



FWD Life Insurance Corporation

19/F W Fifth Avenue Building,
5th Avenue corner 32nd Street,
Bonifacio Global City,

27 May 2024

HON. REYNALDO A. REGALADO
Insurance Commissioner
Insurance Commission
United Nations Avenue, Ermita, Manila



ATTN: Atty. Joana Michelle J. De Ocampo
Officer-in-Charge
Anti-Money Laundering and Corporate Governance Division

RE: 2023 Annual Corporate Governance Report

Gentlemen:

In compliance with Insurance Commission Circular Letter No. 2020-72, FWD Life Insurance Corporation (the "Company") submits its Annual Corporate Governance Report (ACGR) for the calendar year ended 31 December 2023.

The Company's ACGR is signed and certified under oath by its Chairman of the Board, President & Chief Executive Officer, Chief Legal and Compliance Officer, Corporate Secretary, and its three Independent Directors.

We trust the foregoing is acceptable. For any questions or concerns regarding the foregoing, please email Corpsec.ph@fwd.com.

Very truly yours,


Jordan G. Zafra-Bernardo
FWD Life Insurance Corporation
Corporate Secretary

**ANNUAL CORPORATE GOVERNANCE REPORT OF
FWD LIFE INSURANCE CORPORATION**

1. For the fiscal year ended: 31 December 2023.
2. Certificate Authority Number: 2022/21-R.
3. Province, Country of incorporation: Metro Manila, Philippines.
4. Address: 19F W Fifth Avenue Building, Fifth Avenue corner 32nd Street, Bonifacio Global City, Taguig City, Metro Manila, 1634.
5. Company's telephone number: 02-8888-8393.
6. Company's official website: www.fwd.com.ph
7. Former name, address, fiscal year, if changed since last report: Not applicable.

ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p>The Board is composed of directors from diverse backgrounds and expertise that is relevant to the finance and insurance sector. The Board's diversity adds to its collective knowledge.</p> <p>Please see pages 54-59 of the Company's 2023 Annual Report ("2023 AR") for the Profiles of the Board of Directors for the Directors' relevant qualifications and experience, which also show an appropriate mix in their competencies.</p> <p>https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28</p>	
2. Board has an appropriate mix of competence and expertise.	Compliant	<p>Directors' qualifications are regularly assessed prior to their election or reelection. Directors maintain their skills and competence through various trainings to effectively perform their roles. Likewise, Directors commit an adequate amount of their time to review and monitor the Company's status. Please see:</p> <p>1. Paragraph B.2. of the Company's Board Charter contained in the Corporate Governance Manual ("CGM") on the Qualifications and Disqualifications of Directors;</p> <p>https://assets.contentstack.io/v3/assets/blt9d245</p>	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	<p>Directors' qualifications are regularly assessed prior to their election or reelection. Directors maintain their skills and competence through various trainings to effectively perform their roles. Likewise, Directors commit an adequate amount of their time to review and monitor the Company's status. Please see:</p> <p>1. Paragraph B.2. of the Company's Board Charter contained in the Corporate Governance Manual ("CGM") on the Qualifications and Disqualifications of Directors;</p> <p>https://assets.contentstack.io/v3/assets/blt9d245</p>	

		<p>055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=7</p> <ol style="list-style-type: none"> 2. Paragraph B.4 of the CGM on Training and Development; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=9 3. Paragraph C.2.d, of the CGM on Individual Responsibilities; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=14 4. Paragraph F.15.g of the Company’s Corporate Governance Committee Terms of Reference (“CGC TOR”); and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=7 5. Page 54-59 of the 2023 AR for the Profiles of the Board of Directors for the qualifications of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28 	
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Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	<p>The Company’s eight-seat Board is composed of seven non-executive directors and one executive director.</p> <p>Please see pages 54-59 of the 2023 AR for the Profiles of the Board of Directors.</p> <p>https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28</p>	
Recommendation 1.3			
1. Company provides in its Board Charter or MCG a policy on training of directors.	Compliant	<p>The Company’s Board Charter, as contained in its CGM, provides the policy on the training of directors, which includes an eight-hour minimum training program upon onboarding as well as a four-hour minimum continuing training for re- elected directors.</p>	
2. Company provides in its Board Charter or MCG an orientation program for first-time directors.	Compliant	<p>Please see paragraph B.4 of the CGM on Training and Development.</p> <p>https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=9</p>	
3. Company has relevant annual continuing training for all directors.	Compliant		

Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The Company has included its board diversity policy in its Board Charter. Please see paragraph A of the CGM on Composition of the Board. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=4	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary.	Compliant	The Board annually elects a Corporate Secretary, who is not a member of the Board, is a separate individual from the Compliance Officer and attends trainings on corporate governance. The Corporate Secretary performs the functions prescribed in the Company’s CGM. For 2023, the Corporate Secretary was Atty. Jordan G. Zafra-Bernardo, and was supported by Assistant Corporate Secretary, Atty. Erica May O. Gana-Santos. Please see: 1. Paragraph C.5 of the CGM on Corporate Secretary; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=16 2. Page 66 of the 2023 AR for the Office of the Corporate Secretary; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=34 3. Page 4 of the Company’s 2023 Amended General Information Sheet (“2023 Amended GIS”). https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_	
2. Corporate Secretary is not a member of the Board.	Compliant		
3. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
4. Corporate Secretary attends trainings on corporate governance.	Compliant		

		Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	The Board annually elects a Chief Compliance Officer who acts as governance officer. The Chief Compliance Officer is a member of the Executive Committee holding a position of Vice President and is not a member of the Board. The Chief Compliance Officer annually attends trainings on corporate governance. He likewise performs the	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant	functions prescribed in the Company's CGM. Atty. Juan Sotero Roman is the Chief Compliance Officer. Please see:	
4. Compliance Officer attends training/s on corporate governance annually.		<ol style="list-style-type: none"> 1. Paragraph C.6 of the CGM on Compliance Officer; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=17 2. Please see page 65 of the 2023 AR for the Profile of the Chief Compliance Officer; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=33 3. Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5 	

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>Compliant</p>	<p>Directors devote sufficient time and attention to familiarize themselves with the Company’s business, including regulatory requirements, which allows them to participate meaningfully to the Board’s meetings.</p> <p>Please see paragraphs C.2.c, C.2.d and C.2.g of the CGM on Individual Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=14</p>	
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Recommendation 2.2

<p>1. Board oversees the development, review and approval of the company’s business objectives and strategy.</p>	<p>Compliant</p>	<p>The Board reviews and adopts the Company’s strategic plan.</p>	
<p>2. Board oversees and monitors the implementation of the company’s business objectives and strategy in order to sustain the company’s long-term viability and strength.</p>	<p>Compliant</p>	<p>The Board also oversees the conduct of the Company’s business to ensure that the business is being properly managed and dealings with policyholders, claimants and creditors are fair and equitable.</p> <p>Please see paragraph C.1.a to C.1.c of the CGM on Collective Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12</p>	

Recommendation 2.3

<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>Compliant</p>	<p>The Board is headed by a competent and qualified Chairperson, Ambassador Jose L. Cuisia, Jr.</p> <p>Please see page 56 of the 2023 AR for the Profile of the Chairman of the Board. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=56</p>	
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Recommendation 2.4

<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p>Compliant</p>	<p>The duty to formulate an effective succession planning program for Directors and Senior Executives has been delegated by the Board to the Corporate Governance Committee (“CG Committee”), who shall recommend the same for the approval of the Board. Please see:</p> <ol style="list-style-type: none"> Paragraph B.6 of the CGM on Succession Planning and Retirement; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=11 Paragraph C.1.d and C.1.j of the CGM in relation to paragraph F.15.o. of the CGC TOR on Training and Performance of Directors and Senior Executives. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12 https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8 	
<p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p>Compliant</p>	<p>The Board has adopted a retirement policy for directors and has included the same in the CGC TOR. The Board also approved a retirement plan for Senior Executives and Company employees. Please see:</p> <ol style="list-style-type: none"> Paragraph B.6 of the CGM on Succession Planning and Retirement; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_C 	

		<p>orporate_Governance_Manual_2023.pdf#page=11</p> <p>2. Paragraph F.15.p of the CGC TOR. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8</p>	
Recommendation 2.5			
<p>1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.</p>	<p>Compliant</p>	<p>The Board ensures the Remuneration Policy specifies the relationship between remuneration and performance. The Board is not involved in the determination of its own remuneration. Remuneration of directors is based on the industry rate and fee structure within the FWD Group. Management refers Board remuneration to the Shareholders. Please see:</p> <ol style="list-style-type: none"> 1. Page 62 of the 2023 AR on Remuneration Structure; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=32 2. Paragraph B.7 of the CGM on Remuneration; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12 3. Paragraph E.2.g of the CGM on the Responsibilities of the CG Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=22 4. Paragraph F.15.r of the CGC TOR on General Remuneration. 	

		https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8	
<p>2. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p>Compliant</p>	<p>The Board ensures the Remuneration policy is in line with applicable requirements, good corporate governance practices, and long-term interests of the Company. Please see:</p> <ol style="list-style-type: none"> 1. Page 62 of the 2023 AR on Remuneration Structure; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=32 2. Paragraph B.7 of the CGM on Remuneration; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12 3. Paragraph C.1.j of the CGM on Collective Responsibilities; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13 4. Paragraph E.2.v of the CGM on the Responsibilities of the CG Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=23 5. Paragraph F.15.q of the CGC TOR on General Remuneration. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8 	

<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p>Compliant</p>	<p>Directors' Remuneration are approved by the Shareholders at the Annual Shareholders' Meeting following the election of Directors. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph B.7 of the CGM on Remuneration; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12 2. Paragraph F.15.w of the CGC TOR on Remuneration of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=9 	
<p>Recommendation 2.6</p>			
<p>1. Board has a formal and transparent board nomination and election policy.</p>	<p>Compliant</p>	<p>The Board, in its CGM, delegated the duty to adopt the Nomination and Election Policy to the CG Committee. The Nomination and Election Policy is contained in the CGC TOR.</p>	
<p>2. Board nomination and election policy includes how the board reviews nominated candidates.</p>	<p>Compliant</p>	<p>The Nomination and Election Policy for Directors and Senior Executives is contained in the CG Committee TOR. It includes a mechanism of how candidates may be submitted for evaluation, including submissions from minority shareholders. It explains the duty of the CG Committee to review and evaluate the qualifications, and determine the existence of any disqualifications, of all nominees, in accordance with the Company's CGM and applicable laws and regulations as well as the Company's strategic direction. It likewise contains an assessment of the Board's effectiveness in directing the process of renewing and replacing Directors. Please see:</p>	
<p>3. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</p>	<p>Compliant</p>	<p>The Nomination and Election Policy for Directors and Senior Executives is contained in the CG Committee TOR. It includes a mechanism of how candidates may be submitted for evaluation, including submissions from minority shareholders. It explains the duty of the CG Committee to review and evaluate the qualifications, and determine the existence of any disqualifications, of all nominees, in accordance with the Company's CGM and applicable laws and regulations as well as the Company's strategic direction. It likewise contains an assessment of the Board's effectiveness in directing the process of renewing and replacing Directors. Please see:</p>	

<p>4. Board has a process of identifying the quality of directors that is aligned with the strategic direction of the company.</p>	<p>Compliant</p>	<p>4. Paragraph B.3 of the CGM on Nomination and Election; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=9</p>	
<p>5. Board nomination and election policy includes how the company accepts nominations from minority shareholders.</p>	<p>Compliant</p>	<p>2. Paragraph E.2.e of the CGM on the Responsibilities of the CG Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=22</p>	
<p>6. Board nomination and election policy is disclosed in the MCG.</p>	<p>Compliant</p>	<p>3. Paragraphs F.15.e to F.15.j of the CGC TOR on Nomination and Election of Directors and Senior Executives. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=7</p>	
<p>Recommendation 2.7</p>			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related RPTs and other unusual or infrequently occurring transactions.</p>	<p>Compliant</p>	<p>The Board has the duty to regularly review and approve material transactions not in the Company’s ordinary course of business or transactions involving related parties.</p> <p>In furtherance of this duty, the Board has established a Related Party Transactions (RPT) Policy, which defines who is a related party and what transactions are considered related party transactions. The RPT Policy requires the periodic disclosure of all RPTs to the RPT Committee to enable the Committee to review and determine the fairness of such transactions. RPTs which exceeding the materiality thresholds set by the</p>	
<p>2. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>Compliant</p>		

<p>3. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p>	<p>Compliant</p>	<p>Board must be approved by the same. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph C.1.h of the CGM on Collective Responsibilities; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13 2. Paragraph E.3.e of the CGM on the Responsibilities of the RPT Committee; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=24 3. Paragraphs 1.1, 1.2, and 10 of the RPT Policy; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt830fe7591d28a575/FWD_Life_Related_Party_Transactions_Policy_(2020_June).pdf#page-2 4. Page 68 of the 2023 AR for the RPT Policy. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=35 	
<p>Recommendation 2.8</p>			
<p>1. Board is primarily responsible for approving the selection of Management led by the CEO and the heads of other control functions (Chief Risk</p>	<p>Compliant</p>	<p>The Board has the responsibility over the succession of senior management, especially the Chief Executive Officer, the heads of control functions (audit, compliance, risk), which includes the appointment, training, remuneration, performance assessment, and where appropriate,</p>	

<p>Officer, Chief Compliance Officer and Chief Audit Executive).</p>		<p>Replacement. In furtherance of this duty, the Board has an appropriate reporting system to monitor and assess the performance of the Management.</p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by the CEO and the heads of other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Please see paragraph C.1.j and C.1.k of the CGM on Collective Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13</p>	
<p>Recommendation 2.9</p>			
<p>1. Board establishes an effective performance management framework that ensures that Management, including the CEO performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p>The Board has an appropriate reporting system to monitor and assess the performance of the Management in view of the Company’s business objectives and strategy.</p> <p>Please see paragraph C.1.k of the CGM on Collective Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13</p>	
<p>2. Board establishes an effective performance management framework that ensures that personnel’s performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p>The Board conducts an annual performance evaluation on the President and CEO. Job evaluation is also conducted for executives, managers, and all employees to provide accurate placement of employees and jobs in their appropriate grades.</p> <p>Members of the Executive Committee and other officers with a rank of at least Vice President are subject to evaluation by the CG Committee and to re-appointment by the Board on an annual basis.</p>	

Further, the CG Committee annually reviews and evaluates the performance of personnel in relation to short or long-term compensation and incentives and makes recommendations to the Board for the approval of the same.

Please see:

1. Paragraph B.5.c of the CGM on Performance Evaluation;
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=11
2. Paragraphs E.2.d.iv, E.2.e.iv, and E.2.g.vi of the CGM on the Responsibilities of the CGC;
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=21
3. Paragraphs F.15.l to F.15.n, and F.15.s. of the CGC TOR; and
[https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_\(2023_Q4\).pdf#page=7](https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=7)
4. Page 62 of the 2023 AR on the Process of Our Directors' Evaluations and Appraisal.
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=32

Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The Board has the responsibility to review the adequacy and the integrity of the Company's internal control systems and management information systems.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p>The internal control system includes mechanisms to monitor and manage potential conflict of interest of management, directors, and shareholders, to review the implementation of risk management functions, compliance, functions, internal audit functions, and to review human resource policies, conflict of interest policies, compensation program for employees and succession plan for management.</p> <p>Please see paragraph C.1.d. to C.1.e of the CGM on Collective Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12</p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>The Board approves the Internal Audit Charter, as may be recommended by the Audit Committee.</p> <p>Please see paragraph F.16.c of the Company's Audit Committee Terms of Reference ("AC TOR"). https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-6</p>	
Recommendation 2.11			
3. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively	Compliant	The Board has established an enterprise risk management framework, which is reviewed and updated regularly, to identify, measure, mitigate and monitor risks affecting the Company. The ERM specifies the Company's risk management	

<p>identify, monitor, assess and manage key business risks.</p>		<p>procedures and processes to guide the Management and Directors on the Company's top risks and effectiveness of risk management strategies. Please see:</p>	
<p>2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>	<p>Compliant</p>	<ol style="list-style-type: none"> Paragraph C.1.f of the CGM on Collective Responsibilities; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13 Pages 70-71 of the 2023 AR on An Effective Risk Management https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=36 	
<p>Recommendation 2.12</p>			
<p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.</p>	<p>Compliant</p>	<p>The Board Charter is included in the Company's CGM, which is uploaded to the Company website. It includes the duties and responsibilities of Directors as well as the functions of the Board and its Committees. It likewise includes directors' performance assessment criteria, to guide the directors in the performance of their duties.</p>	
<p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p>	<p>Compliant</p>	<p>Please see the Board Charter in the CGM. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=4</p>	
<p>3. Board Charter is publicly available and posted on the company's website.</p>	<p>Compliant</p>		

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p>The Board has established the following committees to aid in complying with the principles of good governance:</p> <ol style="list-style-type: none"> 1. Audit Committee 2. Corporate Governance Committee 3. Related Party Transactions Committee 4. Risk Committee. <p>Please see paragraphs E.1 to E.4 of the CGM on Board Committees. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=20</p>	
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Recommendation 3.2

<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p>The Audit Committee was established on 6 November 2014. It supervises and monitors the external audit, the internal audit, the internal control system, and compliance with Company policies, and applicable laws and regulations. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph E.1.f. of the CGM on the Audit Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=20 2. Paragraphs B and F of the AC TOR on the Constitution. https://assets.contentstack.io/v3/assets 	
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		<p>/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-4</p> <p>https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-6</p>	
<p>2. Audit Committee is composed of at least 3 appropriately qualified non-executive directors, the majority of whom, including the Chairman, is independent.</p>	<p>Compliant</p>	<p>The Audit Committee was composed of Mr. Henry Joseph M. Herrera (Independent Director), Amb. Jose L. Cuisia, Jr. (Independent Director), and Mr. Adrian T. O'Connor (Non-executive Director).</p> <p>Please see:</p> <ol style="list-style-type: none"> 1. Paragraph E.1.a. of the CGM on the Audit Committee; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=20 2. Paragraph C.5. of the AC TOR; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-4 4. Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5 	

<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>All the members have experience in accounting, auditing, or finance.</p> <p>Please see pages 54-59 of the 2023 AR for the Profiles of the Board of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other Committee.</p>	<p>Compliant</p>	<p>Mr. Henry Joseph M. Herrera was the Chair of the Audit Committee and did not act as Chair for the Board or any other committee.</p> <p>Please see page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5</p>	
<p>Recommendation 3.3</p>			
<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	<p>Compliant</p>	<p>The CG Committee was established by resolution of the Board on 22 September 2020, to assume the responsibilities of the previous Nomination Committee and Remuneration Committee, and to guide the Board in its compliance with the CGM. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph E.2.e.iii of the CGM on Corporate Governance Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=22 2. Paragraph B.4 of the CGC TOR on Constitution. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms 	

		of_Reference_(2023_Q4).pdf#page=4	
2. Corporate Governance Committee is composed of at least 3 members, majority of whom should be independent directors.	Compliant	The CG Committee was composed of Atty. Lilia B. de Lima (Independent Director) as Chairman, and Mr. Manolito T. Tayag (Independent Director) and Amb. Jose L. Cuisia Jr. (Independent Director), as members. Please see:	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<ol style="list-style-type: none"> Paragraph E.2.a of the CGM on Corporate Governance Committee; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=21 Paragraph C.5 of the CGC TOR on Membership; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=5 Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5 	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's ERM system to ensure its functionality and	Compliant	<p>By resolution of the Board on 7 June 2018, the Risk Committee, previously a management committee, was promoted as a Board Committee.</p> <p>The Risk Committee's duties include the review and approval of appropriate risk targets, monitoring of compliance and operations risk management infrastructure, review and</p>	

<p>effectiveness.</p>		<p>monitoring of financial risks and actuarial assumptions, review of business continuity plan and disaster recovery policy, among others.</p> <p>Please see paragraph E.4.d of the CGM on the Risk Committee. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=25</p>	
<p>2. BROC is composed of at least 3 members, majority of whom should be independent directors, including the Chairman.</p>	<p>Compliant</p>	<p>The Risk Committee was composed of Mr. Manolito T. Tayag (Independent Director) as Chairman, Amb. Jose L. Cuisia, Jr. (Independent Director) and Mr. Adrian T. O’Connor (Non-executive Director).</p> <ol style="list-style-type: none"> 1. Paragraph E.4.a of the CGM on Risk Committee; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=25 2. Paragraphs 2.3-2.4 of the Company’s Risk Committee Terms of Reference (“RC TOR”); and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt696abf702f5c2967/FWD_Life_Risk_Committee_Terms_of_Reference_(2023_Q4).pdf#page=3 3. Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_P 	

		ublic.pdf#page=5	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Compliant	Mr. Manolito Tayag is the Chairperson of the Risk Committee and not of the Board or any other Committee. Please see page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5	
4. At least 1 member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	Compliant	The Members of the Risk Committee have the requisite knowledge and experience on risk and risk management. Please see pages 54-59 of the 2023 AR for the Profiles of the Board of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28	
Recommendation 3.5			
1. Board establishes an RPT Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	The Board established the RPT Committee, which evaluates on an ongoing basis, the existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored and subsequent changes in relationships shall be reflected in the relevant reports to the Board and the Company's regulators. It likewise evaluates material RPTs to that these are not undertaken on more favorable economic terms to such related parties than similar transactions with non-related parties under similar circumstances. Please see: 1. Paragraph E.3 of the CGM on Related Party Transactions Committee; https://assets.contentstack.io/v3/assets/blt	

		<p>9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=24</p> <p>2. Paragraph H.3.f of the CGM on Related Party Transactions; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=30</p> <p>3. Paragraph 1 of the Company’s Related Party Transactions Committee Terms of Reference (“RPTC TOR”). https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt0f6781a033d2604e/FWD_Life_Related_Party_Transactions_Terms_of_Reference_(2023_Q4).pdf#page=3</p>	
<p>2. RPT Committee is composed of at least 3 non-executive directors, majority of whom should be independent, including the Chairman.</p>	<p>Compliant</p>	<p>The RPT Committee was composed of Amb. Jose L. Cuisia (Independent Director) as Chairman, Atty. Lilia B. De Lima (Independent Director) and Mr. Henry Joseph M. Herrera (Independent Director) as members. Please see:</p> <p>1. Paragraphs E.3.a to E.3.b of the CGM on RPT Committee; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=24</p> <p>2. Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Publ</p>	

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Recommendation 3.6

<p>1. All established committees have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.</p>	<p>Compliant</p>	<p>All Board Committees have Terms of Reference (TORs) to guide the Committees in the performance of their functions. Please see:</p> <ol style="list-style-type: none"> 1. AC TOR; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-1 2. CGC TOR; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=1 3. RPTC TOR; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt0f6781a033d2604e/FWD_Life_Related_Party_Transactions_Terms_of_Reference_(2023_Q4).pdf#page=1 4. RC TOR. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt696abf702f5c2967/FWD_Life_Risk_Committee_Terms_of_Reference_(2023_Q4).pdf#page=1 	
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p>Compliant</p>	<p>The TORs provide the functions of the Committees, to guide the members in the performance of their functions. Their performance as a committee is evaluated at least annually.</p>	

		<p>Please see:</p> <ol style="list-style-type: none"> 1. Paragraph h.21 of the AC TOR; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-9 2. Paragraph J.22 of the CGC TOR; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=11 3. Paragraph 17 of the RPTC TOR; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt0f6781a033d2604e/FWD_Life_Related_Party_Transactions_Terms_of_Reference_(2023_Q4).pdf#page=11 4. Paragraph 5.8 of the RC TOR. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt696abf702f5c2967/FWD_Life_Risk_Committee_Terms_of_Reference_(2023_Q4).pdf#page=7 	
<p>3. Committee Charters were fully disclosed on the company's website.</p>	<p>Compliant</p>	<p>The Committee TORs are all uploaded on the Company website. https://www.fwd.com.ph/about/corporate-governance/</p>	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

<p>1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p>Compliant</p>	<p>In view of the COVID-19 Pandemic and to ensure the safety of the Directors and employees of the Company, meetings in 2023 were conducted via hybrid arrangements, which accommodated physical meetings at the head office and simultaneously through remote communications in compliance with the rules of the Securities and Exchange Commission and the prescribed guidelines in the CGM.</p>	
<p>2. The directors review meeting materials for all Board and Committee Meetings.</p>	<p>Compliant</p>	<p>Materials on the Board and Committee meetings were sent to the Directors at least five (5) business days prior to the meeting to allow sufficient time for review. During the meeting, Directors were encouraged to participate meaningfully by asking questions and clarifications.</p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>Compliant</p>	<p>Please see:</p> <ol style="list-style-type: none"> 1. Paragraph D.2 of the CGM on the Conduct of Board Meetings; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=18 2. Paragraph C.2.d of the CGM on Individual Responsibilities; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=14 3. Page 60 of the 2023 AR on the Overview of the Board's Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=60 	

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Recommendation 4.2

1. **Non-executive directors concurrently serve as directors to a maximum of 5 Insurance Commission Regulated Entities and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management’s proposals/views, and oversee the long-term strategy of the company.**

Compliant

All Directors are members of not more than 5 publicly listed companies and Insurance Commission Regulated Entities, pursuant to the CGM, to allow them to devote a sufficient time to perform their responsibilities as Directors of the Company. Please see:

1. Paragraph B.1 of the CGM on Board Membership; and
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=7
2. Pages 54-59 of the 2023 AR for the Profiles of the Board of Directors.
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28

Recommendation 4.3

1. **The directors notify the company’s board where he/she is an incumbent director before accepting a directorship in another company.**

Compliant

In the event any of the Directors are nominated for directorships in other companies, they must first notify the Board before accepting the same and undertake that the acceptance of the nomination will not prevent them from diligently carrying out their duties to FWD.

Please see paragraph B.1 of the CGM on Board Membership.
https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=7

Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.

Recommendation 5.1

<p>1. The Board is composed of at least 20% independent directors.</p>	<p>Compliant</p>	<p>Four of the eight seats of the Board were occupied by independent directors, namely: Amb. Jose L. Cuisia, Jr., Atty. Lilia B. de Lima, Mr. Manolito T. Tayag, and Mr. Henry Joseph M. Herrera. Please see:</p> <ol style="list-style-type: none"> Pages 54-59 of the 2023 AR for the Profiles of the Board of Directors; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28 Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5 	
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Recommendation 5.2

<p>1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.</p>	<p>Compliant</p>	<p>All independent directors possess all the qualifications and none of the disqualifications to hold their positions.</p> <p>Please see pages 54-59 of the 2023 AR for the Profiles of the Board of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28</p>	
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Recommendation 5.3

<p>1. The independent directors serve for a maximum cumulative term of 9 years. As far as Insurance</p>	<p>Compliant</p>	<p>None of the independent directors have held such positions for longer than 9 years from 2 January 2015.</p>	
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<p>Companies are concerned, the foregoing term limit shall be reckoned from 2 January 2015.</p>		<p>Independent Directors are prohibited from serving in such capacity if their tenure as such has exceeded 9 years. Exceptionally, an independent director may be re-elected as such despite having already served the maximum term if the Board has meritorious justification, obtains shareholder approval, and submits proof of compliance with both requirements to the Insurance Commission (“IC”).</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of 9 years.</p>	Compliant	<p>Please see:</p>	
<p>3. In the instance that the company retains an independent director in the same capacity after 9 years, the board submits to the Insurance Commission a formal written justification and seek shareholders’ approval during the annual shareholders’ meeting.</p>	Compliant	<p>1. Paragraph A.2.b of the CGM on Term Limit; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=6</p> <p>2. Page 54-59 of the 2023 AR for the Profiles of the Board of Directors and their appointment dates. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28</p>	
<p>Recommendation 5.4</p>			
<p>1. The positions of Chairman of the Board and CEO are held by separate individuals.</p>	Compliant	<p>Amb. Jose L. Cuisia Jr. is the duly elected Chairman of the Board while Mr. Antonio Manuel G. De Rosas is the duly elected President & Chief Executive Officer. Their respective responsibilities are defined in the Company’s CGM. Please see:</p>	

<p>2. The Chairman of the Board and CEO have clearly defined responsibilities.</p>	<p>Compliant</p>	<ol style="list-style-type: none"> Paragraphs A.1, C.3, and C.4 of the CGM; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=5 https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=15 Pages 54-59 of the 2023 AR for the Profiles of the Board of Directors; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28 Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5 	
<p>Recommendation 5.5</p>			
<p>1. The Board should designate a lead director among the independent directors if the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person.</p>	<p>Compliant</p>	<p>There was no need for the Board to designate a lead independent director since the Chairman of the Board was an independent director.</p>	

Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.</p>	Compliant	<p>No Director has had a material interest in a transaction affecting the Company.</p> <p>Please see paragraph C.2.a of the CGM on Individual Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13</p>	
Recommendation 5.7			
<p>1. Non-executive directors (NED) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.</p>	Compliant	<p>The Non-executive directors convened in a meeting on 05 December 2023 with the Head of Internal Audit, the Chief Risk Officer, and the Chief Legal & Compliance Officer.</p> <p>The meeting was chaired by independent Chairman, Amb. Jose L. Cuisia, Jr.</p>	
<p>2. The meetings are chaired by the lead independent director.</p>	Compliant		
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
<p>1. The Board conducts an annual assessment of its performance as a whole.</p>	Compliant	<p>The Board conducts annual assessments of the Board Committees, its respective chairpersons, the Board of Directors as a collective body, and the Directors as individuals. The results of these</p>	

2. The performance of the Chairman is assessed annually by the Board.	Compliant	assessments for the year 2022 were reported to the Board on 24 March 2023. Please see:	
3. The performance of the individual member of the Board is assessed annually by the Board.	Compliant	1. Paragraph B.5 of the CGM on Performance Evaluation; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=10	
4. The performance of each committee is assessed annually by the Board.	Compliant	2. Page 62 of the 2023 AR for the Process of Our Directors' Evaluations and Appraisals. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=32	
5. Every three years, the assessments are supported by an external facilitator.	Compliant	The Company has secured the services of the Institute of Corporate Directors for the conduct of the Board assessments for calendar year 2023.	
Recommendation 6.2			
1. The Board has in place a system that provides, at the minimum, a criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	The CGM provides the criteria for evaluation of the Board and its Committees, for the respective chairpersons, and its individual directors. Please see paragraph B.5 of the CGM on Performance Evaluation. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=10	

<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>Shareholders are given the opportunity to provide feedback on the performance of the Board and Committees and their respective members during any shareholders' meeting or by submitting written feedback to the Board or concerned Committee, or through the Compliance Officer</p> <p>Please see paragraph B.5 of the CGM on Performance Evaluation. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=10</p>	
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Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

<p>1. The Board adopts a Code of Business Conduct and Ethics, which provides standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>Compliant</p>	<p>The Company established the Code of Business Ethics and Conduct (“Code”) to ensure all actions and decisions are measured and made against high ethical standards.</p> <p>The Code is disseminated to the Board, senior management, and employees by requiring them to study and pass a learning course on the Code upon onboarding, and every year thereafter. The Code is likewise made available on the Company’s website.</p>	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>Compliant</p>	<p>Please see:</p> <ol style="list-style-type: none"> Pages 69 of the 2023 AR for the Compliance Engagement Initiatives; and 	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>Compliant</p>	<ol style="list-style-type: none"> https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=35 The Code is uploaded to the Company’s Website. https://www.fwd.com.ph/about/corporate-governance/ 	

Recommendation 7.2

<p>1. The Board ensures the proper and efficient implementation and monitoring of compliance with the Code.</p>	<p>Compliant</p>	<p>The Board monitors compliance with the Company’s Code, as well as other policies and standards.</p>	
<p>2. The Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p>Compliant</p>	<p>Please see paragraphs C.d. and C.e of the CGM on Collective Responsibilities. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=12</p>	

Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1

<p>1. The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company’s financial condition, results and business operations.</p>	<p>Compliant</p>	<p>The Board ensures it has a timely and accurate disclosure of all material matters, including the financial condition, performance, ownership, and governance of the Company.</p> <p>Please see paragraph H.1.a of the CGM on Financial Reporting. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=28</p>	
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Recommendation 8.3			
<p>1. The Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	Compliant	<p>Before their election as directors and company officers, candidates submit their qualifications to the CG Committee. They are likewise transparent on any possible disqualifications, material interests in transactions, and other background information to apprise the CG Committee on their overall qualification. Please see:</p>	
<p>2. The Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.</p>	Compliant	<ol style="list-style-type: none"> 1. Paragraph F.15.g and h of the CGC TOR on Nomination and Election of Directors and Senior Executives; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=7 2. Pages 54-59 of the 2023 AR for the Profiles of the Board of Directors; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=28 3. Pages 40-45 of the 2023 AR for the Profiles of the Senior Management Team. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=21 	
Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the ACGR consistent with the ACGS and the Revised Corporation Code.</p>	Compliant	<p>The Company’s remuneration policy considers the salaries paid by comparable companies, the time commitment and responsibilities of the Directors, and remuneration levels with the FWD Group.</p> <p>Please see paragraph F.15.u of the CGC TOR on Remuneration of Directors. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=21</p>	

		972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8	
<p>2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the ACGR consistent with the ACGS and the Revised Corporation Code.</p>	<p>Compliant</p>	<p>The remuneration of Senior Executives is performance-based. It is likewise based on salary tier limits approved by the Board. Tier limits are periodically reviewed by the Chief People and Culture Officer, or such other person as may be authorized by the CG Committee. The Board approves revisions to the salary tier limits as may be necessary.</p> <p>Please see paragraph F.15.y to dd of the CGC TOR on Remuneration of Senior Executives. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_Corporate_Governance_Committee_Terms_of_Reference_(2023_Q4).pdf#page=9</p>	
<p>3. Company discloses the remuneration of directors on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>The remuneration rate of directors is disclosed in page 62 of the 2023 AR for the Remuneration of Directors for data privacy and security reasons. The Company shall disclose the individual remuneration of directors to the regulator upon request. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt90ac8536d013b046/FWD_Life_2023_Annual_Report.pdf#page=32</p>	

Recommendation 8.5

<p>1. Company discloses its policies governing Related Party Transactions (RPT) and other unusual or infrequently occurring transactions.</p>	<p>Compliant</p>	<p>The Company discloses its RPTs in its Audited Financial Statements. RPTs are reviewed and approved by the Board, as may be recommended by the RPT Committee. Please see:</p> <ol style="list-style-type: none"> Paragraph E.3.a and E.3.c of the CGM on Related Party Transactions; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=24 Page 68 of the 2023 AR for the Related Party Transactions Policy; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=35 Paragraph 10 of the RPT Policy; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt830fe7591d28a575/FWD_Life_Related_Party_Transactions_Policy_(2020_June).pdf#page-5 	
<p>2. Company discloses material or significant RPTs in its Annual Company Report or ACGR, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.</p>	<p>Compliant</p>	<ol style="list-style-type: none"> Page 55, Note 22 of the 2023 Audited Financial Statements on Related Party Disclosures. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltd5d175120b8c91b0/FWD_Life_2023_Audited_Financial_Statement_(AFS).pdf#page=62 	

Recommendation 8.7

<p>1. Company's corporate governance policies, programs and procedures are contained in its MCG.</p>	<p>Compliant</p>	<p>The Company's CGM, containing its corporate governance policies, is posted on the website. https://www.fwd.com.ph/about/corporate-governance/</p>	
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2. Company's MCG is posted on its company website.	Compliant		
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal and fees of the external auditors.	Compliant	<p>The Audit Committee oversees the Company's relationship with the External Auditor, which includes the responsibility of approving the scope, discussing the findings, and supervising management's responses. Through this process, the Audit Committee can evaluate the external auditor's performance and to make recommendations to the Board for approval and to the Shareholders for ratification on the selection, appointment, reappointment, resignation and removal of the external auditor, its remuneration and terms of engagement, and to consider any issues arising from the foregoing.</p>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	<p>Please see paragraph F.16.i to F.16.n of the AC TOR on External Audit. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-7</p>	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	<p>The Company has not removed an external auditor and has retained SGV&Co.</p>	

Recommendation 9.2

<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p> <p>a. assessing the integrity and independence of external auditors;</p> <p>b. exercising effective oversight to review and monitor the external auditor’s independence and objectivity;</p> <p>c. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements; and</p> <p>d. reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.</p>	<p>Compliant</p>	<p>The Audit Committee TOR enumerates the oversight function of the Audit Committee on the External Audit, which includes, among others:</p> <ul style="list-style-type: none"> a. assessing and monitoring the external auditor’s qualifications, independence and objectivity, its performance and the effectiveness of the audit process in accordance with applicable auditing standards; b. approving the nature and scope of the external audit and the external auditor’s reporting obligations; and c. overseeing FWD Philippines’ relationship with the external auditor. <p>Please see paragraphs F.16.i to F.16.n of the AC TOR on External Audit. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-7</p>	
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Recommendation 9.3

<p>1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.</p>	<p>Compliant</p>	<p>The Company has not engaged its external auditor, SGV&Co., for any non-audit service.</p> <p>Please also see paragraph E.1.f.xiv. of the CGM on Audit Committee. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=20</p>	
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.</p>	<p>Compliant</p>	<p>The Audit Committee periodically holds meetings with the external auditors to discuss significant problems, reservations and findings arising from the audit process, and any matters the external auditor may wish to discuss, without the presence of Management.</p> <p>Please see paragraph F.16.m of the Audit Committee TOR. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-7</p>	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

<p>1. The Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>The Company’s disclosure policy of its management of economic, environmental, social, and governance issues is disclosed in the Company’s CGM.</p> <p>Together with FWD Group, the Company supports the United Nations’ Sustainable Development Goals and adopts a strategy that aligns with our priority ESG issues.</p> <p>Please see:</p>	
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<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>Compliant</p>	<p>1. Please see page 30 of the CGM on Transparency and Disclosure; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=30</p> <p>2. Pages 31-35 of the 2023 AR on Our ESG strategy. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=16</p>	
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Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

<p>1. Company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.</p>	<p>Compliant</p>	<p>The Company’s website is www.fwd.com.ph.</p>	
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>The Audit Committee establishes the roles and responsibilities of the Internal Audit, which includes the submission of periodic reports to the Audit Committee containing the status and results of the internal audit program, significant control issues. This enables the Audit Committee to assess the overall adequacy of the control environment. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph F.16.c to h of the AC TOR on Internal Audit; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-6 2. Page 72 of the 2023 AR on Impartial and Independent Internal Audit. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=37 	
<p>2. Company has an adequate and effective enterprise risk management (ERM) framework in the conduct of its business.</p>	<p>Compliant</p>	<p>The Board approved the Company’s Enterprise Risk Management in 2015, with annual review and updates, to define the Company’s risk appetite along with its processes, culture, and the reliable practices to mitigate risks.</p> <p>The Company has embedded risk management in all aspects of business and maintains positive risk culture.</p> <p>Please see pages 70-71 of the 2023 AR on An Effective Risk Management. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=36</p>	

Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	Compliant	<p>The Internal Audit function was established to provide the Board of Directors and management with an independent and objective assurance on the effectiveness of the Company's internal control system. Please see:</p> <ol style="list-style-type: none"> Paragraphs F.16.c to F.16.h of the AC TOR; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page-6 Page 72 of the 2023 AR on An Impartial and Independent Internal Audit. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=37 	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	Compliant	<p>The Internal Audit function is performed in-house. The Head of Internal Audit (HIA), Ame June Lim, oversees and is responsible for the internal audit activity.</p>	
<p>2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.</p>	Compliant	<p>To preserve objectivity and independence, the HIA reports functionally to the Audit Committee and administratively to the President & Chief Executive Officer. Please see:</p> <ol style="list-style-type: none"> Paragraph C.1.k of the CGM on Collective Responsibilities; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=13 	
<p>3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is</p>	Compliant		

<p>assigned the responsibility for managing the fully outsourced internal audit activity.</p>		<p>2. Page 72 of the 2023 AR on An Impartial and Independent Internal Audit. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=37</p>	
<p>Recommendation 12.4</p>			
<p>1. The company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	<p>Compliant</p>	<p>The Company has an in-house risk function which identifies, assesses, and monitors key risk exposures as well as risk management strategies. Please see:</p> <p>1. Page 72 of the 2023 AR on Impartial and Independent Internal Audit; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=37</p> <p>2. Paragraph E.4.d of the CGM on Risk Committee. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=25</p>	
<p>Recommendation 12.5</p>			
<p>1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of the ERM.</p>	<p>Compliant</p>	<p>The Company regularly appoints a Chief Risk Officer to head the Risk function, and acts as the ultimate champion of the ERM. The appointed Chief Risk Officer is Ms. Angela Rowley (a.k.a David Rowley). Please see:</p> <p>1. Please see page 43 of the 2023 AR for the</p>	

<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>Compliant</p>	<p>Profile of the Senior Management Team, particularly, the Profile of the Chief Risk Officer; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=22</p> <p>2. Page 4 of the 2023 Amended GIS. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=5</p>	
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Cultivating a Synergic Relationship with Shareholders

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights

Recommendation 13.1

<p>1. Board ensures that basic shareholder rights are disclosed in the MCG.</p>	<p>Compliant</p>	<p>The Company discloses Shareholders basic rights in the paragraph G, Shareholder relations in the CGM.</p>	
<p>2. Board ensures that basic shareholder rights are disclosed on the company’s website.</p>	<p>Compliant</p>	<p>https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=27</p> <p>Please see the Company’s CGM, which provides the basic rights of the shareholders available at the Company Website. https://www.fwd.com.ph/about/corporate-governance/</p>	

Recommendation 13.2			
<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.</p>	Compliant	<p>The Company strongly encourages Shareholders' active participation in corporate affairs by ensuring their presence in Shareholders meetings and sending the Notice and Agenda for meetings at least 21 days prior to the meeting.</p> <p>Please see paragraph G.3, Shareholder Relations, of the CGM on Conduct of Annual Shareholders Meeting (ASM). https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=28</p>	
Recommendation 13.3			
<p>1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.</p>	Compliant	<p>The minutes of Shareholders meetings are circulated Shareholders prior to their next meeting, at which meeting they will be given the opportunity to raise clarifications or make corrections to the minutes.</p> <p>Please see paragraph G, Shareholder Relations, of the CGM on Conduct of Annual Shareholders Meeting (ASM). https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=28</p>	
<p>2. Minutes of the ASM/SSM are available on the company website within 5 business days from the end of the meeting.</p>	Compliant	<p>The Company has only one shareholder because it is a wholly owned subsidiary of FWD Group Services Pte. Ltd (Parent). This Recommendation is not applicable since the Parent's attendance and participation is indispensable to conduct any Shareholders' Meeting.</p> <p>Please see page 5 of the 2023 Amended GIS.</p>	

		https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltff18d6ab1c2f1f74/FWD_Life_Insurance_Corporation_Amended_2023_General_Information_Sheet_signed_and_notarized_Public.pdf#page=6	
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	The Company encourages the resolution of intra-corporate disputes in an amicable manner and may adopt the rules and procedures under the Alternative Dispute Resolution Act.	
2. The alternative dispute mechanism is included in the MCG.	Compliant	If litigation is unavoidable, the parties to the dispute may bring the same to a court vested with jurisdiction to resolve intra-corporate disputes. Please see page 30 of CGM on Dispute Mechanisms. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=30	
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	The Company undertook various projects in 2023, reaffirming its commitment to the community. Please see pages 36-37 of the 2023 AR on Our Commitment to the Community. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=19	

Recommendation 14.2

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p>The Board maintains an effective communication policy covering the shareholders, stakeholders, and the general public. The policy encourages a dialogue between the stakeholders and the Company and allows the stakeholders to give feedback which are factored into the Company's business.</p> <p>Please see paragraph G, Shareholder Relations, of the CGM. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=27</p>	
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Recommendation 14.3

<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company to obtain redress for the violation of their rights.</p>	<p>Compliant</p>	<p>The Board adopts the whistleblower framework to allow stakeholders to communicate with the Company to obtain redress for the violation of their rights and interests. Please see:</p> <ol style="list-style-type: none"> 1. Paragraph H. of the CGM on Accountability and Audit; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blte0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=28 2. Page 67 of the 2023 AR on the Whistleblower Policy. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=34 	
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Principle 15: A mechanism for employee participation should be developed to create a symbol environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>Compliant</p>	<p>The Board sets the tone from the top and supports the Company's implementation of a robust corporate governance policy to safeguard stakeholders' interests. The Company conducts an annual Consolidated Awareness Week, which consists of activities to reinforce the Company's compliance program.</p> <p>Please see page 69 of the 2023 AR on the Compliance Engagement Initiatives. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=35</p>	
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Recommendation 15.2

<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	<p>Compliant</p>	<p>The Company is against bribery and corruption as a way of building business and has established a Gifts, Entertainment, and Anti-Bribery Policy to guide employees in adhering to this stand.</p> <p>Please see page 67 of the 2023 AR on Gifts, Entertainment, and Anti-Bribery Policy. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=34</p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>Compliant</p>	<p>The Company makes all its policies available online through iHR, which is readily accessible to Directors and employees. There are periodic mandatory trainings to embed the same in Company culture. Further, the Company conducts activities to reinforce compliance with these policies.</p> <p>Please see pages 67-69 of the 2023 AR on the</p>	

		Code of Conduct and Business Ethics (Code) and Compliance Engagement Initiatives. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=34	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	The Board monitors enforcement of the Company’s whistleblower framework, which allows employees to communicate possible improprieties in financial reporting, internal control or other matters. Reports may be made by calling the Whistleblower Hotline Number, (02) 626 3210, or submitting an online report thru Convercent .	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the board or a unit created to handle whistleblowing concerns.	Compliant	Please see: 1. Paragraph H.2.f. of the CGM on Accountability and Audit; https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blite0034bfa45aca2c8/FWD_Life_Corporate_Governance_Manual_2023.pdf#page=29	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	2. Paragraph F.16.x of the AC TOR; and https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/blt2f0d7316c04ee029/FWD_Life_Audit_Committee_Terms_of_Reference_(2023_Q4).pdf#page=8 3. Page 67 of the 2023 AR on Whistleblower Policy. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=34	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1

<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>Compliant</p>	<p>The Company conducted several projects in 2023 in a show of community and solidarity.</p> <p>Please see pages 36-37 of the 2023 AR on Our Commitment to the Community. https://assets.contentstack.io/v3/assets/blt9d245055972fde4e/bltf46e5502fa9968de/FWD_Life_2023_Annual_Report.pdf#page=19</p>	
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CERTIFICATION

The undersigned certify that the responses and explanations set forth in FWD Life Insurance Corporation's Annual Corporate Governance Report are true, complete, and correct of our own personal knowledge and/or based on authentic records.

Signed in the City of Taguig on May 23, 2024.

(Sgd.)
Ambassador Jose L. Cuisia, Jr.
Chairman of the Board

(Sgd.)
Lilia B. De Lima
Independent Director

(Sgd.)
Henry Joseph M. Herrera
Independent Director

(Sgd.)
Manolito T. Tayag
Independent Director

(Sgd.)
Juan Sotero Roman
Chief Legal and Compliance Officer

(Sgd.)
Jordan G. Zafra-Bernardo
Corporate Secretary

SUBSCRIBED AND SWORN to before me this May 23 2024 in Taguig City, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

Name	Evidence of Identity
Ambassador Jose L. Cuisia, Jr.	
Lilia B. De Lima	
Henry Joseph M. Herrera	
Manolito T. Tayag	
Juan Sotero Roman	
Jordan G. Zafra-Bernardo	

Doc. No. 205
Page No. 42
Book No. 87
Series of 2024.

(Sgd.)
Notary Public

ATTY. EDUARDO P. BAROT
Notary Public for Taguig City, Roll No. 36248
Commission No. 4 Until December 31, 2024
PTR No. A-6123318/01.02.24/Taguig City
IBP Lifetime Member No. 013895/06.02.15/RSM
MCLE Compliance No. VII-0020354/04.14.2023
Unit 2A the Grand Hamptons Tower 2,
1st Ave. cor. 31st St. Bonifacio Global City
Taguig City, Philippines

CERTIFICATION

The undersigned certifies that the responses and explanations set forth in FWD Life Insurance Corporation's Annual Corporate Governance Report are true, complete, and correct of our own personal knowledge and/or based on authentic records.

Signed in Taguig City on May 23, 2024.

(Sgd.)

Antonio Manuel G. de Rosas
President & Chief Executive Officer

SUBSCRIBED AND SWORN to before me this May 23, 2024 in Taguig City, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me his [REDACTED]

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(Sgd.)

Notary Public

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