

PART B: EQUITABLE TREATMENT OF SHARES				
ITEM NO.	GOVERNING STANDARD	APPLICABLE PRINCIPLE	RESPONSES	REFERENCE/SOURCE DOCUMENT
<b>B.1</b>	<b>Shares and voting rights</b>			
B.1.1	Do the company's ordinary or common shares have one vote for one share?	<p><b>OECD Principle III</b>  <b>(A) All shareholders of the same series of a class should be treated equally.</b>  (1) Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in voting rights should be subject to approval by those classes of shares which are negatively affected.</p>	Y	<p>Article I, Section 6 of the 2015 Amended By-Laws provides that at every stockholders meeting, every stockholder entitled to vote shall be entitled to one vote for each share of stock registered in his name in the books of the Corporation.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_2015-Amended-By-Laws.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_2015-Amended-By-Laws.pdf</a></p>
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 website)?	<p><b>ICGN 8.3.1 Unequal voting rights</b>  Companies ordinary or common shares should feature one vote for one share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power which is disproportionate to their equity ownership should be both disclosed and justified.</p>	Y	<p>The Company has only one (1) class of shares which is Common.</p> <p>Please see page 3 of the Company's 2020 General Information Sheet.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-SOMPO_2020-General-Information-Sheet.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-SOMPO_2020-General-Information-Sheet.pdf</a></p>
<b>B.2</b>	<b>Notice of AGM</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><b>OECD Principle II</b>  (C) Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern shareholder meetings:  (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be</p>	Y	<p>The Notice of the Annual Stockholders' Meeting and the Minutes deal with only one item.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf</a></p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_MINUTES_Annual-Stockholders-Meeting_2020_05_28.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_MINUTES_Annual-Stockholders-Meeting_2020_05_28.pdf</a></p>

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>decided at the meeting.</p> <p>(3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p><b>OECD Principle II</b></p> <p>(A) All shareholders of the same series of a class should be treated equally.</p> <p>(4) Impediments to cross border voting should be eliminated.</p>	<p>Y</p> <p>All notices and circulars issued by the Company, including the Notice of Annual Stockholders' Meeting, are published in English.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf</a></p>
<b>Does the notice of AGM/circulars have the following details:</b>			
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	<p><b>ICGN 8.3.2 Shareholder participation in governance</b></p> <p>Shareholders should have the right to participate in key corporate governance decisions, such as the right to nominate, appoint and remove directors in an individual basis and also the right to appoint external auditor.</p> <p><b>ICGN 8.4.1 Shareholder ownership rights</b></p> <p>The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote.</p>	<p>Y</p> <p>Profiles of the Directors are disclosed in the 2019 Annual Report posted in the Company's website.</p> <p>Please see pages 25 to 37 of the 2019 Annual Report.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf</a></p>
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?		<p>Y</p> <p>Please see Minutes of the Annual Stockholders' Meeting, item no. 10.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_MINUTES_Annual-Stockholders-Meeting_2020_05_28.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_MINUTES_Annual-Stockholders-Meeting_2020_05_28.pdf</a></p>
B.2.5	Has an explanation of the dividend policy been provided?		<p>Y</p> <p>In case of dividend declaration, the Company provides for an explanation for dividend policy. However, the Company did not declare dividends for this year.</p>
B.2.6	Is the amount payable for final dividends disclosed?		<p>Y</p> <p>In case of dividend declaration, the Company discloses the amount payable for final dividends. However, the Company did not declare dividends for this year.</p>

B.2.7	Were the proxy documents made easily available?		Y	The Proxy Form was attached to the Notice of the Annual Stockholders' Meeting and posted in the Company's website.  <a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/05/Revised-Notice-of-Annual-Stockholders-Meeting-May-28.pdf</a>
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### B.3 Insider trading and abusive self-dealing should be prohibited.

B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<b>OECD Principle III (B) Insider trading and abusive dealing should be prohibited</b>  <b>ICGN 3.5 Employee share dealing</b> Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, these must seek to ensure individuals do not benefit from knowledge which is not generally available to the market.	Y	Default item. The Company has no written policy on Insider Trading but it adheres to Rule 27 of the Securities Regulation Code on Insider Trading.
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	<b>ICGN 8.5 Shareholder rights of action</b> ... Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	Y	Item 5.5 of the Manual on Corporate Governance provides that the Board shall commit at all times to fully disclose material information dealings. It shall cause the filing of all required information for the interest of the stakeholders.  <a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_Manual-on-Corporate-Governance.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_Manual-on-Corporate-Governance.pdf</a>

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

B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	<b>OECD Principle III (C) Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.</b>  <b>ICGN 2.11.1 Related party transactions</b> Companies should have a process for reviewing and	Y	Item 5.2. of the Manual on Corporate Governance provides that all material information, i.e., anything that could potentially affect price, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of directors and changes to ownership.  Item 5.5 of the same Manual provides that the Board shall commit at all times to fully disclose material information
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		<p>monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.</p> <p><b>ICGN 2.11.2 Director conflicts of interest</b> Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.</p>	<p>dealings. It shall cause the filing of all required information for the interest of the stakeholders.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_Manual-on-Corporate-Governance.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_Manual-on-Corporate-Governance.pdf</a></p>
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 and shareholders?		<p>Y</p> <p>This is one of the Roles and Responsibilities of the Related-Party Transactions Committee.</p> <p>Please see page 47 of the 2019 Annual Report.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf</a></p>
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>Y</p> <p>The Company adheres to the Insurance Commission's Circular Letter No. 2017-29 on the Conflict of interest. It provides that the policy shall cover the identification and prevention or management of potential or actual conflicts of interest which may arise. The members of the board, stockholders, and management shall disclose to the board whether they have a financial interest in any transaction or matter affecting the company. Directors and officers with personal interest in the transaction shall abstain from the discussion, approval and management of such transaction or matter affecting the company.</p>
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?		<p>Y</p> <p>This is one of the Roles and Responsibilities of the Related-Party Transactions Committee.</p> <p>Please see page 47 of the 2019 Annual Report.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2020/07/PGA-Sompo-Annual-Report-2019_opt.pdf</a></p>

<b>B.5 Protecting minority shareholders from abusive actions</b>				
B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	<p><b>OECD Principle III</b>  <b>(A) All shareholders of the same series of a class should be treated equally.</b>  (2) Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p>	N	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?	<p><b>ICGN 2.11.1 Related party transactions</b>  Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.</p> <p><b>ICGN 2.11.2 Director conflicts of interest</b>  Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.</p> <p><b>ICGN 8.5 Shareholder rights of action</b>  Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.</p>	Y	<p>The sales to and purchases from related parties are made at normal market prices.</p> <p>Please see pages 50 to 51 of the Audited Financial Statements.</p> <p><a href="https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_2019-Audited-Financial-Statements.pdf">https://www.pgasompo.com.ph/wp-content/uploads/2019/12/PGA-SOMPO_2019-Audited-Financial-Statements.pdf</a></p>