

# Dare

to be

# Different

ANNUAL  
REPORT  
**2017**



## 2017 at a Glance

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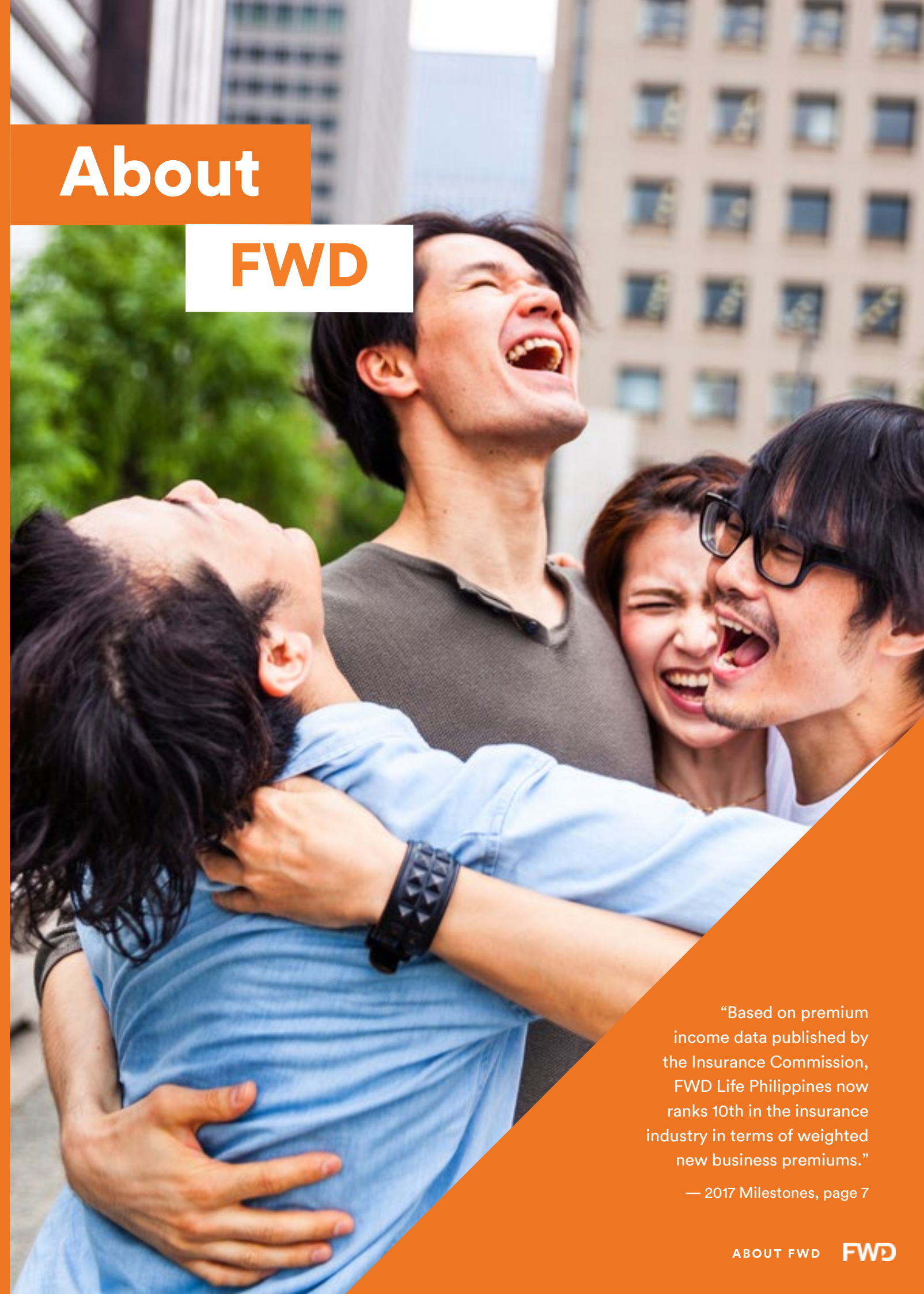






# About

## FWD



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“Based on premium income data published by the Insurance Commission, FWD Life Philippines now ranks 10th in the insurance industry in terms of weighted new business premiums.”

— 2017 Milestones, page 7



# 2017 Milestones

FWD steadily expands its reach across Asia, securing its mission to change the way people feel about insurance

## About FWD Group

FWD Group spans Hong Kong and Macau, Thailand, Indonesia, the Philippines, Singapore, Vietnam, and Japan, 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.

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



Over 2.7 million customers



13,100 tied agents across markets

(As of 31 December 2017)

## About FWD Life Philippines

FWD Life Insurance Corporation (FWD Life Philippines) is the first life insurance company licensed by the Insurance Commission of the Philippines under the new Insurance Code. FWD Life Philippines launched its commercial operations in September 2014. By March 2017, FWD Life Philippines became the highest-capitalized life

insurer in the Philippines with PhP2.3 billion in paid-up capitalization<sup>1</sup>. Based on premium income data published by the Insurance Commission<sup>2</sup>, FWD Life Philippines now ranks 10th in the insurance industry in terms of weighted new business premiums<sup>3</sup>.



> 38,400 customers



> 280 employees



> 2,400 distributors

(As of 31 December 2017)

1 [www.insurance.gov.ph](http://www.insurance.gov.ph) > Statistics > 2017 > Based on Paid-Up Capital  
2 [www.insurance.gov.ph](http://www.insurance.gov.ph) > Statistics > 2017 > Based on Premium Income  
3 Weighted New Business Premium Income: 100% of first-year premium on regular-pay plans + 10% of single-pay premiums

2017 FWD Life Philippines Milestones



**FEBRUARY 2017**

Opened its business hub in Santiago City, Isabela



**MAY 2017**

Materially strengthened its capital position as the life insurer with the highest level of paid in capital in the Philippines at PhP2.3 billion (based on available public disclosures)



**OCTOBER 2017**

Launched US Dollar All Set Higher, a dollar-denominated single-payment insurance protection and investment plan which allows customers to tap into a portfolio of global equities

FWD Life Philippines President and Chief Executive Officer Peter Grimes feted as one of the “Outstanding Leaders in Asia” by the Asia Corporate Excellence & Sustainability (ACES) Awards



**MARCH 2017**

Launched Set for Health, a new insurance product that provides the most comprehensive coverage against critical illnesses



**JULY 2017**

Lauded at the 2017 Philippine Quill Awards, the 2nd ABF Insurance Asia Awards, and 2017 PANata Marketing Effectiveness Awards

Recognized anew as one of Asia’s Best Employer Brands hosted by the World HRD Congress



**DECEMBER 2017**

Became first insurer in the Philippines to extend availability of Customer Connect hotline and Live Chat to 24/7

# Message Boards



“2017 was another good year for FWD Life Philippines, as we continued to progress and grow as an organization.”

— Message from the President and Chief Executive Officer, page 11



## Message from the Chairman of the Board

I am extremely honored to have been offered the role of Chairman of FWD Life Philippines, an extremely progressive company that is steadfastly growing and making a mark in the local insurance industry. FWD Life Philippines has shown such great potential in its three years of operations, and I am keen to contribute my own expertise in making sure that the Company retains its tremendous forward movement.

It is my goal to continue the great work of our previous Chairman, Julian Lipman, who remains as our Group Chief Operating Officer and Group Chief of Staff. On behalf of the whole FWD Life Philippines team, I send him my gratitude and best wishes. I would also like to extend my felicitations to our President and Chief Executive Officer Peter Grimes for being recognized as one of the “Outstanding Leaders in Asia” at the Asia Corporate Excellence and Sustainability (ACES) Awards.

That has always been our biggest strength: our people, the impassioned FWD PH warriors. I am grateful to be working with a team that is unwavering in its pursuit of excellence and is dedicated to working together as one. It is impossible to overemphasize the importance of team work. All members of the employee force, sales force, and agency force should persist in doing their share in achieving the objectives of the Company. Rest assured, the Board and Management will carry on with providing guidance and support. We should always put the interest of the Company ahead of our own, and I am personally committed to all of you—employees, agents, Stakeholders, Shareholders, Management, and the Board—and to our Company’s shared vision.

With everyone’s help, I am confident that we can sustain our growth in terms of size, reach, and industry ranking. I also plan to explore uncharted territories and develop new products and services, particularly group life products, group medical products, and others that are still being developed by our Group in Hong Kong. One of our strengths has always been our ability to work with technology. This is one of the things that differentiates us from the other life insurance companies, and I plan to continue capitalizing on this distinct advantage of FWD Life Philippines. I also intend to sustain servicing different market segments, particularly the younger generation who is always looking for exciting, new products. That is, after all, what we do: create fresh customer experiences that change the way people feel about insurance.

To our customers and partners, I assure you that we will “warrior on” with providing you the kind of value products and services that you deserve and expect. We are here to empower you to celebrate living, to live without fear or hesitation, and to live your best life yet.

**Amb. Jose L. Cuisia**  
Chairman of the Board  
FWD Life Philippines

## Message from the President and Chief Executive Officer

Dear friends of FWD,

2017 delivered another strong set of operating results for FWD Life Philippines, as we continued to innovate and grow as an organization. We achieved a number of significant milestones during the year, enhancing our reputation as the country’s most exciting insurance brand. As a result, I am pleased to share that, after our third full year of operations, FWD has broken into the industry top 10 ranking in terms of weighted new business premium. This is an impressive achievement after such a short time, made possible by our collaborative culture and the teams’ strong sense of pride and commitment to our Company vision and brand values.

By the end of 2017, FWD Life Philippines key highlights and achievements included:

- ▶ Gross insurance premiums increased to PhP4.55 billion, up 50% over 2016, with market share increasing to 2.2% (from 1.7% the previous year)
- ▶ New business annual premium equivalent (APE) grew by 53% over prior year
- ▶ Performance that continued to outpace industry growth, which notched 11% and 14% in gross insurance premiums and weighted new business premiums respectively
- ▶ Total assets increased to PhP9.79 billion, a growth of 59%, and total investments reached PhP8.83 billion, up 73%
- ▶ Distribution channels continued to scale, with Agency nearing 1,900 advisors nationwide and 190 Bancassurance Financial Solutions Consultants (FSC’s) servicing more Security Bank clients
- ▶ An expanded product portfolio now including additional unit-linked product variants, the launch of our innovative critical illness plan Set for Health and reduced underwriting exclusions, as well as formally launching our Corporate Care propositions
- ▶ Pioneering more value-added services to our growing customer base, such as our 24/7 customer service, ensuring greater availability and convenience
- ▶ Continuing to build a visibly differentiated insurance brand, with both brand awareness and consideration increasing across the board. As a result, we also received notable recognitions from Insurance Asia Awards, Philippine Quill, and PANATA Awards and, for the second consecutive year, FWD was recognized as one of “Asia’s Best Employer Brands”
- ▶ FWD Life Philippines now covers the lives of more than 75,000 Filipinos across our individual and group insurance products

Our people continue to be a major driver of our success. We are genuinely proud of our collective achievements over the last three years, as we continue to be committed to customer-friendly technology, proposition simplification, and operational efficiency as we strive to deliver industry-leading customer experience.

On behalf of the Executive team, I extend my gratitude to all Stakeholders who continue to trust and support FWD Life Philippines and our initiatives geared toward achieving our vision of changing the way Filipinos feel about insurance.

**Peter Grimes**  
President and Chief Executive Officer  
FWD Life Philippines





**Celebrate living.**

**Life has its ups and downs  
but we've got your back.**

**Get ready to live**  
fwd.com.ph



# Organization



“To our customers and partners, I assure you that we will ‘warrior on’ with providing you the kind of value products and services that you deserve and expect.”

— Message from the Chairman, page 10



# Board of Directors



**Vicente B. Castillo**

Independent Director

**Leo G. Dominguez**

Independent Director

**Peter Karl Grimes**

President and Chief Executive Officer

**Julian McQueen Lipman**

Chairman of the Board and Non-Executive Director  
(until 24 January 2018)

**Ambassador Jose L. Cuisia, Jr.**

Chairman of the Board and Non-Executive Director  
(from 24 January 2018)

**Arthur Lee**

Non-Executive Director

**Binayak Dutta**

Non-Executive Director



# Executive Committee



▶ **Judith  
Baliton**

VP for Operations

▶ **Rogelio  
Umali, Jr.**

Chief Technology  
Officer

▶ **Mervin  
Pobre**

Chief Strategy  
Officer

▶ **Manish  
Kumar Jain**

Chief Finance Officer

▶ **Peter  
Grimes**

President and  
Chief Executive Officer

▶ **Rien  
Hermans**

Chief Commercial Officer,  
ad interim

▶ **John  
Johnson**

Chief Distribution  
Officer

▶ **Rozanne  
Parungo**

Chief Human Resource  
Officer

▶ **Atty. Juan  
Sotero Roman**

General Counsel

▶ **Rina Isabel  
Velasquez**

Chief Actuary



# Operations Committee

 <p><b>Rochelle Vanderberghe</b> Head of Marketing</p>	 <p><b>Maricel Paygane</b> Head of Customer Experience &amp; Customer Contact Center</p>	 <p><b>Irene Andas</b> Head of Bancassurance</p>
 <p><b>Karl Sanvictores</b> National Head of Agency Proposition &amp; Business Development</p>	 <p><b>Camilo Velasco</b> VP, Distribution Head of Operations</p>	 <p><b>Erwin Go</b> VP, Head of Corporate Care</p>
	 <p><b>David Rowley</b> Head of Risk</p>	 <p><b>Edward Ang</b> Financial Controller</p>

 <p><b>Aprilyn Escucha</b> Head of Internal Audit</p>	 <p><b>Queenie Chua</b> Head, Business Intelligence</p>	 <p><b>Rolando De Castro</b> Head, Business Solutions Delivery</p>
 <p><b>Joy Cabugon</b> Head of Data Science</p>	 <p><b>Rogilyn Bertol</b> Head, Distribution Support</p>	 <p><b>Adam Spencer Cagaoan</b> Head of Customer Connect</p>
 <p><b>Narcisa Placido</b> Director, HR Operations and Talent Acquisition</p>	 <p><b>Ma. Teresa Cabantog</b> Director, Corporate Services</p>	



		
<b>Atty. Lea Royale Bulaon-Kabanlit</b> AVP, Head of Compliance	<b>Atty. Eir Peirre Alleistair Antig</b> Director, Legal	<b>Eric Jayson Hernandez</b> Agency Director for Luzon
		
<b>Erwin Sadorra</b> Product Proposition Director	<b>Dr. Gina Lominoque-Molina</b> Head of New Business & Underwriting	<b>Ana Katrina Guarin</b> Head of Learning & Development, ER and Organizational Development
		
	<b>Kristian Buan</b> Assistant Head of Information Technology	

FWD

Progress

“In 2017, Premium Income totaled PhP4.5B, an increase of 51% from previous year—and higher than the 11% industry growth rate.”

— Financial Highlights, page 26



# Key Risks

## FWD Life Philippines updates its risk procedures with an Enterprise Risk Management program

FWD Life Philippines has implemented an Enterprise Risk Management (ERM) program, in compliance with Group guidance, which includes risk governance, risk framework, risk appetite and limit, and details the risk management process and culture. The Board of Directors first approved the Company's risk framework in 2015 with subsequent annual review and updates as necessary. Delegated authority is given by the Board to the Executive Committee to ensure that the ERM program is implemented according to agreed directives. The Risk Management and Actuarial Committee (RMAC) meets on a quarterly basis to discuss risk-related matters and is chaired by the CEO, with representation from the Group office. The Board of Directors is briefed on the progress of the ERM program on a quarterly basis, with an update on the most recent RMAC meeting to seek any necessary approvals for action.

The Board of Directors of FWD Life Philippines has approved risk appetite, which outlines the Company's tolerance levels in relation to Value, Capital, Earnings, and Brand Value. These four (4) areas are monitored using a set of key risk indicators which are reported to the Executive Committee and Group office on a monthly basis, with any deviation from expected results escalated to management. The Company's risk profile is split into two (2) sections. The financial risk looks at the liability, asset, and product risk profile of the Company with metrics that include the SAA/TAA, target capital, investment restrictions, assumption setting, and financial metrics. The non-financial risk segment covers

the business strategy and operations with subprograms that include the risk register update, key control self-assessment, and incident/issue management.

The risk register update process is performed on an annual basis for the identification, assessment, response, monitoring and review, and communication on all risks affecting the Company. For this, the Archer GRC tool is used for documentation. As mentioned, this annual exercise is then reviewed by the Executive Committee on a monthly and quarterly basis to determine any changes to the Company's top risks, and these changes are communicated to the Board of Directors on a quarterly basis for their agreement. Starting 2017, the risk assessment was enhanced to include the managed risk rating in addition to the inherent and the residual risk rating. This allows management to clearly identify the end state for risk mitigation.

Risk management culture is an ongoing journey that embeds the risk consideration into management's day-to-day operation. The risk management department encourages this with a mixture of one-on-one, classroom, and online training reinforced with risk management awareness events.

The Risk Management team is proactively involved in many aspects of the business decisions and several management committees, such as business planning, product development, claims, and customer feedback.

In 2017, FWD Life Philippines closely monitored these key risk areas:

- ▶ Customer and company investments
- ▶ Changes to the political and regulatory investments
- ▶ Data protection
- ▶ Business and operational risks

Key risk areas regularly monitored include the macro economic environment—locally and regionally—with the main focus being on risks related to both customer and company investments, such as fluctuation in equity prices, interest rates, and potential defaults of credit instruments. This is of particular focus for customers of our Variable Universal Life (VUL) products. Changes to the political and regulatory environment are tracked to identify potential changes that will have an adverse effect on our customers or the Company. The Company liaises closely with our regulator in relation to any proposed changes while they are still in the discussion stage. Given that customer information is key to our business, technological changes and potential threats, such as cybercrime and the rapid rise in data theft, are key threats the Company faces.

Business and operational risks are key with subprograms such as the key control self-assessment, which helps management identify and remediate any potential control weaknesses. On a monthly and quarterly basis, the Executive Committee reviews the key risks facing the Company to discuss emerging risks and determine any changes in the risk profile or mitigating actions. This management review is then escalated to the RMAC, with subsequent escalation to the Board of Directors for their concurrence. Given the potential of natural disasters impacting the Company, the risk management team has created and tested a business continuity program that covers all critical functions within the Company. A crisis management team was created to respond to events as they happen and give direction to the Management team.





# Internal Audit

## The Company's Audit Committee establishes the roles and responsibilities of the Internal Audit

Internal Audit's primary purpose is to provide the Board and Management with an independent and objective assurance on the effectiveness of FWD Life Philippines' internal control system.

To maintain the Internal Audit's objectivity and independence, the Head of Internal Audit (HIA) reports directly to the Audit Committee—reports functionally to the Group Head of Internal Audit and administratively to the President & Chief Executive Officer. Likewise, the HIA conducts regular meetings with the Audit Committee without the presence of the management. The appointment and removal of the HIA require the approval of the Audit Committee.

On an annual basis, Internal Audit develops a flexible Plan, which outlines the internal audit activity, including the required resource to deliver the Plan. The Plan is prepared under a risk-based approach to address the key risks identified through FWD Life Philippines' overall risk management framework and discussions with management. The Plan is submitted to the Audit Committee for approval.

The HIA submits periodic reports to the Audit Committee and Management on the status and results of the internal audit program, significant control issues, and the overall adequacy of the control environment. Reports relating to individual audits are addressed to the applicable senior management required to respond with corrective actions.



# Business Hubs

## FWD Life Philippines continues to gain a solid foothold in the Philippine insurance market with new business hubs

In 2016, FWD Life Philippines expanded its business with the creation of these five business hubs:

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

**By the end of 2017, FWD Life Philippines has eight (8) offices around the country.**

- 1 FWD Business Hub – Pacific Star, Makati City
- 2 FWD Business Hub – Del Rosario Law Center, BGC
- 3 FWD Business Hub – MDI Corporate Center, BGC
- 4 FWD Business Hub – Baguio
- 5 FWD Business Hub – Cebu
- 6 FWD Business Hub – Davao
- 7 FWD Business Hub – Cagayan de Oro
- 8 FWD Business Hub – Santiago, Isabela

“FWD Life Philippines ensures that the employees' goals are aligned with the Company's by clearly communicating its strategies and future directions.”

– **Maylin Blanco**, FWD Brand Executive - Malolos

“FWD Life Philippines has been very supportive in encouraging its employees to explore and identify new development opportunities outside our comfort zones, thereby allowing us to build our skills portfolio.”

– **Lynnette Lapina**,  
FWD Branch Executive - Davao



“FWD Life Philippines helps consumers manage their risk. It allows people and businesses to set aside their worries and concentrate on the things that matter. As an employee, it has offered stability, challenges, and professional growth. The Company also motivates us to market and educate others on all the opportunities it has to offer.”

– **Lovelyn Dela Cruz**,  
FWD Branch Executive - Baguio



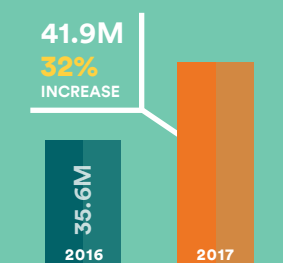
# Financial Highlights

FWD Life Philippines closes 2017 with outstanding figures that underscore a successful year



**₱4.5B**  
↑ 51% Increase from 2016

In 2017, Premium Income totaled ₱4.5B, an increase of 51% from previous year—and higher than the 11% industry growth rate.



Compared to prior year, 2017 Investment Income of ₱41.9M posted an increase of 32%, while Other Income amounting to ₱43.1M went up by 10% from Management Fee Income on variable products.



FWD Life Philippines' statutory net worth improved by 29% on account of additional capital infusion (₱P1.1B), offset by the increases in non-admitted assets.



Total assets increased by 59%, amounting to ₱P3.6B attributable to:

- 1 the increase of assets held to cover unit linked liabilities commensurate with growth in the Variable Universal Life (VUL) business;
- 2 increase in Available-for-Sale (AFS) financial assets as we shifted short-term deposits with banks to FXTNs and T-bills; and
- 3 increase in financial assets at fair value through profit and loss as we have seen favorable market performance for the underlying assets of the seed capital portion of our Variable Universal Life funds.



## Timely Filing and Release of the Annual Financial Statements

FWD Life Philippines' Audited Financial Statement has been released within 120 days from year end. Its Corporate Officers and Board of Directors testify to the accuracy of the Company's financial statement.



# Customer Experience (CX)

In our continuing effort to change the way people feel about insurance, FWD Life Philippines launched a series of initiatives that put our customers first

## 24/7 FWD Customer Connect

FWD Life Philippines has embarked on another exciting and game-changing initiative to provide our valued customers with best-in-class customer service. We are pleased to share that the FWD Customer Connect is now available to serve our sales force and customers twenty-four (24) hours, seven (7) days a week.

The move toward these new operating hours allows us to serve our growing number of customers and empowers them to engage with us at their own convenience. As the first in the Philippine insurance industry to launch such a facility, this service will put FWD Life Philippines ahead of competition and further strengthen our brand differentiation.



## Live Chat and CRM

To further our vision of having an omni-channel customer engagement center, the availability of an online Live Chat and other soon-to-launch operational and technological enhancements will help us provide customers with more relevant support channels in the near future.

FWD Life Philippines likewise introduced its Customer Relationship Management (CRM), which provides attentive customer care support by creating a single view of the customer and analyzing customer interactions throughout the lifecycle. This development aims to enhance customer relations, convert leads, nurture sales, and assist in retention.

Phase 1 was released in December, improving the call center efficiency: service staff are now able to track all existing customer inquiries and provide more concrete turnaround time and speedy resolution.

## Annual CX Index Survey 2017

In the fourth quarter of 2017, FWD Life Philippines conducted our second annual CX Index Survey. Together with Forrester Research, we engaged with customers through a survey aimed to better understand customers' expectations and their experience with the Company. FWD Life Philippines was able to identify key focus drivers to improve our CX, and these insights serve as reference points during the creation and design of our new customer solutions.

The good news? The Company remains in the forefront with a CX Index score of 75%, which is higher than the industry average. FWD Life Philippines is also rated above industry average for Retention, and increased its score year on year.

The ranking is based on several criteria that measure the Company's effectiveness in delivering a great CX—one that all customers want and expect.

"FWD Life Philippines has the power to change the way people feel about insurance because their approach is different from traditional ones."

– **Let Alcobendas**, potential customer

"FWD Life Philippines provides a wonderful customer experience—they are highly accessible and they offer immediate solutions to any problem. They're better than my other company."

– **Garp Kimayong**, FWD Life Philippines Financial Wealth Planner

"I often find it difficult to entrust my hard-earned income to financial services. But trusting FWD Life Philippines for my family's future came easily because we were warmly accommodated and competently served."

– **Ramon Saura III**, FWD Life Philippines client

"I have learned a lot from this Customer Experience gathering, which I've never experienced with other insurance providers. I really appreciate that FWD Life Philippines has taken the time to reach out to their clients—to get to know us and provide us with more insight on insurance."

– **Febe Lobrido**, FWD Life Philippines client

"Continue developing innovative insurance plans that truly reflect compassion for all Filipinos."

– **Adi**, potential customer





# True Multi-Channel Business

FWD Life Philippines continues to expand its reach by introducing new customer touch points



## Agency Sales

Our agency sales force continued to increase in strength in 2017, ending the year with over 2,200 Financial Wealth Planners and Leaders. In the third full year of operation, eighty-three (83) members of the sales force achieved the renowned Million Dollar Round Table (MDRT) status—almost double the number of qualifiers the previous year. New Business Annualized Premium Income is also up 42% over 2016, strongly contributing to FWD Life Philippines’ remarkable overall growth.

## Bancassurance

FWD Life Philippines’ much admired partnership with Security Bank continued to flourish in 2017 with the (bank) branch-based Financial Solutions Consultant (FSC) numbers growing to over 200, helping to maintain the channel as the largest in new premium income terms. As more Security Bank branches open, we continue to recruit more FSCs to ensure we are able to service the financial planning needs of more and more of the bank’s customers.

## Corporate Care

Launched at the end of 2016, our Corporate Care distribution channel firmly established itself in its first full year as an emerging, major player in the employee benefits arena. In 2017, the number of lives covered through Corporate Care increased to more than 22,000 and the channel is set to achieve significant growth in the coming year.



## Digital Channel

Peace Plan, FWD Life Philippines’ first digital insurance product that offers financial peace of mind against acts of terror, was introduced to Agency Sales and Bancassurance in 2016, and it celebrated its first anniversary in November. The Company continues to receive policy renewals for the plan, and payment options have been expanded to include offline methods, an added convenience for Peace Plan’s already happy patrons.



# Product Propositions

2017 saw the continued growth of the Company's products and the launch of two insurance products that reinforce FWD's commitment to our customers: Set for Health and US Dollar All Set Higher

## Individual Plans

### ► US Dollar All Set Higher

With a minimum investment of USD20,000, US Dollar All Set Higher offers Filipinos access to a global portfolio of equity shares of top listed corporations across the world, such as Apple, Microsoft, Facebook, Amazon, Samsung, Alibaba, and Toyota.

US Dollar All Set Higher is a dollar-denominated single-payment insurance protection and investment plan that gives customers the opportunity to take advantage of the growth potential of international economies while giving them lifetime insurance protection.

The plan brings the power of global investing closer to the Filipino. Premiums paid for US Dollar All Set Higher plan will be invested in FWD's new Global US Dollar Equity Index Fund. This fund provides access to a well-balanced portfolio of worldwide investments and an optimal diversification of the policy owner's investment. It closely tracks the total return of the MSCI All Country World Index (MSCI ACWI), which allows investors to participate in the long-term growth potential of international economies. All policy benefits from US Dollar All Set Higher are to be paid out in US dollars.

"The plan brings the power of global investing closer to the Filipino."

### ► Set for Health

FWD Life Philippines is offering Filipino families health benefits with the most comprehensive and flexible coverage in the market and a "no claim" reward.

With Set for Health, Filipinos can have peace of mind and be financially prepared in the event that they contract a critical illness. Set for Health has the most comprehensive coverage in the market: it provides protection against forty-two (42) major and fifteen (15) minor critical illnesses, with protection for up to three (3) unrelated major critical illnesses, until the age of seventy-five (75). The major critical illnesses covered by Set for Health are divided into five (5) groups: major cancers; major organ failure; heart and blood illnesses; neuro-muscular illnesses; and other critical illnesses, such as bacterial meningitis, major burns, and occupationally acquired HIV/AIDS.

Customers who go through a major critical illness may also need to opt for a less stressful albeit lower-paying job, and this could add an extra financial burden. Set for Health addresses this problem by offering continued protection, free of further charges, immediately after the customer's first major critical illness claim.

Furthermore, Set for Health's minor critical illness benefit gives customers a one-time benefit of 20% of the plan's coverage amount if diagnosed with any of the 15 minor critical illnesses, such as early stage cancer, severe osteoporosis, and diabetic retinopathy. Set for Health also provides a death benefit—whether there have been prior critical illness benefits paid or not—to help ensure the financial welfare of the insured's family.

And as part of Set for Health's "Healthy Life Benefit," those who stay healthy up to age 75 and do not claim for a major critical illness benefit are rewarded a refund of 100% of the total premium payments made.



### ► Set for Life

Set for Life is the protection and investment plan for starters, providing the flexibility to decide the coverage they need while invested in their preferred investment fund. The investment component provides a range of professionally managed investment funds that address the customers' different investment objectives and risk-taking capabilities. Customers may set aside at least PhP18,000 per year for five (5), seven (7), ten (10) years or up to age ninety-nine (99). That is just PhP1,500 per month to enjoy a lifetime of insurance coverage and potential growth on investments. Set for Life includes riders for additional protection: accidental death, hospital cash, critical illness, life assist, and waiver of premium benefits.

### ► All Set

All Set gives customers a lifetime insurance protection with the benefits of investment for a minimum single premium of PhP100,000. This frees them from the worries of continuously paying premiums, allowing them to take advantage of windfalls as they come. All Set also provides customers the advantage of investing in a variety of FWD funds that affords them the opportunity to potentially grow their wealth. These funds are created to answer their different investment objectives and risk-taking capabilities. All Set includes riders for additional protection; these are accidental death, hospital cash, critical illness, and life assist benefits.

### ► All Set Higher

All Set Higher is a protection and investment plan that caters to high-net-worth individuals' higher financial goals and dreams. All Set Higher has a minimum single premium of PhP1 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 customers so they can focus on other important things in life. All Set Higher may be availed without initial fees and medical examination so customers can enjoy a hassle-free application.





### ► 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 PhP2,000 per year or for only PhP6 per day. Those who wish to extend coverage to family members (legal spouse and children under the age of eighteen [18]) may opt for Family Peace at only PhP3,000. Peace provides PhP1 million coverage to each individual covered under the plan for one (1) year, and can be renewed annually.



### ► 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 PhP6,000 per year (minimum premium for ten [10] years), customers are financially protected for up to PhP2 million and are covered if diagnosed with any type of cancer at any stage for 15 years. Customers may choose to pay for five (5) or ten (10) years, whichever is convenient. For quick and easy application, no questions will be asked about family medical history.

### ► Mortgage Redemption Insurance (MRI)

MRI is the customers' anchor of protection for their Security Bank Home Loan. Surviving family members will not be left with the burden of paying off the remaining home loan, because MRI provides financial protection in the event of untimely death of a home loan borrower. All it takes is a 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. For as low as PhP3,600, customers only pay for the coverage they need, which is good for one (1) year for a PhP1 million loan.

## Corporate Care Plans

### ► Group Life

Group Life protects employees in an organization by providing worldwide death coverage for employees and family members. The plan 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.

Group Life is also available in a small-to-medium enterprise (SME) packaged bundle called LiveSafe.

### ► Group Accident

By providing a benefit amount for loss of life due to accidental causes, Group Accident is a customizable accident plan designed to give employees or members maximum protection when an accident occurs. It 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.

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





# Corporate Governance

FWD Life Philippines’ corporate governance policy ensures that the best corporate governance practices are being adhered to by the Company for the benefit of all its stakeholders

FWD Life Philippines implements a robust 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 help achieve its vision. The Company hereby commits to comply 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, the Company shall update the Corporate Governance Scorecard in compliance with the relevant IC Circular Letters.



## Corporate Vision and Mission

FWD Life Philippines’ vision is to change the way people feel about insurance by leveraging technology and being nimble, innovative, and adaptable in a fast-changing environment.

The Company’s mission is to **celebrate life**. Open, committed, and proactive, FWD Life Philippines is dedicated to providing customers with innovative products and services that allow them to lead worry-free lifestyles.

## Independent Directors

Each of the Independent Directors meets the guidelines set in the Revised Code of Corporate Governance and Company’s Corporate Governance Manual of the Securities and Exchange Commission (SEC). These directors have no business or significant financial interest in the Company or any of its subsidiaries and are therefore considered independent.

The Company adheres to the ASEAN Corporate Governance Best Practices and adopts a term limit of nine (9) years or less for its Independent Directors.

## Annual Shareholders Meeting

FWD Life Philippines believes in according fairness to all Shareholders and giving them the right to exercise their vote. Thus, the Company strongly encourages Shareholders to attend the annual Shareholders meeting.

The Company’s latest annual Shareholders meeting was held on 15 March 2018. The Shareholders’ materials were circulated twenty-one (21) days before the actual meeting.

For the election of Directors, Shareholders (including non-controlling Shareholders) individually nominated and elected a candidate for the Board of Directors. The Nomination Committee assessed the nominees’ qualifications before they were presented during the annual Shareholders meeting.

In assessing their qualifications for the Board, the Nomination Committee reviewed all bio data, which the candidates personally filled up. The Committee evaluated, among others, their skills and expertise and job experiences, and whether these aligned with FWD Life Philippines’ vision and mission. Candidates may be reelected every year, if found qualified.

Before the meeting, the Shareholders were also advised that each one was entitled to cast vote(s) equal to his/her number of shares. (One share is equivalent to one vote.) Shareholders who attended were:

- ▶ **FWD Group Financial Services Pte. Ltd.** (with Arthur Lee as proxy)
- ▶ **Security Bank Corporation** (with Harold de Leon as proxy)
- ▶ **Arthur Lee** (Non-Executive Director)
- ▶ **Ambassador Jose L. Cuisia, Jr.** (Chairman of the Board)
- ▶ **Vicente B. Castillo** (Independent Director and Chairman of the Audit Committee and the Related Party Transactions Committee)
- ▶ **Atty. Leo G. Dominguez** (Independent Director and Chairman of the Nomination Committee)
- ▶ **Peter Grimes** (Executive Director and President and Chief Executive Officer)



## Voting in Absentia

The Company allows voting in absentia. In case their primary representative is unavailable, Shareholders are furnished with a proxy form to use in nominating their representative.



### 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 others, all of the Shareholders have the right to:

- ▶ Participate in the amendments of the Company’s constitution, authorize additional shares;
- ▶ Transfer all or substantially all assets of the Company, which may result in the sale of the Company;
- ▶ Effectively participate in and vote in general shareholder meetings;
- ▶ Approve candidates for Board of Directors;
- ▶ Exercise their pre-emptive right to all stock issuances of the Company;
- ▶ Inspect corporate books and records;
- ▶ Information;
- ▶ Dividends; and
- ▶ Appraisal

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



Capital Structure	
Authorized Capital Stock	PhP5,000,000,000.00
Subscribed and Paid-Up	PhP2,300,000,000.00
No. of Shares Issued & Outstanding	2,300,000.00 shares
Treasury Share	none as of March 2018
Par value	PhP1.00/share

### List of Shareholders as of 15 March 2018

NAME	POSITION	SHARES HELD	AMOUNT PAID	% OF OWNERSHIP	NATIONALITY
FWD Group Financial Services Pte. Ltd. (formerly Pacific Century Financial Services Holdings, Pte. Ltd.)	N/A	2,299,999,994	PhP2,299,999,994.00	99.999%	Singaporean
Jose L. Cuisia, Jr.	Chairman of the Board	1.0	PhP1.00	Nil	Filipino
Arthur Lee	Non-Executive Director	1.0	PhP1.00	Nil	Singaporean
Binayak Dutta	Non-Executive Director	1.0	PhP1.00	Nil	Indian
Leo G. Dominguez	Independent Director	1.0	PhP1.00	Nil	Filipino
Peter Grimes	President and CEO/Director	1.0	PhP1.00	Nil	British
Vicente B. Castillo	Independent Director	1.0	PhP1.00	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...”



Board of Directors and its Committees  
Starting 24 March 2017

For fiscal year 2017, composition of the Board and its Committee members is as follows:

► Remuneration Committee:  
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 and packages to the Shareholders and the Directors for approval.

In approving, reviewing, and recommending, 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. The Committee conducts an annual review of the remuneration packages to ensure that they are indeed updated and satisfactory.

► Related Party Transactions Committee:  
Members and Charter

The Related Party Transactions Committee was appointed by the Board of Directors to assess all related party transactions and ensure that related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations.

► Audit Committee: 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 makes 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:

- Julian McQueen Lipman (Chairman and Non-Executive Director until 24 January 2018)
- Arthur Lee (Chairman and Non-Executive Director from 24 January 2018)
- Atty. Leo G. Dominguez (Independent Director)
- Vicente B. Castillo (Independent Director)

Members are as follows:

- Vicente B. Castillo (Chairman and Independent Director)
- Arthur Lee (Non-Executive Director)
- Atty. Leo G. Dominguez (Independent Director)

Members are as follows:

- Vicente B. Castillo (Chairman and Independent Director)
- Atty. Leo G. Dominguez (Independent Director)
- Julian McQueen Lipman (Non-Executive Director until 24 January 2018)
- Arthur Lee (Non-Executive Director from 24 January 2018)

► Nomination Committee: 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 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, will highlight the objective of the Committee, which is to find the most suitable candidates for the Board and Management—those 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 26 September 2005.

Members are as follows:

- Atty. Leo G. Dominguez (Chairman and Independent Director)
- Julian McQueen Lipman (Non-Executive Director until 24 January 2018)
- Arthur Lee (Non-Executive Director from 24 January 2018)
- Vicente B. Castillo (Independent Director)

► Risk Management and Actuarial Committee: Members and Charter

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
- Jeff Lau (Group Office Representative)

► Investment Committee: Members and Charter

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





## 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 Manual of Corporate Governance; and all other relevant laws, rules, and regulations. Thus, voting requirements and matters for voting as required by the abovementioned laws are strictly followed by the Board of Directors.

In general: the Board exercises all the powers of a corporation; conducts all businesses; and controls all properties of the corporation. For the Board to perform diligently, the optimum number of directorships shall be generally related to the capacity of a Director. 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 on why they feel they can diligently carry out their duties to the Company.

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 strategic directions. The Board of Directors, together with Company Management, also sets and reviews 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 updated.

## Chairman: Role and Responsibilities

Chairman's responsibilities may include:

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

## Board Diversity Policy

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


## Board of Directors as of 15 March 2018:

- ▶ **Julian McQueen Lipman**  
(Chairman until 24 January 2018)
- ▶ **Jose L. Cuisia, Jr.**  
(Chairman from 24 January 2018)
- ▶ **Arthur Lee**  
(Non-Executive Director)
- ▶ **Binayak Dutta**  
(Non-Executive Director)
- ▶ **Atty. Leo G. Dominguez**  
(Independent Director)
- ▶ **Peter Grimes**
- ▶ **Vicente B. Castillo**  
(Independent Director)





Board Members Profiles



**Julian McQueen Lipman**

**Chairman of the Board (up to 24 January 2018)**

Age

49


Date of Appointment

6 December 2013

**Qualifications:**  
Lipman earned his Bachelor of Economics from Macquarie University Sydney, Australia. He is also a Fellow of the Institute of Actuaries of Australia.

**Trainings:**  
He attended training on Corporate Governance conducted by the Institute of Corporate Directors, an accredited training/course provider of the Insurance Commission.

**Relevant Experiences:**  
Before Lipman joined FWD Life Philippines, he’s had more than ten (10) years of experience in the insurance industry. He served as Zurich Hong Kong’s Head of Retail Distribution (Asia Pacific Middle East) from 2011 to 2012 and Chief Commercial Officer from 2010 to 2011. He was the President and CEO of Prudential PCA Life Japan from 2006 to 2010 and held other key positions in ACE Singapore, AIA Thailand, Prudential Sydney, and Aetna Sydney.



**Jose L. Cuisia, Jr.**

**Chairman of the Board**

Age

73

Date of Appointment

17 June 2016


**Qualifications:**  
Ambassador Cuisia, Jr. graduated Magna Cum Laude from De La Salle University, Manila, Philippines, with a degree in BA/BS Commerce. He earned his MBA in Finance from The Wharton School, University of Pennsylvania, USA.

**Trainings:**  
He completed the Corporate Governance Training Program of the Institute of Corporate Directors

**Relevant Experiences:**  
Cuisia, Jr. has held corporate directorships in Philippine conglomerates since 1996.

Apart from FWD Life Philippines, he is also Chairman of the Board in four other corporations: The Covenant Car Company Inc. (Chevrolet Philippines), Adlemi Properties, Inc., JVC Holdings, Inc., and Five Js Diversified Holdings. He is Vice Chairman of SM Prime Holdings, and an Independent Director in PHINMA Corp., Manila Water Company, Inc., Century Properties Group, Inc., AIG Shared Services, Inc., and PHINMA, Inc.

He took his official diplomatic post as Ambassador Extraordinary and Plenipotentiary to the United States of America from 2011 to 2016.



**Arthur Lee**

**Non-Executive Director**

Age

57


Date of Appointment

24 January 2018

**Qualifications:**  
Lee holds a Bachelor Degree of Arts from San Francisco State University, USA and earned his Juris Doctorate from Santa Clara University, California, USA.

**Trainings:**  
He attended the Corporate Governance Course conducted by the Institute of Corporate Directors in Philippines on June 6, 2018.

**Relevant Experiences:**  
Prior to joining FWD Life Philippines, Lee held concurrent roles: a member of the Executive Office of Tokio Marine Holdings (Tokyo) from 2013 to 2017 and Chief Executive of Tokio Marine Asia Pte. Ltd. from 2009 to 2017. He was also the Managing Director of Asia General Holdings Ltd. from 2004 to 2017 and Chief Financial Officer of Tokio Marine Asia Pte. Ltd. from 2008 to 2009. He’s also worked at TM Asia Insurance Singapore Ltd.; InSites Pte. Ltd.; and Price Waterhouse, China.



**Binayak Dutta**

**Non-Executive Director**

Age

45


Date of Appointment

15 March 2018

**Qualifications:**  
Dutta graduated with honors from Jadavpur University, India, with a degree in BA Economics. He earned his Post-Graduate Diploma in Business Management (MBA) from the Institute of Management Technology in 1996.

**Trainings:**  
As a new appointee, Binayak attended the Corporate Governance Course conducted by the Institute of Corporate Directors on June 6, 2018.

**Relevant Experiences:**  
Dutta has held prime positions in the insurance industry for over fifteen (15) years. He was most recently Chief Executive Officer of Prudential Life Assurance, Public Company Ltd. Thailand from 2008 to 2016. Prior to that, he was Chief Executive Officer of Prudential Vietnam Assurance Pte. Ltd. from 2007 to 2008 and Chief of Sales and Distribution for ICICI Prudential Life Insurance Company India from 2006 to 2007. He likewise held managerial positions in Microland Ltd. India, ICICI Bank India, and Bank of America India.



**Vicente B. Castillo**

**Independent Director**

Age

63


Date of Appointment

21 April 2015

**Qualifications:**  
Castillo holds a degree in AB Economics from De La Salle University, Manila, Philippines.

**Trainings:**  
He attended the ASEAN Corporate Governance Scorecard Orientation conducted by Institute of Corporate Directors in 2015.

**Relevant Experiences:**  
Castillo was President and CEO of Philippine Dealing System for ten (10) years. From 1995 to 2003, he worked with Banco Santander Philippines, Inc. as President and CEO. Castillo was SVP and Group Treasurer of Bank of the Philippine Islands in 1989. He held other prime posts in Bank of the Philippines Islands from 1980 to 1989.



**Atty. Leo Dominguez**

**Independent Director**

Age

62

Date of Appointment

6 December 2013

**Qualifications:**  
Dominguez graduated with a degree in A.B. Philosophy from Ateneo de Manila University in the Philippines and earned his Bachelor of Laws from the Ateneo Law School in 1980.

**Trainings:**  
He completed the Orientation on Corporate Governance and Professional Directors Program of The Institute of Corporate Directors, Makati, Philippines in 2015 and the Baker & McKenzie Partner Program of the Kellogg Graduate School of Management, Northwestern University, Illinois, USA in 2000.

**Relevant Experiences:**  
A law veteran of forty (40) years, Dominguez was an Associate in two firms: Quisumbing Torres & Evangelista in Manila, Philippines and Baker & McKenzie in Singapore, where he was involved in cross-transactions, merger and acquisitions, and advising multinational clients with their operations in several countries in the Asia Pacific region. He was also a Partner at Quisumbing Torres from 1991 to 2010.



**Peter Karl Grimes**

**President and Chief Executive Officer**

Age

58

Date of Appointment

6 November 2014

**Qualifications:**  
Grimes earned his English Language, Literature and History (A Levels) degree from Coldham College in Nairobi, Kenya.

**Trainings:**  
He attended the Orientation on Corporate Governance conducted by The Institute of Corporate Directors, Makati, Philippines in 2015.

**Relevant Experiences:**  
Grimes has eighteen (18) years of experience in the insurance industry. Before joining FWD Life Philippines, he was a Senior Partner at Shoreline Asia, an international financial services consulting firm in Hong Kong, from 2010 to 2013. He was also President and CEO of PRU Life UK from 2009 to 2010; Regional Director of Prudential Corp. Asia from 2000 to 2009; and Chief Executive at PRU One Asia from 2000 to 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, and accounting skills.

Members are as follows:

- ▶ Atty. Juan Sotero Roman (Corporate Secretary)
- ▶ Atty. Eir Peirre Alleistair Antig (Assistant Corporate Secretary)

Corporate Secretary’s Profile

	Atty. Juan Sotero Roman Corporate Secretary	
	Age	48
	Date of Appointment	25 July 2014

Qualifications:

Roman holds a BA Political Science degree from De La Salle University, Manila, Philippines. He earned his Bachelor of Laws from the San Beda College of Law in the Philippines.

Trainings:

He completed the Orientation on Corporate Governance conducted by The Institute of Corporate Directors, Makati, Philippines in 2016.

Relevant Experiences:

Roman has more than a decade of experience in the insurance industry. He was most recently with Manulife Philippines as Vice-President - Legal and Compliance (2011 to 2014); Asst. Vice President, Officer-In-Charge (January to June 2011); and Senior Compliance Officer (2010 to 2011). He was also previously with Pru Life UK as Claims Head (2007 to 2010) and Sales Compliance Manager (2006 to 2007).

	Atty. Eir Peirre Alleistair Antig Asst. Corporate Secretary	
	Age	31
	Date of Appointment	21 April 2015

Qualifications:

Antig graduated from the De La Salle University in Manila, Philippines with a degree in B.S. Legal Management. She earned her Juris Doctor Degree from the Ateneo Law School in Manila, Philippines.

Trainings:

She attended the Orientation on Corporate Governance conducted by The Institute of Corporate Directors, Makati, Philippines in 2016.

Relevant Experiences:

Before joining FWD Life Philippines, Antig was the Legal and Compliance Officer of Manulife Philippines from 2013 to 2015. From 2011 to 2013, she was an Associate at NMGRA Law Offices.



Board Meetings in 2017

The Board met four (4) times in 2017. The Directors received the notice and agenda fourteen (14) days in advance. The meeting packs were received at least one (1) week before the actual meeting and included information on the Company’s operation, minutes from the 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
Related Party Transactions Committee	2

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.



2017 Board and Committee Meetings and Attendance

Board and Committees	Members	Meeting Dates	Members Absent During the Meetings	Percentage of Attendance
Board of Directors	Julian McQueen Lipman Atty. Leo G. Dominguez Jose L. Cuisia, Jr. Peter Grimes Vicente Castillo	24 March 2017 23 June 2017 15 September 2017 1 December 2017	Peter Grimes and Vicente Castillo on 1 December 2017	90%
Audit Committee	Vicente Castillo Atty. Leo G. Dominguez Julian McQueen Lipman	24 March 2017 23 June 2017 15 September 2017 1 December 2017	None	100%
Nomination Committee	Atty. Leo G. Dominguez Julian McQueen Lipman Vicente Castillo	24 March 2017 23 June 2017 15 September 2017 1 December 2017	None	100%
Remuneration Committee	Julian McQueen Lipman Atty. Leo G. Dominguez Vicente Castillo	24 March 2017 23 June 2017 15 September 2017 1 December 2017	None	100%
Related Party and Transactions Committee	Vicente Castillo Julian McQueen Lipman Atty. Leo G. Dominguez	1 December 2017	None	100%

Venue of Meetings

Meetings of Shareholders and Directors are held in the Company’s main office in Taguig City.

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.

Orientation Program and Annual Trainings for Directors

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

The Company has developed Accelerated Learning Experience (ALEX), an online social learning site where Directors access Annual Development Training modules, such as Code of Ethics and Business Conduct and Email Security Policy.

Annual Performance Evaluation of the Board of Directors, Committee Members, and the Chief Executive Officer

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 Committees’ Terms of Reference.

Criteria for the Board and its Committees are as follows:

- 1. Exercise of responsibilities;
- 2. Conduct of operations;
- 3. Effectiveness of the Board or the Committee; and
- 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. Implementation and creation of Company strategy, policies, mission statements, etc.;
- 2. Monitoring and managing risk process;
- 3. Building 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.



The Board and Committee Performance Assessments were distributed on 1 December 2017. The Office of the Corporate Secretary, upon receiving the duly filled out assessments, tallied and summarized the results. On 15 March 2018, the results of the assessments were presented to the Board and Committees and recommendations were noted and considered.



# FWD Activities

It was a busy year for FWD Life Philippines: 2017 saw the Company actively engaged with its customers all over Metro Manila and in other key cities



## Life-Changing Music

FWD Life Philippines has changed the way people feel about insurance through music.

The Company generated PhP120,000 from radio song requests for its lifestyle anthem, “Fill My Cup.” For every request made for the song, written and performed by Filipino-Australian singer Mig Ayesa, PhP50 was donated to the Corporate Social Responsibility (CSR) program. The proceeds were then donated to Saint Rita Orphanage in Parañaque City. The donation will be used to support the orphanage’s feeding, health, and educational programs.

## Live Your Passion for Basketball

FWD Life Philippines believes in celebrating life and pursuing your passions. Recognizing the Filipinos’ love for the game of basketball, the Company continues to work with the Philippine Basketball Association (PBA) as its official insurer. Together, FWD Life Philippines and the PBA hope to encourage more Filipinos to pursue their passion for the sport.



“Thank you for making us feel like true winners, FWD Life Philippines!”

– Monina Coteok, FWDxPBA contest winner



“We have been working with FWD Life Philippines for over two years and their ‘Get Ready To Live’ brand attitude serves as one of the strongest pillars of the National Weight Loss Challenge.”

– Coach Jim Saret, FWD Life Philippines’ Live to Move ambassador and celebrity coach

## One Motion for a Healthier Nation

On its third year, FWD Life Philippines’ Live to Move partnered with Fit Filipino Movement for the National Weight Loss Challenge, led by celebrity fitness coaches and Live to Move ambassadors Jim and Toni Saret. The nationwide fitness and wellness movement kicked off in June 2017 with a goal to get Filipinos to live an active and healthier lifestyle—and successfully rallied the nation to collectively lose one (1) million lbs. The campaign saw the successful participation of local government units (LGUs), organizations, schools and universities, private companies, among others.



“The truth is that most of us who continue to struggle with losing weight, shedding off one or two pounds is already a humongous challenge. This is why we wanted to make losing weight fun and easy through FitFil’s National Weight Loss Challenge and FWD Life Philippines’ Live to Move.”

– Coach Toni Saret, FWD Life Philippines’ Live to Move ambassador and celebrity coach





## A Lifetime of Possibilities

What's on your bucket list? This was the question that inspired FWD Life Philippines' A Lifetime of Possibilities, a campaign that empowered people to take the first step to accomplishing what's on their bucket list—through actual experiences in culinary, fitness, filmmaking, and diving. The campaign gave Filipinos the power to pursue their aspirations without hesitation—another proof that FWD Life Philippines wants everyone to experience life and celebrate living.

**"I believe in FWD. I got a policy because I feel it's about time I secure my future and my son's."**

– **Kat Hernandez,**  
FWD Life Philippines' A Lifetime of Possibilities Bucket List winner

**"This kind of activity helps me introduce my insurance to my friends and colleagues."**

– **Anna Margaret Moran,**  
FWD Life Philippines' A Lifetime of Possibilities Bucket List' winner



**"FWD Life Philippines inspired me to live in the moment. Life's too short so just continue doing what you want to do."**

– **Krista Umandap,**  
FWD Life Philippines' A Lifetime of Possibilities Bucket List winner



## Our Company Marketing Wins Big

FWD Life Philippines had many reasons to celebrate in 2017. The Company was recognized for its innovative marketing initiatives by top award-giving bodies: 2017 Philippine Quill Awards, 2nd ABF Insurance Asia Awards, and 2017 PANATA Marketing Effectiveness Awards.

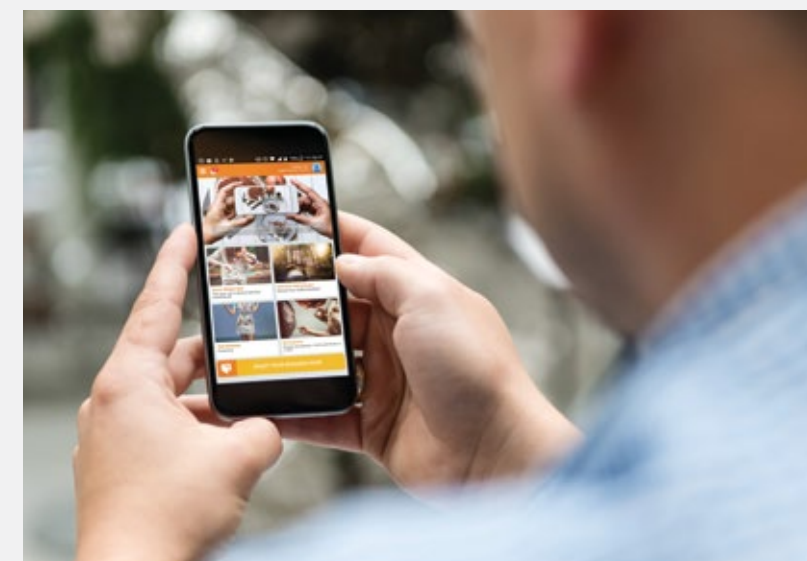


## FWD Life Philippines Goes to Isabela

FWD Life Philippines opened its new business hub in Santiago, Isabela—its first in North Luzon—in February 2017. President and Chief Executive Officer Peter Grimes led the celebrations, which included a city motorcade (aptly called the "Orange Parade").

## Moving Forward with FWD MAX

In 2017, FWD Life Philippines re-introduced its lifestyle mobile app Orange World with a new name: FWD MAX. The app offers exciting perks and freebies from selected merchant partners representing four (4) popular interest points: arts, food, fitness, and travel. By simply logging in, reading, sharing, or liking content on FWD MAX, users can earn "passion points" which they can redeem for rewards. FWD MAX is available for download on Google Play and the App Store.



## Spreading the Orange Vibe in Cebu

FWD Life Philippines celebrated with the people of Cebu during the Sinulog Festival 2017. The Company's lifestyle mobile app, FWD MAX (formerly Orange World), was introduced to local clients and bloggers at the FWD Life Philippines' booth situated within the festival grounds. Other exciting activities, like the Fill My Cup Bike Challenge and the FWD Logo Hunt, were also held and both proved to be instant hits among Cebuanos.



# Human Resources

The year 2017 was a great year for the Human Resources Department as it launched several “firsts” and various continuous improvement projects

## Talent Acquisition

Imperative to the growth of the Company is hiring the right talents to fulfill the organization’s open requirements. In 2017, the Talent Acquisition team achieved the following success stories:

- ▶ Hired a total of 105 permanent and sixteen (16) fixed term employees. Percentage of increase in headcount (from 2016 to 2017) is at 22%.
- ▶ Talent sourcing by FWD Talent Acquisition (TA) covers digital social networks as well as traditional partnerships, but employee referral remains to be the top source of new hires at 42%. This approximates a cost savings of about PhP9.5M.
- ▶ We strengthened our Academe Partnerships with Asian Institute of Management and University of the Philippines Diliman and have doubled the number of schools/universities that we partnered with. The list now includes De La Salle University, College of St. Benilde, Chiang Kai Shek, and University of Santo Tomas. This program has provided the Company an additional 726 individuals in our Talent Acquisition pool.

As a result of the strong partnership with Asian Institute of Management (AIM), we hired three (3) interns from AIM to support our Strategy team. In recognition of FWD Life Philippines’ efforts, we were given a plaque for being AIM’s 2017 Active Internship Partner.

For the second year in a row, FWD Life Philippines was one of the recipients of Asia’s Best Employer Brand at the 12th Employer Branding Awards.

“HR leveled up in 2017 specifically in having more company-wide events and employee engagement initiatives. These allowed Bancassurance warriors to connect and interact with more colleagues from other units. It’s great to be part of an organization that celebrates ‘being different’ and promotes an inclusive, hip culture.”

– Grace Dar-Santos, Bancassurance Sales



- ▶ FWD Life Philippines Chief Human Resources Officer Rozanne Parungo and FWD Group Head of Talent Management Dave Tan were invited to the 11th HR Congress as Resource Speakers. They presented the Company’s journey to establish the Blaze-A-Trail program under the Employee Value Proposition (EVP). Blaze-A-Trail shows that the Company is being acknowledged progressively in the business scene.

## Employees’ Welfare and Benefits

With the intention of improving our already competitive benefits package, the Compensation and Benefits (C&B) team initiated several programs:

- ▶ The Flex and Pick program. This game-changing flexible benefit program was launched to manager level and above positions in the middle of 2017. Qualified employees were able to redeem items, from electronics to home appliances, using source funds from unused leaves. This project delighted the employees, as reflected in the survey conducted late 2017.
- ▶ Being true to our Digitalization DNA, C&B launched the Cardiovascular Risk Assessment where employees were provided their blood chemistry results within a few hours through a mobile application (My Blood). The application, even months after the assessment, sends health reminders to the users, making the program more meaningful and long-term. An Online Retirement Portal was launched to provide a more efficient system for employees to check their retirement contributions and related investment fund performance.
- ▶ Onsite Government ID card capturing for Pag-IBIG and PhilHealth made it convenient for employees to acquire these government IDs while at work, and only in a matter of minutes. The card is also delivered to the office so employees do not have to go through long queues in these government entities.
- ▶ Great Wellness Fair was a program that promoted healthy living and the different natural ways of medication (e.g. natural oils, massage treatment, heating pillows).

“As an insurance company that believes in celebrating life, FWD Life Philippines’ employee engagement events are always a nice break from the monotony of work.”

– Oliver Katigbak, Marketing – Branding

## Learning and Development and Employee Relations

It is the HR team’s goal to support each employee’s development, so it introduced Learning and Development, Organizational Development, and Employee Relations units. The following programs and initiatives were launched:

- ▶ Instead of traditional book and paper exam, the Life Office Management Association (LOMA) certification course was taken online (via e-learning). Through this, enrollees were able to access the web-based course even when they were away from the office. A total of 82 employees enrolled in 2017; 60% of which passed while some of the enrollees will complete their courses by March 2018.
- ▶ Leader Development Program was launched to leaders through a series of bite-size modules to maximize attendance. These modules help equip leaders with effective management skills. From Goal Setting, Employee Relations, Performance Management, and Compensation and Benefits, leaders were exposed to examples and exercises mirroring the common concerns in the workplace. More than 80% of all leaders participated in this program. The Communicating for Leadership Success was continued this year for the leaders, while the Building an Environment of Trust program was also launched to some groups. This is to further strengthen the Culture Development advocacy of Learning & Development (L&D).
- ▶ L&D utilized internal talents by partnering with the Strategy team. They facilitated programs in their areas of expertise, such as Project Management and Lean Six Sigma Basics.
- ▶ The New Employee Orientation (NEO) program continued to include PRAXIS, a gamification of investment and insurance learning. This continues to be the most liked part in NEO as it is engaging, impactful, and it embodies FWD values.



Organizational Development

The FWD Life Philippines Human Resources team values a highly engaged workforce, thus, several employee engagement and organizational development activities were launched:

▶ Teambuilding sessions were facilitated in various teams including Actuarial and Finance, IT, Operations, and Bancassurance. All sessions received above satisfactory ratings and improved collaboration and camaraderie among team members of all groups.



▶ The Blaze-A-Trail program was reinforced further as it was adopted into the Trailblazer Awards, the recognition program of the Company. Individual awards were given for each persona. The Leader Award was added in 2017, and was given to those who embodied multiple EVP personas. There were also new awards: the Team Award and an Insta-Blaze award, given to those who exemplified Trailblazer accomplishments while exhibiting behaviors consistent with the core values. The Quarterly Recognition Awards were also made more exciting through innovative and creative presentations. The team invited a PBA star to join the awarding for 1Q; held a town hall meeting together with the CEO's birthday celebration for 2Q; celebrated 3Q during Halloween; and held a 4Q awarding ceremony led by members of the Executive Committee.

▶ Employee Engagement Programs were felt all throughout the year as we recognized the employees' hard work and commitment through recurring activities, such as:

“As an employee, HR-led events make me feel that FWD Life Philippines is celebrating with us. I appreciate that they make these events special for us even though we only hold it at the office. This promotes work and life balance, and a family-oriented culture among employees.”  
– Fleur Clarice Rinoza, Corporate Care

Town hall meetings with free ice cream and sports event participation under the Philippines Life Insurance Association (PLIA) league. The Company was represented in four sports events: badminton, basketball, volleyball, and bowling. We also celebrated commemorative events such as Father's Day, Mothers' Day, and a Halloween Special for employees.

Every quarter, we celebrated employee birthdays at McDonald's. Our President & Chief Executive Officer joined in one of the birthday celebrations and employees were very happy to have had the chance to co-celebrate their birthdays with him.

Innovations Committee launched Innovations Bootcamp Project, giving birth to three major ideas that can be translated into innovative products.



▶ 2017 Gallup Survey, which was administered in October, helped sustain employee engagement and efforts of leaders to create game changers.



"I love FWD Life Philippines because it takes good care of its employees and our families. My parents get to enjoy medical benefits, while I am able to invest for my future and do the things I love to do. In terms of work environment, I feel empowered that I can contribute to the Company's improvement and influence change. FWD Life Philippines also knows how to reward hard workers through activities like the Trailblazer Awards and the year-end party."

– Kristine Joy Catapang, Risk



The FWD Life Philippines HR team is proud to end 2017 confident that service has been delivered to whom it is due. They've now begun work on other collaborative plans that will help contribute to FWD's 2018 corporate goals.



## Le Carnavalesque

The year-end party was the most awaited event of 2017

A night of colors, lights, celebration, laughter, and camaraderie, Le Carnavalesque was undoubtedly one of the highlights of 2017.

FWD Life Philippines employees were decked out in their best masquerade outfits. There were performances from professional entertainers and a "rockeoke" by employees from different departments. A variety of hosts and co-hosts danced to Macarena, while exciting raffle draw segments energized the crowd. Chief Human Resources Officer Rozanne Parungo and President & Chief Executive Officer Peter Grimes discussed our 2017 successes in inspiring presentations, and to cap off a perfect evening, the Company likewise recognized the hard work of members celebrating their third anniversary.

It was indeed a memorable night that celebrated a great year for FWD Life Philippines.



"The Christmas Party was the highlight of Human Resources' 2017 events. I enjoyed the whole program as it was packed with great performances from Club Mwah, song and dance numbers from Peter and the rest of the FWD Life Philippines warriors, employee awards and raffle prizes, and cocktails! I really enjoyed the party and it's something to look forward to every year."

– Michelle Pieffer Fenix, Investment





# Policies

FWD Life Philippines continues to uphold its corporate values with these five policies

## Trading Policies and Conflict of Interest Policy

FWD Life Philippines 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 (3) days from the discovery. Additionally, they may not participate in any activity involving information that is not readily available to the public.

## Related Party Transactions

The Company adopted a Related Party Transactions (RPT) Policy to ensure that RPTs are conducted in the regular course of business and not undertaken on more favorable economic terms in favor of related parties. In this line, FWD Life Philippines established a Board Level RPT Committee to assist the Board in its assessment of all RPTs. The Committee ensures that RPTs are handled with prudence and integrity, that they are fair, at arm's-length, and compliant with applicable laws and regulations. RPTs are properly disclosed in our audited financial statements, and other applicable filings required by the Insurance Commission.



## Code of Conduct & Business Ethics

FWD Life Philippines' 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 wrongdoing 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 makes such reports is treated with utmost confidentiality and is protected from any form of retaliation.

### Reports may be made by:

- ▶ Reporting directly to the **Head of Compliance** or other reporting officer in person;
- ▶ Calling the Whistleblower Hotline Number: (02) 215 1544; or
- ▶ Sending an email to: **FWDPHWhistleblower@FWD.com**

### Anti-Corruption Programs

FWD strictly adheres to Philippine laws on Anti-Bribery and Anti-Corruption. The Company has implemented an Anti-Bribery and Gifts and Entertainment Policy that covers the duties and responsibilities of all employees and agents in relation to the offering and acceptance of gifts. It prohibits acceptance or offering of gifts that are used to gain undue business advantage or an undeserved favorable treatment.





# Compliance Awareness Week

Every year, Compliance celebrates Compliance Awareness Week (CAW) to help build awareness and reinforce FWD’s compliance program through fun and engaging activities. For 2017, CAW focused on the topics of data privacy, gifts and entertainment, social media, and whistleblowing. Prizes were given to all employees who participated in fun activities such as crossword puzzles, e-learning videos, email advisories, social media posting, and a breakout game in a mystery room.

“Excellent, organized, and engaging! Keep up the good work, Compliance team!”

- Maria Vida Atienza-Santos, Distribution Support

“Successful engagement with employees gaining great awareness.”

- Maridel Napoles, Human Resources

“Fun and entertaining while learning new things.”

- Danica Ingalla, Bancassurance Sales

“Learning in the most exciting way!”

- Carla Quimbo, Distribution Recruitment



“Keep it up! Your activities are always something to look forward to.”

- Eulyn Juan, Human Resources

“What the Compliance department did was very effective. Incentivized learning is a sure-fire way to get people to read and participate.”

- Robert Wilson Escano, Bancassurance Sales



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# Contact

## Details

- **FWD Head Office (BGC)**  
W Fifth Avenue Building, 5th Avenue  
corner 32nd Street, Bonifacio Global  
City, Taguig City 1634, Philippines  
+632.888.8393
- **FWD Business Hub - Pacific Star  
(Makati City)**  
23/F Pacific Star Building,  
Sen. Gil Puyat Avenue corner Makati  
Avenue, Makati City 1226, Philippines  
+632.807.8410
- **FWD Business Hub (Davao)**  
3/F B.I. Zone Building,  
J.P. Laurel Avenue, Bajada,  
Davao City 2000, Philippines  
+632.224.6550
- **FWD Business Hub - Del Rosario  
Law Centre (BGC)**  
10/F Del Rosario Law Centre, 21st Drive  
corner 20th Drive, Bonifacio Global  
City, Taguig City 1630, Philippines  
+632.776.5559
- **FWD Business Hub (Baguio)**  
Unit 404-405, DBP Building,  
Session Road, Baguio City 2600,  
Philippines  
+6374.447.9799
- **FWD Business Hub (Cagayan de Oro)**  
G/F East Annex Building, Limketkai Mall,  
Lapasan, Cagayan de Oro City  
9000, Philippines  
+6388.323.6393
- **FWD Business Hub - MDI  
Corporate Center (BGC)**  
Unit 1203, MDI Corporate Center,  
10th Ave corner 39th St., Bonifacio  
Global City, Taguig, 1639, Philippines  
+632.805.1641
- **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 (Santiago, Isabela)**  
Upper Ground Floor, Mango Suites,  
Calao East, Santiago City, Isabela,  
3311, Philippines  
+6378.305.5505





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