships)		
Name of Office	Position	Duration (Year)
Zurich Hong Kong	Head of Retail Distribution, Asia Pacific Middle East	2011 - 2012
	Chief Commercial Officer, Asia Pacific Middle East	2010 - 2011
Prudential, PCA Life Japan	President & CEO	2006 - 2010
Prudential, PCA Hong Kong	Regional Director, Business Strategy, Insurance Asia	2003 - 2005
ACE, Singapore	Chief Actuary, Asia Pacific	1999 - 2003
AIA, Thailand	VP Actuarial and Marketing	1996 - 1999
Prudential, Sydney	Product Development Actuary	1989 - 1996
Aetna, Sydney	Actuarial Cadet	1987 - 1988

 <b>Vicente B. Castillo</b> Independent Director Age: 62 Date of First Appointment: April 21, 2015		
Education		
Degree/ Course	School Last Attended	Year Graduated/ Attended
AB Economics	De La Salle University - Manila	1975
Trainings/Others		
Nature/ Title	Conducted by	Year Taken
Director	FGU Insurance Corp.	1993
Relevant Experience (Including Corporate Directorships)		
Name of Office	Position	Duration (Year)
Philippine Dealing System	President & CEO	2003 - 2013
Banco Santander Philippines, Inc.	President & CEO	1995 - 2003
Bank of the Philippine Islands	SVP & Group Treasurer	1989 - 1995
Bank of the Philippine Islands	VP / Deputy Treasurer	1987 - 1989
Bank of the Philippine Islands – Family Bank	VP/Treasurer/ Consumer Markets Head	1984 - 1987
Bank of the Philippine Islands	VP/Head, Money Markets & Fixed Income Investment Banking Group	1982 - 1984
Bank of the Philippine Islands	AVP/Chief Dealer (Local Currency, BPI Treasury Division)	1980 - 1982
Ayala Investment & Dev't. Corp (now BPI Capital)	Held various positions covering Research, Corporate Finance, and Fixed Income Trading from Management Trainee to Manager	1975 - 1980





**Atty. Leo Dominguez**  
Independent Director  
Age: 61  
Date of First Appointment: December 6, 2013

#### Education

Degree/ Course	School Last Attended	Year Graduated/ Attended
AB Economics	Ateneo De Manila University	1975

#### Post-Graduate:

Degree/ Course	School Last Attended	Year Graduated/ Attended
LL. B.	Ateneo De Manila University	1980

#### Trainings/Others

Nature/ Title	Conducted by	Year Taken
Baker & McKenzie Partner Program	Kellogg Graduate School of Management, Northwestern University, Illinois	2000
Orientation on Corporate Governance and Professional Directors Program	The Institute of Corporate Directors, Makati	2000

#### Relevant Experience (Including Corporate Directorships)

Name of Office	Position	Duration (Year)
Quisumbing Torres (Member Firm, Baker & McKenzie International)	Partner	Oct. 1991- June 30, 2010
Quisumbing Torres & Evangelista	Associate	Sept. 1986
Baker & McKenzie, Singapore	Associate	Sept. 1984
Guerrero Torres	Associate	1981 - 1984
Guerrero Torres	Associate	1977 - 1980



**Amb. Jose L. Cuisia, Jr.**  
Non-Executive Director & Special Advisor  
Age: 72  
Date of First Appointment: June 17, 2016

#### Education

Degree/ Course	School Last Attended	Year Graduated/ Attended
Bachelor of Arts/ BS in Commerce Magna Cum Laude	De La Salle University	1962 - 1967

#### Post-Graduate:

Degree/ Course	School Last Attended	Year Graduated/ Attended
MBA – Finance	The Wharton School, University of Pennsylvania, USA	1962 - 1970

#### Trainings/Others

Nature/ Title	Conducted by	Year Taken
Orientation Course on Corporate Governance (exempted)		

#### Relevant Experience (Including Corporate Directorships)

Name of Office	Position	Duration (Year)
SM Prime Holdings	Vice Chairman of the Board	1996
PHINMA Corp.,	Independent Director	1996
Manila Water Company, Inc.,	Independent Director	2011
Century Properties Group, Inc.	Independent Director	2015
The Covenant Car Company / Chevrolet Cars	Chairman of the Board	2013
AIG Shared Services, Inc.	Independent Director	2004
PHINMA, Inc.	Independent Director	2014
Adlemi Properties, Inc.	Chairman of the Board	2003
JVC Holdings, Inc.	Chairman of the Board	2004
Five Js Diversified Holdings	Chairman of the Board	2001





**Peter Karl Grimes**  
President & Chief Executive Officer  
Age: 57  
Date of First Appointment: November 6, 2014

## Board Diversity Policy

The Company is committed to increase diversity at the Board level as an essential element to improving governance and performance, and to create a competitive advantage. The Company believes in true diversity which will include and make good use of a variety of skills, experience, industry knowledge, perspectives, gender, age, background, ethnicity, and other distinctions among its Directors.

### Education

Degree/ Course	School Last Attended	Year Graduated/ Attended
English Language, Literature & History (A Levels)	Coldham College (Nairobi, Kenya)	1974 - 1977

### Trainings/Others

Nature/ Title	Conducted by	Year Taken
Orientation Course on Corporate Governance	Institute of Corporate Directors	November 27, 2014

### Relevant Experience (Including Corporate Directorships)

Name of Office	Position	Duration (Year)
Shoreline Asia	Senior Partner	Oct. 2010- Jan. 2013
PRU Life UK	President & CEO	Mar. 2009- Sept. 2010
Prudential Corp. Asia	Regional Director	July 2000 - May 2009
PRU One Asia	Chief Executive	July 2000 - Mar. 2001

## Office of the Corporate Secretary

The Corporate Secretary and/or his designated representative must ensure that all appointments are properly made and all necessary information are obtained from directors, both for the Company's records and for the purposes of meeting statutory obligations, as well as obligations arising from the requirements of regulatory agencies.

The Corporate Secretary must be a Filipino citizen and a resident of the Philippines. Considering his varied functions and duties, he must possess administrative and interpersonal skills, including, legal, financial or accounting skills.







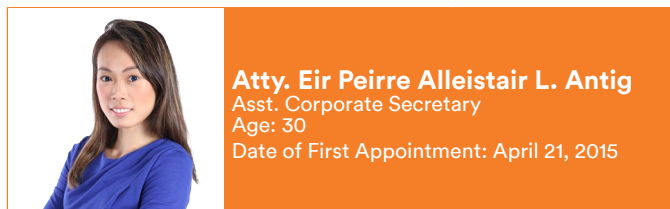
**Atty. Juan Sotero Roman**  
Corporate Secretary  
Age: 47  
Date of First Appointment: July 25, 2014

Education		
Degree/Course	School Last Attended	Year Graduated/Attended
BA Political Science	De La Salle University	1988 - 1994

Post-Graduate:		
Degree/Course	School Last Attended	Year Graduated/Attended
Bachelor of Laws	San Beda College of Law	1994 - 1988

Trainings/Others		
Nature/Title	Conducted by	Year Taken
College of Education, Teacher's Certificate Program	De La Salle University	1988 - 1994
2015 ASEAN Corporate Governance Scorecard Workshop for Insurance Companies	Institute of Corporate Directors	April 14, 2015

Relevant Experience (Including Corporate Directorships)		
Name of Office	Position	Duration (Year)
Manulife Philippines Legal & Compliance	Vice –President Head Of Legal & Head Of Compliance	July 2011 - Jan 2014
Manulife Philippines Legal & Compliance	Asst. Vice President, Officer-In-Charge	Jan 2011 - June 2011
Manulife Philippines	Senior Compliance Officer	Jul 2010 - Jan 2011
PRU LIFE UK	Claims Head	2007 - 2010
PRU LIFE UK	Sales Compliance Manager	2006 - 2007
Quasha Ancheta Pena & Nolasco Law Office	Associate	2000 - 2006
Britanico Consunji & Sarmiento Law Office	Associate	1999 - 2000
Basic Transportation Mgt. Corp.	Director/Corp. Sec.	1999
Sme Solutions Corp.	President	2009



**Atty. Eir Peirre Alleistair L. Antig**  
Asst. Corporate Secretary  
Age: 30  
Date of First Appointment: April 21, 2015

Education		
Degree/Course	School Last Attended	Year Graduated/Attended
B.S. Legal Management	De La Salle University	2003 - 2006

Post-Graduate:		
Degree/Course	School Last Attended	Year Graduated/Attended
JD Law	Ateneo Law School	2007 - 2010

Trainings/Others		
Nature/Title	Conducted by	Year Taken
2015 ASEAN Corporate Governance Scorecard Workshop for Insurance Companies	Institute of Corporate Directors	April 14, 2015

Relevant Experience (Including Corporate Directorships)		
Name of Office	Position	Duration (Year)
Manulife Philippines Legal And Compliance	Legal And Compliance Officer	July 2013 - Feb 2015
NMGRA Law Offices	Associate	2011 - 2013





## Rights of Shareholders

The shareholders have the powers and responsibilities as stated in the Corporation Code of the Philippines, the SEC Revised Code of Corporate Governance, and all other relevant laws, rules, regulations, and documents. Among other, all of Company's shareholders have the right to:

1. Participate in the amendments of the Company's constitution, authorize additional shares;
2. Transfer all or substantially all assets of the Company, which may result in the sale of the Company;
3. Effectively participate in and vote in general shareholder meetings;
4. Approve candidates for board of directors;
5. Exercise their pre-emptive right to all stock issuances of the Company;
6. Right to inspect corporate books and records;
7. Right to information;
8. Right to dividends; and
9. Appraisal right.

The shareholders are also informed of the rules and voting procedures that govern the general shareholder meetings.

### Capital Structure

Authorized Capital Stock	Php 1,000,000,000.00
Subscribed and Paid-Up	Php 1,000,000,000.00
No. of Shares Issued & Outstanding	1,000,000.00 shares
Treasury Share	none as of April 2015
Par value	Php 1.00/share

## List of Shareholders starting 11 April 2016

Name	Shares Held	Amount Paid	% of Ownership	Nationality
<b>FWD Group Financial Services Pte. Ltd.</b> (formerly Pacific Century Financial Services Holdings.,Pte.Ltd.)	999,999,995	Php 999,999,995.00	99.999%	Singaporean
<b>Julian McQueen Lipman</b> (Chairman of the Board)	1.0	Php 1.00	nil	Australian
<b>Peter Grimes</b> (President & CEO/Director)	1.0	Php 1.00	nil	British
<b>Lucia Chona S. Ventura**</b> (CFO/Treasurer/Director)	1.0	Php 1.00	nil	Filipino
<b>Vicente B. Castillo</b> (Independent Director)	1.0	Php 1.00	nil	Filipino
<b>Leo G. Dominguez</b> (Independent Director)	1.0	Php 1.00	nil	Filipino

\*As defined in SEC Memorandum Circular No. 16, series of 2002, an independent director is "a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any corporation that meets the requirements of Sec. 17.2 of the Securities Regulations Code..."

\*\*Lucia Chona S. Ventura, former CFO/Treasurer/Director, resigned from her post on March 2016 and has been replaced by Amb. Jose L. Cuisia, Jr. on June 2016.





## Board Meetings in 2016

The Board met six (6) times last 2016. The directors received the notice and agenda 14 days in advance. The meeting packs were received at least 1 week before the actual meeting and include information on the Company's operation, minutes of last Board Committee meeting, and all other documents needed for the Board meeting discussion.

The presence of at least the following number of members is necessary to have a quorum:

Committee	Number of Directors
Audit Committee	2
Nomination Committee	2
Remuneration Committee	2
Board of Directors	3

The affirmative votes of the majority of the directors present are required to decide a matter except where the law or the by-laws require a higher number.

The Board exercises the discretionary powers and oversees the management of the Company.

## Board Meetings

In the year 2016, the Company held six (6) Board meetings. Dates are as follows:

- January 20, 2016
- March 18, 2016
- April 11, 2016
- June 17, 2016
- September 13, 2016
- December 12, 2016

The overall attendance for the Board Meeting is 100%.

## Audit Committee

The Audit Committee met five (5) times on 2016. The overall attendance is 100%. Dates are as follows:

- March 18, 2016
- April 11, 2016
- June 17, 2016
- September 13, 2016
- December 12, 2016

## Nomination Committee

The Committee met five (5) times in 2016 with overall attendance rate of 100%. Dates are as follows:

- March 18, 2016
- April 11, 2016
- June 17, 2016
- September 13, 2016
- December 12, 2016

## Remuneration Committee

The Committee conducted meeting five (5) times in 2016 with overall attendance rate of 100%. Dates are as follows:

- March 18, 2016
- April 11, 2016
- June 17, 2016
- September 13, 2016
- December 12, 2016



The number of meetings held in 2016 and the overall attendance rate are as follows:

### Attendance Details of Each Director for 2016 Board and Committee Meetings

Director	Attendance
<b>Julian McQueen Lipman</b>	Attended all Board and Committee meetings.
<b>Vicente B. Castillo</b>	Attended all Board and Committee meetings.
<b>Atty. Leo G. Dominguez</b>	Attended all Board and Committee meetings except for one meeting.
<b>Peter Grimes</b>	Attended all Board and Committee meetings.
<b>Lucia Chona Ventura*</b>	Attended all Board and Committee meetings.
<b>Amb. Jose L. Cuisia, Jr.</b>	Attended all Board and Committee meetings.

\*Lucia Chona S. Ventura, former CFO/Treasurer/Director, resigned from her post on March 2016, and has been replaced by Amb. Jose L. Cuisia, Jr. on June 2016.





## Venue of Meetings

Meetings of shareholders and directors are held in the Company's main office in Taguig City.

## Annual Shareholders Meeting

The Company believes in the importance of according fairness to all shareholders and giving them all the right to exercise their vote. Thus, Company strongly encourages all shareholders to attend the annual shareholders meeting.

Company's latest Annual Shareholders meeting was held last April 11, 2016. Shareholders were informed that candidates for the Election of Directors were nominated by each of the Shareholders and whose qualifications were assessed by the Nomination Committee before presented during the Annual Shareholders meeting.

In assessing the qualifications of the candidates for the Board, the Nomination Committee reviewed the bio-data personally filled up by the candidates. The Committee considered factors such as skill and expertise, job experiences, and alignment with Company's vision and mission, among others. Candidates may be reelected every year, if found qualified. The shareholders were also advised and aware, before the meeting proceeds, that each shareholder is entitled to vote such number of votes equal to his/her number of shares. One share is equivalent to one vote.

## Shareholders who attended were as follows:

Julian McQueen Lipman  
for FWD Group Financial Services Pte. Ltd.

Delbert Ang-It for Security Bank Corporation

Julian McQueen Lipman  
(Chairman of the Board)

Vicente B. Castillo  
(Chairman of the Audit Committee)

Atty. Leo G. Dominguez

Peter Grimes  
(President & CEO)

Lucia Chona Ventura

## Voting in Absentia

Voting in absentia is allowed by the Company. Shareholders are furnished with a copy of Proxy Forms, wherein they can nominate their representative in case their primary representative is unavailable.

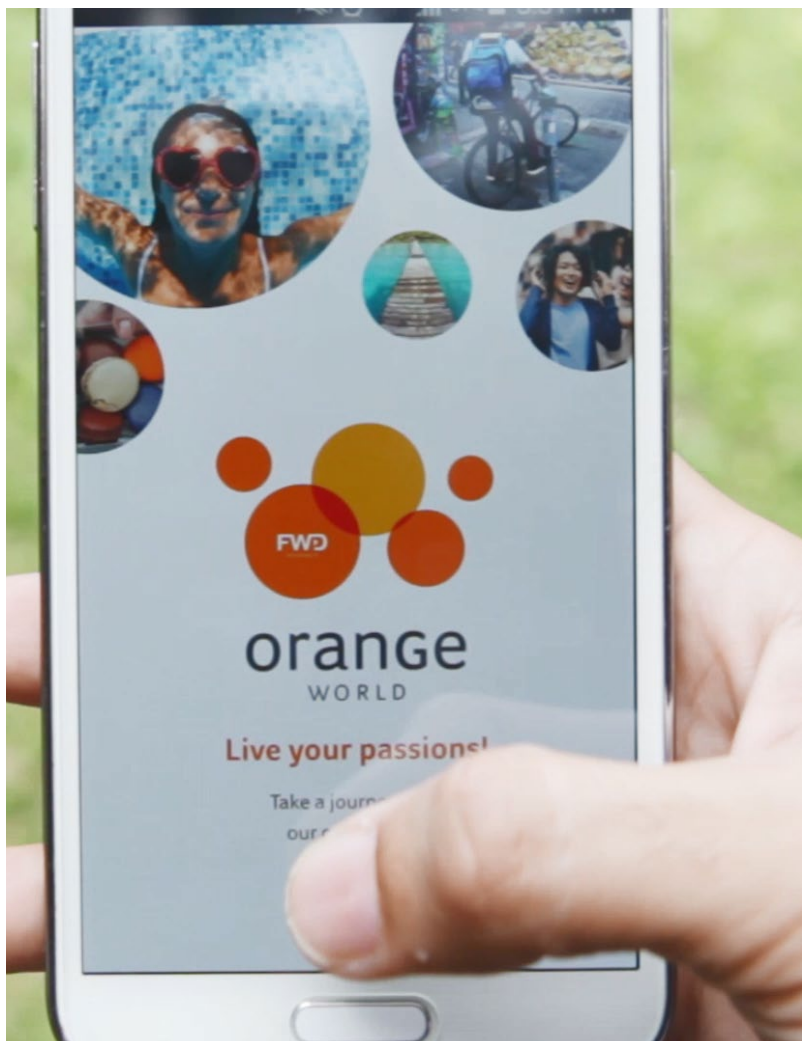
## Non-Executive Meetings

Company's Independent, Non-Executive Directors, who are also Audit Committee members, meet the external auditor and the internal audit team in the absence of management to discuss matters.



# Activities with

## External Stakeholders





# Brand

## Campaigns



### Live for Now

Live for Now, FWD Life's 2016 brand campaign, challenged the traditional approach of insurance, and demonstrated how FWD Life is different through changing the way people feel about insurance. The campaign empowered people to embrace adventure and spontaneity, and seize every moment without hesitation. The TVC aired on high-rating television shows on ABS-CBN and GMA, the country's top television networks, CNN Philippines, Cinema One, & Star Movies.



### Fill My Cup

FWD Life Philippines initiated a passion revolution with the launch of its lifestyle anthem "Fill My Cup," a song that talks about living life to the fullest and bravely making the most out of every opportunity. Written and composed in collaboration with international rock singer and actor MiG Ayesa, "Fill My Cup" debuted November 22, 2016 on radio stations Jam 88.3, Magic 89.9, and 103.5 K-Lite. FWD Life Philippines donated Php 50 every time "Fill My Cup" was requested and played on the radio to the Saint Rita Orphanage, a loving home that takes care of abandoned and orphaned children. On March 1, 2017, FWD Life Philippines President and Chief Executive Officer led the donation of the total campaign proceeds of Php 120 thousand in Paranaque City.



# Innovative

## Partnership



### FWD Life, The Official Insurer of the Philippine Basketball Association

FWD Life signed a three-year partnership with the Philippine Basketball Association (PBA) as the official insurer of the league. The partnership encourages people to pursue and experience their passions because FWD Life will always be there to back them up.

To encourage the Filipinos' continued love for the game, FWD Life held PBA ticket giveaways via FWD's social media platforms and ran halftime shows during game days showing PBA fans that FWD Life is a lifestyle continuity company that values the experience of enjoying life.



### Orange World

FWD Life Philippines launched an industry innovation for today's tech-savvy and passion-inspired consumers, Orange World. The lifestyle app, available for download on the Apple App Store and Google Play, aims to become a go-to source of trends in 4 popular interest points for Filipinos today: travel, food, fitness, and the arts. It also offers exciting freebies and perks from a carefully curated selection of merchant partners. Using the app, consumers can earn "passion points" via the app which they can redeem by simply logging in, reading, sharing, or liking content, and rewards. The app, launched in Mind Museum in Bonifacio Global City on August 12, 2016, is part of FWD's engagement strategy which is geared towards understanding the lifestyles of today's customers. With "Orange World" mobile app, FWD makes effective use of technology to adapt with today's generation of savvy consumers, connecting them to interests and activities they are passionate about.





## Live To Move

FWD Life Philippines spearheaded the “Live to Move” movement, a nationwide wellness project inspired by the virtue that achieving better health is key in getting ready to live life to the fullest. The successful runs in Cagayan de Oro, Cebu, Baguio, and Bonifacio Global City in Taguig in 2016 drew huge support from medical partners and health organizations, which helped raise awareness and get more Filipinos from each region moving towards a healthier, more active way of life. “Live to Move”—now in its second year—was built around the FWD Motion, a four-minute meta-workout especially designed by celebrity fitness coaches Jim and Toni Saret (“The Biggest Loser Pinoy Edition Season 2,” “Fit Filipino Movement”) to provide Filipinos the health benefit more akin to an hour’s worth of exercise. FWD Life conceptualized the “Live to Move” campaign by placing an emphasis on lifestyle continuity and pursuit for passions, en route to empowering Filipinos to get ready to live their lives to the fullest. The Live to Move campaign was recognized as the “Marketing Initiative of the Year” at the Asian Banking & Finance Insurance Asia Awards (IAA) held in Singapore. This honor demonstrates FWD Life’s commitment to a different approach in its marketing efforts, positioning itself as fresh, relevant, and engaged with customers in the Philippines. Live to Move was the highlight and culminating activity for the Milo Nutri-Up FitCon, the event platform launching the first adult drink of leading consumer beverage brand, Milo.

## FWD Piso Tales on Wattpad

FWD Life Philippines partnered with Wattpad, the global multiplatform entertainment company for original stories, in revolutionizing financial education via its “Piso Tales” advocacy campaign. “Piso Tales”, a one-of-a-kind initiative which aims to bring financial literacy closer to the country’s rapidly expanding millennial market, is geared towards changing the way people learn and share financial stories. In partnership with Wattpad, FWD worked passionately with 3 Filipino Wattpad authors in coming up with stories showcasing how millennials can succeed financially in life. This campaign aims to deliver financial advocacy through shared stories in the digital space. Apart from the commissioned stories, the Wattpad campaign activation involved:

1. Social media “Financial Hugot” posts based on real life experiences;
2. Risk personality online quiz to touch on life insights as well engagement with peers;
3. User-generated content & voting platform on Wattpad; and
4. eBook launch.





# Digital

## Assets



## EVO

Today's crop of consumers with millennial mindset are quicker to decide when the insurance market drives them visually. To help customers visualize their financial goals, FWD Life launched "EVO" – a web app which helps users plan their financial future. The web app visually presents four (4) financial life goals: Lifestyle Protection, Child Education, Future Investment, & Retirement. By simply entering how much customers have saved thus far and their financial goals, the web app automatically calculates how close they are to obtaining financial peace of mind. True to our approach of employing digital technologies to forward the brand, EVO is a welcome addition in reinforcing FWD Life's vision to change the way people feel about insurance.



# Activities for

## Employees



**Unleashing  
Vigor.  
Versatility.**



# FWD

## Trends



FWD Life Philippines held our year-end party, titled “FWD Trends”, on December 19, 2016 at Valkyrie Night Club. The theme of the party is “Orange is the new black”, emphasizing on the brand color of FWD Life Philippines. The event was filled with team presentations, employee recognitions, raffle draws, great music, and a night of celebrating the Company’s success and accomplishments.

## Movie

### Night



FWD Life Philippines had its Movie Night on August 4, 2016 at Bonifacio High Street Cinema. Two cinemas were reserved for FWD employees, agents, and other guests. There were over 30 tickets given away a couple of days before the activity which allowed employees to bring their “plus ones” to the cinema.

## Other Company Activities

- A. Monthly Townhall Meetings were held from April to December 2016. FWD Financial, Distribution Channel, Marketing, and Human Resources updates were presented & discussed during this monthly activity.
- B. FWD Life employees joined & competed in the following sporting events organized by the Philippine Life Insurance Association Inc.:
  - i. Bowling (May 2016)
  - ii. Badminton (August 2016) – FWD Life placed first (1st) in the Men’s Doubles Category.
  - iii. Basketball & Volleyball (September 2016)



# Human Resources



## Talent Acquisition

Imperative to the growth of the Company is ensuring that right talents are hired to fulfill the organization's open requirements.

In 2016, the Talent Acquisition team has been able to achieve the following success stories:

- Established the Candidate Experience Index (CXI) for both Talent Acquisition and the hiring manager starting June 2016. As of December 2016, CXI is at 9.77 and 9.38 (10 being the highest) for Talent Acquisition and hiring managers, respectively.
- Hired a total of 142 employees, 123 of which were for new positions while the remaining 19 were replacements. Employee referral remains to be the top source of new hires at 40%.
- Finalized our partnership with the following:
  1. Asian Institute of Management (AIM)
  2. UP Diliman under the UP Career Assistance Program (Virata School of Business)
  3. UP Diliman under Career Assistance Program for Scientists (Actuarial area). The team was also able to complete the structured internship process in 2016

## Compensation and Benefits

With the objective of improving the Company's competitive benefits package, the Compensation and benefits team initiated several programs:

- A Retirement Program has been implemented, providing the employees with competitive retirement benefits with an opportunity to contribute voluntarily with matching contributions by the company.
- A Group Health Insurance (HMO) Benefit Program was also enhanced as a new HMO provider with better coverage and more accredited hospitals, clinics, and doctors was contracted.
- An Annual Physical Exam (APE) was successfully held last year.
- An External audit was, likewise, conducted with zero major non-conformance.





## Learning & Development & Employment Relation

It is the team's goal to support each employee's development, thus the opportunity for Learning and Development Organizational Development, and Employee Relations units to introduce some significant initiatives. The following programs and initiatives were launched in 2016:

- Life Office Management Association (LOMA) certification courses (281, 291, and 321) which was launched by fourth quarter of last year and successfully enrolled 34 employees.
- Communication for Leadership Success and Communicating with Impact programs for both managers and staff were also introduced to enrich the employees' soft skills. This was first attended by Executive Committee members.
- The New Employee Orientation (NEO) program also had a "facelift" and included PRAXIS play, a gamification of investment and insurance learning. This was integrated into the New Employee Orientation which resulted to more engagement and participation from new hires. The Balanced Scorecard tool was launched to help deploy goals from top-bottom and align goals all throughout the company. This program will also start "spin-off" workshops on problem solving such as Root Cause Analysis tools.
- The Employee Separation Process was established and rolled out in 2016 to give clarity to usual confusion once an employee resigns. This policy was created to ensure a smoother process of the separation process and improvement of HR services to our stakeholders.



## Organizational Development

The Philippine Human Resources team values a highly-engaged workforce, thus several employee engagement and organizational development were driven:

- Teambuilding sessions were executed to the Operations and IT groups. Both sessions received above satisfactory ratings and an improved camaraderie among team members of both groups.
- Game Changer Awards, the improved Rewards and Recognition program for 2016, linked to the Organizational Values and Employee Value Proposition. The recognition program has clearer guidelines and a more technology-based platform (Workplace). It was championed in collaboration with other committee members from several departments across the company. This was well received by the community evident on the increasing number of nominations and the overall response of the employees during the year end awarding.
- Employee Engagement programs were felt all throughout the year as they celebrated the employees' hard work and commitment through:

Monthly Townhall Meetings where various treats were given

Celebrated commemorative events such as FWD Anniversary, Father's Day, Mother's Day, Movie Date, and birthday celebrations for employee

Launched Blaze a Trail program under Employer Value Proposition

- The annual Gallup Survey which is administered every November, and in its third year, enabled the continual engagement of employees and efforts of leaders to be game changers and create game changers amongst team members.
- With these, it is the HR Department's pride to conclude 2016 with confidence that service has been delivered to whom it is due. The HR team embarks 2017 with various plans to collaborate more with the different teams across the organization to fulfill FWD Life Philippines' 2017 corporate goals.



# Policies



## Engineering efficiency and effective solutions.

### Trading Policies and Conflict of Interest Policy/Related Party Transactions

FWD Life strictly adheres to fair trading practices. Our Corporate Governance Manual requires everyone to disclose any instance of conflict of interest that may display bias for or against any entity. If a conflict of interest exists, we require our officers, directors, and employees to disclose their interest and/or dealings within three days from the discovery. Additionally, they may not participate in any activity involving information that is not readily available to the public.

### Code of Conduct & Business Ethics

FWD Life's shareholders, directors, employees, officers, and distributors are committed to observing the highest code of professional ethics at all times. We take to heart our Code of Ethics and Business Conduct, because we want our policy holders and the insuring public protected at all costs. Thus, in order to "Do the Right Things Right," we have been guided by the following principles: act with honesty and integrity; be informed and act responsibly; be open and clear; act with professionalism and respect; and be socially and environmentally responsible. Constant trainings are conducted and advisories are sent to educate our people regarding the Code of Conduct.

### Whistleblower Policy

We believe that an ethically-governed Company could only be made possible with the utmost cooperation of our stakeholders -- our directors, officers, employees, financial advisers, business partners, third party suppliers, and the public.

Speaking up about any wrong doing on our part, including but not limited to, breaches of policies, violations of law, bribery and corruption is encouraged and Company will promptly address such reports.

The identity of the individual, who make such reports, is treated with utmost confidentiality and is protected from any form of retaliation.

#### Reports may be made by:

- Reporting directly to the Compliance Manager or other reporting officer in person;
- Calling the Whistleblower Hotline Number: (02) 215 1544
- Sending an email to: [FWDPHWhistleblower@fwd.com](mailto:FWDPHWhistleblower@fwd.com)

### Anti-Corruption Programs

The Company strictly adheres to Philippine laws on Anti-Bribery and Anti-Corruption. FWD Philippines adopts an Anti-Bribery and Gifts and Entertainment policy that provides guidance on how and/or when gifts and/or benefits may be accepted, and/or offered.



# Contact

## Information

**Pursue your passions and  
we'll take you to greater heights!**

**FWD Head Office and Customer Connect Center**

W Fifth Avenue Building, 5th Avenue corner 32nd Street,  
Bonifacio Global City, Taguig City 1634, Philippines  
+632.888.8393

**FWD Business Hub - SGA (Bonifacio Global City)**

10/F Del Rosario Law Centre 21st Drive Corner 20th Drive,  
Bonifacio Global City, Taguig City 1630, Philippines  
+632.776.5559

**FWD Business Hub - MDI Corporate Center**

Unit 1203, MDI Corporate Center, 10th Ave Cor 39th St.,  
Bonifacio Global City, Taguig, 1639, Philippines  
+632.805.1641

**FWD Business Hub - Pacific Star**

23/F Pacific Star Building Sen. Gil Puyat corner  
Makati Avenue, Makati City 1226, Philippines  
+632.807.8410

**FWD Business Hub - Baguio**

Unit 404-405, DBP Building, Session Road,  
Baguio City 2600, Philippines  
+6374.447.9799

**FWD Business Hub - Cebu**

G/F eBloc Tower 1 Geonzon St., JP Morgan Bldg.,  
Cebu IT Park, Cebu City 6000, Philippines  
+6332.412.3013

**FWD Business Hub - Davao**

3/F B.I. Zone Building J.P. Laurel Ave. Bajada,  
Davao City 2000, Philippines  
+632.224.6550

**FWD Business Hub - Cagayan de Oro**

G/F East Annex Building, Limketkai Mall, Lapasan,  
Cagayan de Oro City 9000, Philippines  
+6388.323.6393

[www.fwd.com.ph](http://www.fwd.com.ph)

Contact Number: +632.888.8393



[fwdlife.ph](https://www.facebook.com/fwdlife.ph)



[fwdlife\\_ph](https://www.instagram.com/fwdlife_ph)



[fwdlife\\_ph](https://twitter.com/fwdlife_ph)



[fwdlifeph](https://www.youtube.com/fwdlifeph)





**Get ready to live**  
[fwd.com.ph](https://fwd.com.ph)