



ALLIEDBANKERS INSURANCE CORPORATION

REMUNERATION POLICY

Table of Contents

I. Overview.....	3
II. Directors Compensation	4

I. Overview

The Remuneration policy is to attract, motivate and retain the qualified individuals that it needs in order to achieve its strategic and operational objectives. The policy is designed in the context of competitive market trends, the relevant provisions of statutory requirements, corporate governance best practice, the social context around remuneration and the interests of stockholders and other stakeholders.

The policy should be simple and transparent, promotes the interests of the company in the medium and the long term, and encourages a “pay for performance” culture.

The remuneration policy has four main elements:

1. Base salary fixed cash compensation set in line with individual performance and contribution to company goals with reference to external market data.

The current base salaries reflect the size and scope of the Executive Director roles and the caliber and experience of the individuals. Base salaries facilitate attraction and reward performance of day-to-day activities.

2. Short-term incentives: performance-based annual bonus to encourage and reward the achievement of annual financial performance and other specified corporate objectives;

It is a key element of a “pay for performance” culture and is linked to pre-determined transparent targets set and assessed by the Committee.

The objectives of the short-term incentives plan are:

- a. To provide context for management decisions;
 - b. To ensure focus on primary corporate financial, operational or strategic goals; and
 - c. To reward decisions that drive short-term results and support long-term strategy.
3. Long-term incentives: share based compensation focusing on enterprise value creation and retention, and;
 4. Long-term incentives are awarded based on the performance level, potential contribution, and value to the business.

The objective of the long-term incentives aims to:

- a. Incentive to create shareholder value in excess of that achieved by the company
 - b. Align the interest of executives with those of shareholders
 - c. Increase retention of key executives
5. Other benefits: simple, low-cost benefit plans focusing on key needs.

II. Directors Compensation

All Directors receives a performance bonus equivalent to 5% of the Audited Income Statement as at the end of the reporting financial period, not to exceed One hundred Thousand Pesos (P100,000.00).