

PERFORMANCE EVALUATION

Annually, the Compliance Officer requests the directors to complete the Directors Performance Evaluation Form to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Revised Manual for Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.

The components of the Directors' Performance Evaluation Form are as follows:

1. Questions to the Board
2. Questions in the Director's Individual Performance
3. Questions on the Board Committees
 - a. General Questions on the Members of the Committee
 - b. Corporate Governance, Nomination, and Remuneration Committee
 - c. Audit, Compliance, and Risk Management Committee
 - d. Investment Committee
 - e. Executive Committee
 - f. Non-Executive Committee
 - g. Related Party Transactions (RPT) Committees
 - h. Anti-Money Laundering

The self-assessment was conducted to assess the 2019 performance of the Board of Directors (as a body), and as members in their respective Committees, The results of these evaluations are presented to the Board to develop recommendations and/or an action plan for the Board.

ALLIEDBANKERS INSURANCE CORPORATION

DIRECTOR'S PERFORMANCE EVALUATION FORM

For the period of April 2019 to March 2020

INSTRUCTIONS:

Please go over each questions carefully and assign a number from 1 – 10 (*the lowest being not observed and the highest being largely observed*) to reflect the Director's personal assessment on the degree of compliance with the corporate governance mechanisms. After the Director's assessment, The Corporate Governance Committee shall indicate its own evaluation of the Director's performance. For data on attendance, the Corporate /Committee Secretary shall provide the official records.

PART I. QUESTIONS ON THE BOARD

1. Does the Board have an explicit commitment to promote long term shareholder value and safeguard and respect the stakeholder interests in general? []
2. Does the Board set and periodically review and update the Corporation's philosophy and mission? []
3. Does the Board regularly monitor the corporate performance against the strategic and business plans, and against the annual financial objectives and operating plans/targets? []
4. Does the Board have succession plan for its members and Senior Management? []
5. Does the Board review and approve all material transactions that are not in the ordinary course of business? []
6. Is the Board working towards a proper mix of Directors with varied and diverse backgrounds to ensure a high caliber of Directors? []
7. Is the Board truly collegial and no Director arrogating himself/herself the power to make decisions without the benefit of the Corporation? []
8. Is the Board committed to have a working Board of Directors whose size and composition would be conducive to active participation of all Members? []
9. Does the Board constitute the proper committees to assist in the achievement of good corporate governance? []
10. Does the Board spend enough time on strategic matters and important policy issues? []

PART II. QUESTIONS ON THE DIRECTOR'S INDIVIDUAL PERFORMANCE

1. In line with the principle of honesty and good faith, do I reserve my loyalty to the Corporation and avoid conflicts of interest? []
2. In carrying out my fiduciary duties, am I guided by the letter and spirit of the law as well as by high ethical and moral norms? []
3. Do I draw the line between Board and management responsibilities by not getting involved in management and operational issues, instead, exercise diligent oversight and regular monitoring of operations? []
4. Do I avoid any conflict of interest? Should such a conflict arise, do I follow normal procedure of abstaining and leaving the room? If such conflict is likely to be permanent, am I prepared to resign? []
5. Do I practice due diligence in carrying out my duties as a Director in general?
 - a. Do I attend Board meetings regularly? []
 - b. Do I ask for reasonable advanced receipt of Board materials and spend enough time to study them? []
 - c. Do I study the issues/ matters I do not fully understand before asking questions or making judgment on how am I to vote? []
 - d. When present at Board meetings, do I actively participate? []
 - e. Do I handle each problem or situation objectively? If disagreement with other Director arises, do I carefully evaluate and explain my position and support it with plans and ideas that are beneficial to the Corporation? []
 - f. Do I contribute to the formulation and approval of the Corporation's strategy and long term positions? []
 - g. Do I have a working knowledge of the statutory and regulatory requirements that affect the Corporation and keep myself abreast with the industry developments and business trends in order to promote the Corporation's competitiveness? []
 - h. Do I participate in the formulation of major policies to pursue Corporation strategy? []
 - i. Do I carefully monitor and evaluate the Corporation's performance including the performance of its Senior Officers? []
 - j. Do I notify the Board in advance of any relatives and business associates with respect to the shares of the Corporation? []

- k. Do I ask about compliance with statutory requirements on major proposals being presented? []
- l. Do I observe confidentiality by adhering to the rule of Disclosure (e.g. Not to disclose to any person any information acquired as a Director without approval/authority given by the Board)? Do I observe the confidentiality and restrict confidential information to unauthorized persons without the authority of the Board? []
- 6. Are the reports submitted to the Board adequate and relevant? Do they serve the Directors who must carry out their specific functions of approving Corporation strategy, major policies to pursue the strategy as well as monitoring and oversight? []
- 7. Do we have enough Independent Directors as required by law? []
- 8. Do executive directors (i.e. directors with management responsibilities in the Corporation) recognize the dual role they played to express their views and decisions with integrity and independence? []
- 9. Do we go over audit reports with due care and attention, asking for action able points that demand consideration and decisions by the Board? []
- 10. Does the Chairman ensure that all Directors play their full part in Board deliberations? []
- 11. Does the Chairman make it worthwhile for Directors to attend Board meeting by giving them every opportunity to express their views freely? []
- 12. Does the member of the Board adhere with the Code of Conduct which should guide all relations with the company's stakeholders and with the general public? []
- 13. Did I take advantage of training opportunities on corporate governance provided to me? []

PART III. QUESTIONS ON THE BOARD COMMITTEES

GENERAL QUESTIONS ON THE MEMBERS OF THE COMMITTEE

- 1. Does the Committee perform its functions and duties in accordance with applicable laws and regulations, by—laws and approved charter? []
- 2. Do I attend Committee meetings and related activities regularly? []
- 3. Is the Committee committed to have a working Committee whose size and composition would be conducive to active participation of all members? []

4. Do I, as a member of this Committee, observe confidentiality and duty of proper and responsible disclosure? []
5. Do I, as a member of this Committee, draw the line between Committee and management responsibilities, not getting involved in management issues, but exercising diligent oversight and monitoring of operations? []
6. Does the Committee have performance evaluation system in place? []

CORPORATE GOVERNANCE NOMINATION AND REMUNERATION COMMITTEE

1. Does the Governance Committee attribute to the performance evaluation, nomination, remuneration and overall corporate governance of the Corporation? []
2. Did the Committee review and evaluate the qualifications of all persons nominated to the Board as well as those nominated to the other positions requiring appointment by the Board of Directors? []
3. Does the Committee conduct corporate governance in a transparent and independent manner? []

AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

1. Does the Audit Committee mostly composes of Independent Directors and is chaired by an Independent Director? []
2. Does the Audit Committee monitor and evaluate the adequacy and effectiveness of the Corporation's financial reporting process, internal control system, and audit process? []
3. Does the Audit Committee ensure that the works of Internal Auditor are free from interference by outside parties? Does the internal auditor report directly to the Board? []
4. Does the Audit Committee provide an oversight over the Management's activities in managing risk exposures, independence of Internal and External Auditors, and compliance functions? []
5. Does the Committee provide oversight of the Corporation's risk management framework including policies and procedures for an adequate direction to management of key risk areas? Does the Committee regularly report the Corporation's overall risk exposure, []

actions taken to mitigate the risks and recommended action plans?

INVESTMENT COMMITTEE

1. Did the Committee approve, act on and review any loan or investment proposal; []
2. Did the Committee review and approve periodically any changes to the Company's investment policies and guidelines and to monitor compliance with these policies? []
3. Did the Committee review and monitor periodically the performance of the Company's investment portfolio; []

EXECUTIVE COMMITTEE

1. Did the Committee perform its functions and duties in accordance with laws and the by-laws of the Company? []
2. Did the Committee thoroughly review, evaluate and endorse for Board approval the strategic plans, thrusts, business models, forecasts and the annual budget; []
3. Did the Committee conduct periodic Management Profitability Review to determine the Company's actual performance against targets/budget? []

NON-EXECUTIVE COMMITTEE

1. Did the non-executive director's role provided an innovative contribution to the board by providing independent oversight challenge to the executive directors? []
2. Did the non-executive directors ensure that there is an appropriate selection process for appointment of independent directors? []
3. Did the non-executive directors determine the appropriate levels of remuneration of executive directors? []
4. Did the non-executive directors ensure that there is an appropriate selection process for appointment of independent directors? []

RELATED PARTY TRANSACTIONS (RPT) COMMITTEES

1. Did the RPT board of director evaluate on a going basis, existing relations between and among businesses and counterparties to ensure all related parties are continuously identified? []
2. Did the RPT directors continuously monitored the subsequent changes in relationships and reflected in the relevant reports to the board and regulators? []
3. Did the RPT directors evaluate all related materials to ensure that these are arms' length basis and endorse the same to members of the RPT Committee for approval? []
4. Did the RPT directors oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPT's including the periodic review of RPT policies and procedures? []
5. Did the RPT directors perform any task that will enable it to exercise on behalf of the RPT Board primary oversight over RPT's in accordance with the Company's Related Party Transactions Policy? []

Anti-Monetary Laundering

1. Does the Chairman ensure that all Directors adhere and follow the best practices in implementing rules, regulations, other directives, guidance and issuances from the Insurance Commission, BSP and other regulatory bodies applicable to the AMLA of 2001 (R.A. 9160) and Terrorism Financing Prevention and Suppression Act of 2012 (TFPSA)? []

IC Circular 31-2005 (Corporate Governance Principles and Leading Practices) provides for temporary disqualification for “Directors who have been absent or who have not participated for whatever reasons in more than fifty percent (50%) of all meetings, both regular and special of the Board of Directors during their incumbency, or any twelve (12) month period during said incumbency. The disqualification applies for purposes of the succeeding elections.

CERTIFICATION

I attest herewith that I have honestly and faithfully answered to the best of my personal knowledge all the questions in this Evaluation Form.

Signature

Printed Name of Director

Date

Corporate Governance Committee (CGC) Evaluation:

Comments/Recommendations:

Evaluated by : _____

Signature : _____

	TOTAL SCORE	SELF- ASSESSMENT	CORPORATE GOVERNANCE
PART I	100		
PART II	240		
PART III	60		
CORPORATE GOVERNANCE NOMINATION AND REMUNERATION COMMITTEE	30		
AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE	50		
INVESTMENT COMMITTEE	30		
EXECUTIVE COMMITTEE	30		
NON-EXECUTIVECOMMITTEE	40		
RPTCOMMITTEE	50		
ANTI-MONEY LAUNDERING	10		
	640		