

**PLCName** Philippines  
**StockCode** BPI/MS INSURANCE CORPORATION  
**Expert Name** 0  
**Sector**  
**Year** 2012  
**Date of Financial Year End** 31/12/2012

Source Document/ Location of Information Yes / No Point REMARKS

**B Equitable Treatment of Shareholders**

**B.1 Shares and voting rights**

B.1.1	Do the company's ordinary or common shares have one vote for one share?	<p>&gt; Amended By-Laws  <b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/Amended-By-Laws.pdf">http://bpims.com/downloads/corporate_governance/Amended-By-Laws.pdf</a></p> <p>Articles III Section 5. Proxies          "Every shareholder entitled to vote at any meeting of shareholders may so vote by proxy, provided that the proxy....."          &gt; Notice of Annual Stockholders' Meeting  <b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf">http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf</a></p> <p>"Stockholders of record as of 30 April 2012 shall be the stockholders who will be entitled to notice and to vote at this meeting."</p>	Y	1	Yes, BPI/MS's ordinary or common share have one vote for one share	Default
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's	<p>General Information Sheet  <b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/BPIMS-2012-General-Information-Sheet.pdf">http://bpims.com/downloads/corporate_governance/BPIMS-2012-General-Information-Sheet.pdf</a></p>	N/A	0	BPI/MS has only common shares	

**B.2 Notice of AGM**

B		Source Document/ Location of Information	Yes / No	Point	REMARKS
<b>Equitable Treatment of Shareholders</b>					
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	<p>Notice of Annual Stockholders' Meeting</p> <p><b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf">http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf</a>            "NOTICE IS HEREBY GIVEN that the annual meeting of the stockholders of BPI/MS Insurance Corporation will be held on Thursday, 31 May 2012 at 10:30 am at the BPI Boardroom, 19th Floor, BPI Building, Ayala Avenue, cor Paseo de Roxas, Makati City, with the following agenda"..."</p> <ol style="list-style-type: none"> <li>1. Determination of Quorum.</li> <li>2. Approval of Minutes of the Annual Meeting of Stockholders held on 27 May 2011.</li> <li>3. Reading of Annual Report and approval of Audited Financial Statements as of 31 December 2011.</li> <li>4. Ratification of all acts during the past year of the Board of Directors, Executive Committee, and all other Board and Management Committees and Officers for the preceding year.</li> <li>5. Election of Directors</li> <li>6. Election of External Auditors and fixing of their Remuneration</li> </ol>	Y	1	Yes, each resolution in the May 31, 2012 AGM deals with only one item, i.e., there is no bundling of several items into the same resolution. The agenda is taken-up in itemized basis.

Source Document/ Location of Information

Yes / No

Point

REMARKS

B Equitable Treatment of Shareholders					
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	<p>Notice of Annual Stockholders' Meeting</p> <p><b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf">http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf</a></p> <p>"NOTICE IS HEREBY GIVEN that the annual meeting of the stockholders of BPI/MS Insurance Corporation will be held on Thursday, 31 May 2012 at 10:30 am at the BPI Boardroom, 19th Floor, BPI Building, Ayala Avenue, cor Paseo de Roxas, Makati City, with the following agenda"..."</p> <ol style="list-style-type: none"> <li>1. Determination of Quorum.</li> <li>2. Approval of Minutes of the Annual Meeting of Stockholders held on 27 May 2011.</li> <li>3. Reading of Annual Report and approval of Audited Financial Statements as of 31 December 2011.</li> <li>4. Ratification of all acts during the past year of the Board of Directors, Executive Committee, and all other Board and Management Committees and Officers for the preceding year.</li> <li>5. Election of Directors</li> <li>6. Election of External Auditors and fixing of their Remuneration</li> </ol>	Y	1	Yes, BPI/MS notice of the May 31, 2012 AGM/circulars is written in the English Language.
	Does the notice of AGM/circulars have the following details:				
B.2.3	Are the profiles of directors/commissioners ( at least age, qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re- election included?		N	0	

Source Document/ Location of Information

Yes / No

Point

REMARKS

B Equitable Treatment of Shareholders						
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?		N	0		
B.2.5	Has an explanation of the dividend policy been provided?		N	0		
B.2.6	Is the amount payable for final dividends disclosed?		N	0		
B.2.7	Documents required to be proxy/ Were the proxy documents made easily available?	<p>Notice of Annual Stockholders' Meeting</p> <p><b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf">http://bpims.com/downloads/corporate_governance/Notice-of-Annual-Stockholders-Meeting.pdf</a></p> <p>"If you will be unable to attend the meeting but would like to be represented thereat, you may accomplish the proxy form provided herewith and submit the same to the Office of the Corporate Secretary...."</p>	Y	1	Yes, Proxy form is attached to the Notice of Annual Stockholders' Meeting	

**B.3 Insider trading and abusive self-dealing should be prohibited.**

		Source Document/ Location of Information	Yes / No	Point	REMARKS	
<b>B Equitable Treatment of Shareholders</b>						
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and	BPI/MS Policy on Insider Trading (G-Com-05) <b>Source:</b> <a href="http://bpims.com/downloads/corporate_governance/G-Com-05-BPIMS-Policy-on-Insider-Trading.pdf">http://bpims.com/downloads/corporate_governance/G-Com-05-BPIMS-Policy-on-Insider-Trading.pdf</a>	Y	1	Yes, BPI/MS has policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market.	Default
B.3.2	Are the directors and commissioners required to report their dealings in company shares within <u>3 business days</u> ?	BPI/MS Policy on Insider Trading (G-Com-05) <b>Source:</b> <a href="http://bpims.com/downloads/corporate_governance/G-Com-05-BPIMS-Policy-on-Insider-Trading.pdf">http://bpims.com/downloads/corporate_governance/G-Com-05-BPIMS-Policy-on-Insider-Trading.pdf</a>  "III.1.1.1: Three (3) calendar trading days before and three (3) calendar trading days after the disclosure of any any material information...."	Y	1	Yes, the directors and commissioners are required to report their dealings in company shares within 3 days.	

**B.4 Related party transactions by directors and key executives.**

B.4.1	Are directors and commissioners required to disclose their interest in transactions and any other conflicts of interest?	Corporate Governance Manual page 23 <b>Source:</b> <a href="http://bpims.com/downloads/corporate_governance/BPI-MS-Corp-Governance-Manual.pdf">http://bpims.com/downloads/corporate_governance/BPI-MS-Corp-Governance-Manual.pdf</a> Part XIII. Governance Policy on Conflict of Interest Item 2  "2) If an actual or potential conflict of interest should arise on the part of directors, it should be fully disclosed and the concerned director should not participate in the decision making. A director who has a continuing conflict of interest of a material nature should either resign or, the Board deems appropriate, be removed from the Board.	Y	1	Yes, the directors and officers are required to disclose their interest in transactions and any other conflicts of interest.	
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		Source Document/ Location of Information	Yes / No	Point	REMARKS
<b>B Equitable Treatment of Shareholders</b>					
B.4.2	Does the company have a policy requiring a committee of independent directors/commissioners to review material/significant RPTs to determine whether they are in the best interests of the company?		N	0	BPI/MS does not have a committee of Independent Directors to review the RPTs. However, Related Party Transactions (RPT) are reported to the Board and the Audit Committee reviews them, if there are any.
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	<p>Part VI. Duties and Responsibilities of the Board Item g.</p> <p>"g) Conduct fair business transactions with BPI/MS and ensure that personal interest do not conflict with BPI/MS' interests; desist from any transaction where there is such a conflict of interest and any transaction that exploits insider information to generate personal gain."</p> <p>Corporate Governance Manual page 10  <b>Source:</b>  <a href="http://bpims.com/downloads/corporate_governance/BPI-MS-Corp-Governance-Manual.pdf">http://bpims.com/downloads/corporate_governance/BPI-MS-Corp-Governance-Manual.pdf</a></p> <p>Part XIII. Governance Policy on Conflict of Interest Item 2.</p> <p>"2) If an actual or potential conflict of interest should arise on the part of directors, it should be fully disclosed and the concerned director should not participate in the decision making. A director who has a continuing conflict of interest of a material nature should either resign or, if the Board deems appropriate, be removed from the Board.</p>	Y	1	<p>Yes, BPI/MS has a policy requiring board members to abstain from participating in the board discussion on a particular agenda when they are conflicted.</p> <p>Default</p>

Source Document/ Location of Information

Yes / No

Point

REMARKS

<b>B Equitable Treatment of Shareholders</b>						
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates.		N	0	BPI/MS Does not grant any loans to its directors.	Default

**B.5 Protecting minority shareholders from abusive actions**

B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned	Governance Structures Section J. Related Party Transactions page 7 Source: <a href="http://bpims.com/downloads/corporate_governance/Corporate-Governance-Report-GOVERNANCE-STRUCTURE.pdf">http://bpims.com/downloads/corporate_governance/Corporate-Governance-Report-GOVERNANCE-STRUCTURE.pdf</a> > BPI/MS Financial Statements Note 23 - Related Party Transactions and Balances	> 2012 Corporate Governance Report	N	1	No, there were no RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies.	
B.5.2	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	Governance Structures Section J. Related Party Transactions page 7 Source: <a href="http://bpims.com/downloads/corporate_governance/Corporate-Governance-Report-GOVERNANCE-STRUCTURE.pdf">http://bpims.com/downloads/corporate_governance/Corporate-Governance-Report-GOVERNANCE-STRUCTURE.pdf</a> > BPI/MS Financial Statements Note 23 - Related Party Transactions and	> 2012 Corporate Governance Report	Y	1	Yes, BPI/MS discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	