

PLCName
StockCode
Expert Name
Sector
Year
Date of Financial Year End

Philippines
Empire Insurance Company

2012
31/12/2012

		Source Document/ Location of Information	Yes / No	Points	REMARKS
E	Responsibilities of the Board				
E.1	Clearly defined board responsibilities and corporate governance policy				
E.1.1	Are the roles and responsibilities of the board of directors/commissioners clearly stated ?	Corporate Governance	Y	1	
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed ?	Regular Board Meeting & Annual Stockholders Meeting Minutes	Y	1	
E.1.3	Does the company disclose its corporate governance policy / board charter?	Corporate Governance	Y	1	
E.2	Code of ethics or conduct				
E.2.1	Does the company have a code of ethics or conduct?	Corporate Governance; Gen. Information, Office Behavior & Other Rules and Regulations.	Y	1	3 Guidelines
E.2.2	Are the details of the code of ethics or conduct disclosed?	Corporate Governance; Gen. Information, Office Behavior & Other Rules and Regulations.	Y	1	All employees required to read it
E.2.3	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	Corporate Governance; Gen. Information, Office Behavior & Other Rules and Regulations.	Y	1	All employees yes. Directors are selected on their moral standing and qualifications. All have taken the Corporate Governance Seminar.

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E.2.4	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Corporate Governance; Gen. Information, Office Behavior & Other Rules and Regulations.	Y	1	Management takes immediate action when the code of ethics is violated.
E.3	Corporate Vision/Mission				
E.3.1	Does the board of directors/commissioners periodically review and approve the vision and mission?		Y	1	
E.4	Board Structure & Composition				
E.4.1	Does the board of directors/ commissioners comprise at least five members and no more than 12 members? (i.e., between 5 - 12 members)	Company has 9 Directors. By-Laws, List of Board of Directors	Y	1	
E.4.2	Do independent, non-executive directors/commissioners number at least three <u>and</u> make up more than 50% of the board of directors/commissioners?	Organizational Meetintg Minutes.	Y	1	The Company 9 Directors of which 3 are Independent Directors, and 2 Non- Executive Directors.
E.4.3	Does the company provide a definition of independence in its Annual Report?	Corporate Governance	N	0	
E.4.4	Are the independent directors/commissioners independent of management and major/ substantial shareholders?	Corporate GovernancePage 3 No. 2	N	0	A Director shall own at least one share of the corporation whose share shall stand in his name in the books of the corporation.
E.4.5	Does the company have a term limit of nine years or less for its independent directors/commissioners?	Corporate Governance. By-Laws	N	0	Our 3 Independent Directors have served for 2, 4, & 7 years only. No tenural limit is given.

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E	Responsibilities of the Board				
E.4.6	Has the company set a limit of five board seats in publicly-listed companies that an individual director/commissioner may hold simultaneously?		Y	1	
E.4.7	Does the company have any independent directors/commissioners who serve on more than five boards of publicly-listed companies?		N	1	
E.4.8	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?		N	1	
E.5	Skills and Competencies				
E.5.1	Does at least one non-executive director/commissioner have prior working experience in the major industry the company is operating in?		Y	1	
E.5.2	Does the company disclose a board of directors/commissioners diversity policy?		N	0	
E.6	Board Chairman				
E.6.1	Do different persons assume the roles of chairman and CEO?	By- Laws. Annual Stockholders Meeting Minutes. Board Meeting Minutes	Y	1	
E.6.2	Is the chairman a non-executive director/commissioner?		Y	1	

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E.6.3	Is the chairman an independent director/commissioner?		N	0	
E.6.4	Is the chairman the current or immediate past CEO?	Bio-Data of Directors, Annual Stockholders Meeting Minutes	N	1	
E.6.5	Are the role and responsibilities of the chairman disclosed?	By-Laws	Y	1	
E.7	Board meetings and attendance				
E.7.1	Are the board of directors/commissioners meetings scheduled before or at the beginning of the year?	By-Laws. Organizational Meeting Minutes	Y	1	
E.7.2	Does the board of directors/commissioners meet at least six times per year?	By-Laws. Board of Directors meet 12 times a year.	Y	1	<u>complied more than required.</u>
E.7.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Annual Certification Attendance of Directors	Y	1	3 directors with 100% attendance; 3 directors with 93% attendance; 1 with 83% and 2 with 75%
E.7.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Majority of the Directors By-Laws Page 3 Article II. Section 2.	N	0	Majority of Directors equal to 5
E.7.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?		N	0	
E.8	Orientation Programme for New Directors				

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E.8.1	Does the company have orientation programmes for new directors/commissioners?	Corporate Governance	Y	1	Company provides an adequate orientation process for new directors. Code of Corporate Governance Principles & Lead Practices; duties and Responsibilities of Directors are provided for new Director. Corporate Governance Seminar.
E.9	Director Training				
E.9.1	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	Corporate Governance	Y	1	
E.10	Access to information				
E.10.1	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?		N	0	
E.10.2	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?		Y	1	
E.10.3	Is the company secretary trained in legal, accountancy or company secretarial practices?		Y	1	Accountancy and company secretarial practices
E.11	Nominating Committee				
E.11.1	Does the company have a Nominating Committee (NC)?	Organizational Mtg Minutes	Y	1	3 Members of which 2 are Independent Directors

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E	Responsibilities of the Board				
E.11.2	Does the Nominating Committee comprise of a majority of independent directors/commissioners?	Organizational Mtg Minutes	Y	1	3 Members of which 2 are Independent Directors.
E.11.3	Is the chairman of the Nominating Committee an independent director/commissioner?	Organizational Mtg Minutes	N	0	
E.11.4	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?		N	0	
E.11.5	Does the Annual Report disclose the number of Nominating Committee meetings held?		N	0	
E.11.6	Did the Nominating Committee meet at least twice during the year?		N	0	
E.11.7	Is the attendance of members at Nominating Committee meetings disclosed?		N	0	
E.12	Board Appointments and Re-Election				
E.12.1	Does the company disclose the <u>criteria used</u> in selecting new directors/commissioners?	Corporate Governance	Y	1	
E.12.2	Does the company disclose the <u>process followed in appointing</u> new directors/commissioners?	By-Laws, Corporate Governance	Y	1	

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E	Responsibilities of the Board			
E.12.3	Are all the directors/commissioners subject to re-election at least once every three years?	N	0	They are re-elected yearly
E.13	CEO/Executive Management Appointments and Performance			
E.13.1	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	N	0	Such matters are considered confidential and taken up only in Borad meetings
E.13.2	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Y	1	The appointment is done anually after a review of his performance.
E.14	Board Appraisal			
E.14.1	Is an annual performance assessment conducted of the board of directors/commissioners?	Y	1	By the Audit Committee
E.14.2	Does the company disclose the process followed in conducting the board assessment?	Y	1	
E.14.3	Does the company disclose the criteria used in the board assessment?	Y	1	Taken up in the Board Meeting by the Chairman of Audit Committee.
E.15	Director Appraisal			
E.15.1	Is an annual performance assessment conducted of individual director/commissioner?	N	0	
E.15.2	Does the company disclose the process followed in conducting the director/commissioner assessment?	N	0	

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E	Responsibilities of the Board				
E.15.3	Does the company disclose the criteria used in the director/commissioner assessment?		N	0	
E.16	Committee Appraisal				
E.16.1	Is an annual performance assessment conducted of the board of directors/commissioners committees?		Y	1	
E.17	Remuneration Committee/ Compensation Committee				
E.17.1	Does the company have a Remuneration Committee?	Organizational Meeting Minutes. Corporate Governance	Y	1	3 Members of which 2 are Independent Directors.
E.17.2	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	Organizational Meeting Minutes. Corporate Governance	Y	1	3 Members of which 2 are Independent Directors.
E.17.3	<u>Is the</u> chairman of the Remuneration Committee an independent director/commissioner?	Organizational Meeting Minutes	Y	1	
E.17.4	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	Corporate Governance	Y	1	
E.17.5	Does the Annual Report disclose the number of Remuneration Committee meetings held?		N	0	
E.17.6	Did the Remuneration Committee meet at least twice during the year?		N	0	

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E	Responsibilities of the Board				
E.17.7	Is the attendance of members at Remuneration Committee meetings disclosed?		N	0	
E.18	Remuneration Matters				
E.18.1	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	Audited Financial Statement Page 30 No.21	Y	1	not itemized for confidentiality
E.18.2	Is there disclosure of the fee structure for non-executive directors/commissioners?	Audited Financial Statement Page 30 No.21	Y	1	
E.18.3	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	Board Meeting Minutes	Y	1	
E.18.4	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	Profit Sharing as provided, By- Laws	Y	0	
E.19	Audit Committee				
E.19.1	Does the company have an Audit Committee?	Organizational Meeting Minutes	Y	1	4 Members out of which one is an Independent Director formerly a CFO of 2 Public Companies; 1 CPA Director.
E.19.2	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	Organizational Meeting Minutes	Y	1	4 Members out of which one is an Independent Director formerly a CFO of 2 Public Companies; 1 CPA Director.

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E	Responsibilities of the Board				
E.19.3	Is the chairman of the Audit Committee an independent director/commissioner?	Organizational Meeting Minutes	Y	1	An Independent Director formerly a CFO of 2 Public Companies
E.19.4	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Corporate Governance	Y	1	
E.19.5	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?		N	0	
E.19.6	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	Organizational Meeting Minutes. Chairman, Independent director a former CFO of 2 Public Companies and one CPA Director	Y	1	One is an Independent Director formerly a CFO of 2 Public Companies; 1 CPA Director.
E.19.7	Does the Annual Report disclose the number of Audit Committee meetings held?		N	0	
E.19.8	Did the Audit Committee meet at least four times during the year?		N	0	
E.19.9	Is the attendance of members at Audit Committee meetings disclosed?		N	0	
E.19.10	Does the Audit Committee have primary responsibility for recommendation on the appointment, re-appointment and removal of the external auditor?	Corporate Governance	Y	1	
E.20	Internal Audit				
E.20.1	Does the company have a separate internal audit function?		Y	1	

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E	Responsibilities of the Board				
E.20.2	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?		Y	1	
E.20.3	<u>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</u>		Y	1	
E.21	Risk Oversight				
E.21.1	Does the company disclose the internal control procedures/risk management systems it has in place?	Audited Financial Statement Corporate Governance	Y	1	
E.21.2	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Audited Financial Statement Corporate Governance	Y	1	
E.21.3	Does the company disclose how key risks are managed?	Audited Financial Statement.	Y	1	
			79	53	