

COMPANY NAME : SUN LIFE GREPA FINANCIAL, INC.
 COMPANY STRUCTURE : CLASS 2
 FINANCIAL YEAR END : 2017

SECTOR : INSURANCE (Life)

A. The Rights of Shareholders			
	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
<i>Clearly defined board responsibilities and corporate governance policy</i>			
E.1.1	Does the company disclose its corporate governance policy / board charter?	YES	<p>SLGFI's corporate governance practices are principally contained in the company's Articles of Incorporation, By-Laws, and the Manual on Corporate Governance. SLGFI also complies with IC Circular Letter No. 31-2005 and its related circulars from the Insurance Commission (IC). Sun Life also adopts the principles of the ASEAN Corporate Governance Scorecard (ACGS) to raise its corporate governance standards and practices.</p> <p>SLGFI's corporate governance practices are also disclosed in its Annual Report.</p> <p>Source Documents:</p> <p>By-Laws https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p> <p>Manual on Corporate Governance https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><u>2017 Annual Report</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	YES	<p>OECD PRINCIPLE VI (D)</p> <p>All matters or items requiring approval of the Board of Directors are specified in the Company's By Laws, Manual on Corporate Governance. Board functions and responsibilities are likewise outlined in the Manual on Corporate Governance.</p> <p>Below are five (5 out the 24 subjects) requiring Board attention:</p> <p><i>"12. Board Reserved Matters. The following shall comprise the Board Reserved Matters:</i></p> <ul style="list-style-type: none"> <i>a) The acquisition of or incorporation of a Person</i> <i>b) Any sale, assignment, lease, transfer or other disposal of movable or immovable assets of the corporation (other than securities) having as aggregate value of five million pesos (Php5,000,000) or more in any calendar year, other than set out in the budget for that calendar year.</i> <i>c) Any borrowing from, or the entry into a course or issuance of any contract to borrow from, any person in excess of five million pesos (Php5,000,000), whether aggregate or in single transaction in any calendar year.</i> <i>d) Any increase of the authorized capital of the corporation or the authorized number of shares, or any issuance of additional shares or options, rights or warrants to purchase shares (including</i>

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			<p><i>employee stock option or incentive plans), or any creation or issuance of securities of any other class of equity capital of the corporation, or any alteration, modification, or other change in its rights, preferences, or privileges of shares</i> <i>e. The issuance of any guarantee or indemnity on behalf of the corporation, other than in the ordinary course of business.”</i></p> <p>Source Documents:</p> <p><u>Section 12 By-Laws/ Board Reserved Matters (Page 13)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p> <p><u>Manual on Corporate Governance/Board of Directors/ Specific Duties and Functions (Page 3-4)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?	YES	<p>The roles and responsibilities of SLGFI’s Board of Directors are clearly outlined in the Manual on Corporate Governance, which apply to all Executive, Non-executive or Independent Directors.</p> <p><i>“Specific Duties and Functions. To ensure a high standard of best practice for the Corporation and its stakeholders, the Board shall:</i></p> <ul style="list-style-type: none"> <i>• Install a process of selection to ensure a mix of competent directors and officers appointed in accordance with the By-Laws;</i>

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E.1 Board Duties and Responsibilities			
			<ul style="list-style-type: none"> • <i>Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives;</i> • <i>Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practices;</i> • <i>Identify the Corporation's major and other stakeholders and formulate a clear policy on communicating or relating with them through an effective investor relations program;</i> • <i>Adopt a system of internal checks and balances;</i> • <i>Identify key risk areas and key performance indicators and monitor these factors with due diligence;</i> • <i>Properly discharge Board functions by meeting regularly.</i> • <i>Independent views during 'Board meetings shall be given due consideration and all such meetings shall be minuted;</i> • <i>Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation and By-laws, and in existing laws, rules and regulations; and</i> • <i>Accomplish the Corporation's Board Effectiveness Questionnaire on an annual basis."</i> <p><i>Other details are in Section 2.2.1 of the Manual on Corporate Governance</i></p>

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E.1 Board Duties and Responsibilities			
			<p>Source Documents:</p> <p><u>By-Laws/ Board Reserved Matters (Page 13)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p> <p><u>Manual on Corporate Governance/Board of Directors/ Specific Duties and Functions (Page 3-4)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
	<i>Corporate Vision/Mission</i>		
E.1.4	Does the company have a vision and mission statement?	<p>OECD PRINCIPLE 6 (P58) ICGN:3.2 Integrity ICGN:3.2 Integrity The board is responsible for overseeing the implementation and maintenance of a culture of integrity. The board should encourage a culture of integrity permeating all aspects of the co., and secure that its vision, mission and objectives are ethically sound.</p>	<p>YES</p> <p>MISSION</p> <p>Our business is to provide solutions.</p> <ul style="list-style-type: none"> • We will delight our clients by offering an integrated product suite, satisfying their insurance and investment needs. • We will recruit, nurture, retain, and empower sales associates who are recognized and rewarded for professionalism, excellence, and innovation. • We will increase value for our shareholders by consistently meeting all targets through good governance and adoption of best practices. <p>We will educate the Filipino public on the importance of financial preparedness and diversity in relation to their investments portfolio.</p>

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E.1 Board Duties and Responsibilities			
			<p>VISION</p> <ul style="list-style-type: none"> Sun Life Grepa Financial, Inc. (SLGFI) is a provider of financial solutions that are innovative, market responsive and with great value. <p>Source Documents:</p> <p><u>2017 Annual Report/Vision, Mission, Strategic Goals (Page 5)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p>SLGFI Website https://www.sunlifegrepa.com/MissionVision.aspx</p>
E.1.5	Has the board reviewed the vision and mission/strategy in the last financial year?	YES	<p>The Mission and Vision Statements are reviewed annually during the Board’s Q4 meeting in March, and have been reviewed by the Board prior to inclusion in the Annual Report.</p> <p>This is also stated in the Company’s Annual Report under the Corporate Governance Page. To wit:</p> <p><i>“The Board is primarily responsible for identifying and setting the Company’s strategic directions as well as its Mission and Vision. The Board monitors the implementation of the Company’s strategy and reviews the vision and mission periodically. <u>Every year during the fourth quarter meeting, the Board reviews the Company’s Mission and Vision Statements to determine if the same is still aligned with the</u></i></p>

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E.1 Board Duties and Responsibilities			
			<p><i>Company's objectives and corporate strategy.</i> It is also responsible for assessing the performance of Management in addition to its own performance. The Business Review report presented by the President every board meeting is an opportunity for the directors to give their insights on the Company's objectives and corporate strategy."</p> <p>Source Document:</p> <p>2017 Annual Report/Corporate Governance (Page 21) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.1.6	Does the board of directors monitor/oversee the implementation of the corporate strategy?	YES	<p>The Board establishes the vision, mission, and strategic direction of the Company, as well as monitors the implementation of the corporate strategy and the overall corporate performance of the Company to ensure transparency, accountability, and fairness and to protect the interests of its stakeholders. The Board hears a quarterly report from the President on the status of the various strategic initiatives of the Company.</p> <p>The Annual Report and Manual on Corporate Governance affirm this duty of the Board.</p> <p><i>“Board of Directors</i> <i>The Board is primarily responsible for identifying and setting the Company's strategic directions as well as its Mission and Vision. The Board monitors the</i></p>

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E.1 Board Duties and Responsibilities			
			<p><i>implementation of the Company's strategy and reviews the vision and mission periodically. Every year during the fourth quarter meeting, the Board reviews the Company's Mission and Vision Statements to determine if the same is still aligned with the Company's objectives and corporate strategy.</i></p> <p><i>It is also responsible for assessing the performance of Management in addition to its own performance. The Business Review report presented by the President every board meeting is an opportunity for the directors to give their insights on the Company's objectives and corporate strategy."</i></p> <p><i>2017 Strategic Goals</i></p> <ul style="list-style-type: none"> - <i>Reinforce our Teams - Increase the reach of our distribution channels and support the capabilities of our sales force with our multi-distribution approach. Grow our Agency and Bancassurance teams threefold by 2021 through aggressive Recruitment, Engagement and Activation programs and key leadership programs.</i> - <i>Build brand strength – Leverage synergies with Sun Life and our bank partners to grow brand reputation and client reach.</i> - <i>Achieve 5 Million clients – Tap new market segments in order to reach 5 Million Clients.</i> <p>Source Documents:</p>

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E.1 Board Duties and Responsibilities			
			<p><u>2017 Annual Report/Corporate Governance (Page 5, 21)</u> <u>https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</u></p> <p><u>Manual on Corporate Governance/Board of Directors/ Specific Duties and Functions (Page 3-4)</u> <u>https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</u></p>
E.2	Board structure		
	<i>Code of Ethics or Conduct</i>		
E.2.1	Are the details of the code of ethics or conduct disclosed?	YES	<p>The Code of Business Conduct is published online. In addition to this, all employees (including executive directors and officers) of the Company receive annual training on the Code and are checked on their knowledge of the Code. The Board members are asked annually to affirm compliance with/adherence to the Code and commitment to the same.</p> <p><i>Note that the Code of Business Conduct of Sun Life was adopted by SLGFI also as its own Code. Annually, employees and directors of SLGFI are asked to affirm compliance/adherence to said Code. Training on the Code is also performed yearly.</i></p> <p>Source Documents:</p> <p><u>Code of Business Conduct</u> <u>https://www.sunlifegrepa.com/upload/files/Code%20of%20Business%20Conduct.pdf</u></p> <p><u>SLGFI Website/Company Policies</u></p>
			<p>OECD PRINCIPLE VI (C) The board should apply high ethical standards. It should take into account the interests of stakeholders.</p> <p>The board has a key role in setting the ethical tone of a company, not only by its own actions, but also in appointing and overseeing key executives and consequently the management in general. High ethical standards are in the long term interests of the company as a means to make it credible and trustworthy, not only in day-to-day operations but also with respect to longer term commitments. To make the objectives of the board clear and operational, many companies have found it useful to develop company codes of conduct based on, inter alia, professional standards and sometimes broader codes of behaviour. The latter might include a voluntary commitment by the company (including its subsidiaries) to comply with the OECD Guidelines for</p>

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E.1 Board Duties and Responsibilities			
			https://www.sunlifegrepa.com/CorporateGovernance.aspx
E.2.2	Does the company disclose that all directors/commissioners, senior management and employees are required to comply with the code?	YES	<p>Through the published Code of Conduct, directors, senior management and employees are informed of the need/requirement to comply with the Code. In addition to this, all employees (including executive directors and officers) of the Company receive annual training on the Code and are checked on their knowledge of the Code and how to comply with it. The Board members are asked annually to affirm compliance with/adherence to the Code and commitment to the same.</p> <p>Source Documents:</p> <p><u>Code of Business Conduct/ Applying the Code (Page 3)</u> https://www.sunlifegrepa.com/upload/files/Code%20of%20Business%20Conduct.pdf</p> <p><u>2017 Annual Report (Page 24)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.3	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	YES	<p><i>The Company discloses how it monitors and implements compliance with the Code. The same is contained in the Code of Business Conduct.</i></p> <p><i>In addition to this, all employees (including executive directors and officers) of the Company receive annual training on the Code and are checked on their knowledge of the Code and how to comply with it. The</i></p>

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			<p><i>Board members are asked annually to affirm compliance with/adherence to the Code and commitment to the same.</i></p> <p><i>Breaches of the Code of Business Conduct may be reported through various channels including reporting through the Ethics Hotline, which is also disclosed in the Company's Annual Report.</i></p> <p><i>"The Whistle Blower program of the Company provides a formal mechanism and channel for directors, officers, employees, suppliers, business partners, contractors and sub-contractors, and other third parties to raise serious concerns about a perceived wrongdoing or questionable or unethical behavior or transaction, malpractice, or any risk involving the Company or any of its officers and employees. Sun Life strictly prohibits any form of retaliation against those reporting concerns in good faith and guarantees that the whistleblower will be shielded or free from reprisals, harassment, or disciplinary action.</i></p> <p><i>Suspected breaches of the Sun Life Grepa Code of Business Conduct, the same must be promptly reported to the Compliance Officer, Head of Human Resources, or the General Counsel. Suspected breaches may also be reported anonymously through the following Ethics Hotline numbers available 24 hours a day."</i></p>

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E.1 Board Duties and Responsibilities			
			<p><i>“Sun Life is committed to leading with integrity and takes breaches of the Code seriously. We must all take an active role in ensuring the Code is applied throughout Sun Life and that breaches of the Code are handled appropriately.</i></p> <p><i>How Do I Report A Breach of the Code?</i> Advise your manager, human resources, a compliance officer or someone in the law department if you believe YOU may have contravened the Code.</p> <p><i>If you know or suspect that SOMEONE ELSE has contravened the Code or you feel you are being pressured to violate the law or your ethical responsibilities, advise your manager, human resources, the general counsel or senior compliance officer in your business group, or the chief compliance officer. If you would prefer to report the situation anonymously, or if you feel that someone has not responded appropriately to your report, use the Employee Ethics Hotline.</i></p> <p><i>Dial 105-11 or 105-12 (Cell phone – no “+63” Prefix using Globe and Smart lines)</i> <i>Dial 1010-5511-00 (Landline)</i></p> <p><i>You’ll be prompted to dial Alertline number 800 481-6966</i></p> <p><i>For English, please select 1</i> <i>For Filipino, please select 9</i></p>

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E.1 Board Duties and Responsibilities			
			<p><i>The whistleblower may also submit his or her report or concern in writing directly to the Compliance Officer, or by Email to: slf_code_of_business_conduct@sunlife.com</i></p> <p><i>The Hotline services are handled by an outside service provider, and are available to all employees, seven days a week, 24 hours a day in multiple languages. If you suspect a breach has taken place, do not attempt to deal with the situation yourself. Your identity in any follow- up discussions or inquiries will be kept in confidence to the extent appropriate or permitted by law."</i></p> <p>Source Documents:</p> <p><u>Code of Business Conduct/ Applying the Code (Page 3)</u> https://www.sunlifegrepa.com/upload/files/Code%20of%20Business%20Conduct.pdf</p> <p><u>2017 Annual Report (Page 43)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
	Board Structure & Composition		
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	<p>OECD PRINCIPLE VI (E)</p> <p>In order to exercise its duties of monitoring managerial performance, preventing conflicts of interest and balancing competing demands on the corporation, it is essential that the board is able to exercise objective judgement. In the</p>	<p>NO</p> <p>Out of the nine-member Board of the Company, three are Independent Directors, which is more than compliant with the current requirements of the Insurance Commission</p>

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E.1 Board Duties and Responsibilities			
			<p>Source Documents:</p> <p>2017 General Information Sheet (Page 4) https://www.sunlifegrepa.com/upload/files/GIS%202015%20Amended%20SLOCPI_03142016.pdf</p> <p>Annual Report/ Corporate Governance/ Board of Directors (Page 21) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p>By-laws https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p>
E.2.5	<p>Are the independent directors/commissioners independent of management and major/ substantial shareholders?</p>	YES	<p>Independent Directors of the Company are independent of management and major/ substantial shareholders. In the selection of these directors, the fact that they are free from any conflict of interest and possess independent and objective judgment are some of the key considerations. The credentials of the independent directors as specified in the Annual Report are proof of their independence.</p> <p><i>The three (3) Independent Directors (Messrs. Jose Isidro N. Camacho, Francisco C. Eizmendi, Jr. and Juan B. Santos) are known for their expertise in various fields, both in the private and public sectors. No Independent Director serves on more than five (5) boards of publicly-listed Companies. The Independent Directors ensure that acts and decisions of the Board</i></p>

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			<p><i>are made in accordance with the requirements of the regulations and are free from conflicts of interest.</i></p> <p>Source Document:</p> <p><u>Annual Report (Page 10-13, 21)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.6	Does the company have a term limit of nine years or less for its independent directors/commissioners?	YES	<p><i>Under the By-Laws of the Corporation, Directors will be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected or qualified; provided that, Independent Directors shall have a term limit of nine (9) years, subject to such maximum term limits that may be imposed by law or by the Insurance Commission.</i></p> <p>Source Document:</p> <p><u>Manual of Corporate Governance (Pages 6)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p><u>Annual Report (Page 21)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.7	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	YES	<p>It is the policy of the Company that no Independent Director serves on more than five (5) boards of publicly-listed companies. The Independent Directors ensure that acts and decisions of the Board are made in accordance with the requirements of the regulations and are free from conflicts of interest.</p>

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E.1 Board Duties and Responsibilities			
			<p>review, and should take into account the need for progressive refreshing of the board and to succession for appointments to the board and to senior management, so as to maintain an appropriate balance of skills and experience within the company and on the board.</p> <p>Source Document:</p> <p><u>Annual Report/ Corporate Governance/ Board of Directors (Page 21)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.8	Does the company have any independent directors/commissioners who serve on a total of more than five boards of publicly-listed companies?	NO	<p>All the Company's Independent Directors do not serve more than five boards of publicly-listed companies. The Company policy on this prohibits them from serving in more than five publicly-listed companies.</p> <p>Source Document:</p> <p><u>Annual Report/ Corporate Governance/ Board of Directors (Page 21)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.9	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	NO	<p>No Executive Director of the Company serves on more than two (2) boards of listed companies outside the Sun Life Grepa Group. The details of their affiliations or membership in other boards are in the Annual Report.</p> <p>Source Document:</p> <p><u>Annual Report/ Corporate Governance/ Board of Directors (Page 10-14)</u></p>

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E.1 Board Duties and Responsibilities			
			https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf
	<i>Nominating Committee</i>		
E.2.10	Does the company have a Nominating Committee (NC)?	YES	<p>The functions of a Nomination Committee are carried out by the Company’s Risk Management Committee. SLGFI’s Manual on Corporate Governance mandates the Risk Management Committee to:</p> <p><i>“2.2.2.3 Risk Management Committee</i></p> <p><i>2.2.2.3.1 The Risk Management Committee shall be composed of at least three (3) members of the Board, including a Committee Chair, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation. Each member shall have at least an adequate understanding of, or competence in, most of the Corporation’s risk management systems and regulatory environment.</i></p> <p><i>2.2.2.3.2 Duties and Responsibilities</i></p> <p><i>x x x</i></p> <ul style="list-style-type: none"> ○ <i>Perform the function of a Nomination Committee, and recommend persons to fill any vacancy on the Board, which the Board may fill pursuant to the Corporation’s By-Laws, directors to be appointed to committees of the Board and nominees for election or re-election as directors</i> ○ <i>Consider potential director candidates as directed by the Board of Directors;</i>

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		<p>OECD PRINCIPLE VI (E) (1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.</p>	<ul style="list-style-type: none"> ○ <i>Consider and if thought fit after consulting the President, approve requests from directors or committees of the Board for engagement of special advisors at the expense of the Corporation, in respect of any matter or issue for which independent advice is required. In this regard, the Corporation may retain the services of a search firm to assist in the selection of suitable candidates to fill a vacancy in the Board;</i> ○ <i>Report to the Board and/or the Corporation's shareholders as to all such matters;</i> <i>x x x"</i> <p>Source Document:</p> <p><u>Manual of Corporate Governance (Pages 9-11)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>

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E.2.11	Does the Nominating Committee comprise of a majority of independent directors/commissioners?		N	<p>The Risk Management Committee, which also carries the functions of a Nominating committee, is composed of at least three (3) members of the Board, including a Committee Chair, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation. The Committee Chairman is Jose Isidro N. Camacho, Independent Director.</p> <p>Source Document:</p> <p><u>Manual of Corporate Governance (Pages 9)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p><u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.12	Is the chairman of the Nominating Committee an independent director/commissioner?	This item is in most codes of corporate governance.	Y	<p>The Committee Chairman is Jose Isidro N. Camacho, Independent Director.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>

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E.2.13	<p>Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?</p> <p>OECD PRINCIPLE VI (E) (2) When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p> <p>While the use of committees may improve the work of the board they may also raise questions about the collective responsibility of the board and of individual board members. In order to evaluate the merits of board committees it is therefore important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in an increasing number of jurisdictions where boards are establishing independent Audit Committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Other such committees include those dealing with nomination and compensation. The accountability of the rest of the board and the board as a whole should be clear. Disclosure should not extend to committees set up to deal with, for example, confidential commercial transactions</p> <p>Given the responsibilities of the NC spelt out in codes of corporate governance, the NC is unlikely to be fulfilling these responsibilities effectively if it is only meeting once a year.</p>	Yes	<p>The Risk Management Committee, which also carries the functions of a Nominating committee, is composed of at least three (3) members of the Board, including a Committee Chair, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation.</p> <p>The Committee recommends persons to fill any vacancy on the Board, which the Board may fill pursuant to the Corporation's By-Laws, directors to be appointed to committees of the Board and nominees for election or re-election as directors;</p> <p>Consider potential director candidates as directed by the Board of Directors;</p> <p>Consider and if thought fit after consulting the President, approve requests from directors or committees of the Board for engagement of special advisors at the expense of the Corporation, in respect of any matter or issue for which independent advice is required. In this regard, the Corporation may retain the services of a search firm to assist in the selection of suitable candidates to fill any vacancy in the Board;</p> <p>Source Document:</p> <p><u>Manual of Corporate Governance (Pages 9-11)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.2.14	Did the Nominating Committee meet at least twice during the year?	Globally, the NC of large companies would meet several times a year.	YES The Nominating Committee had 4 meetings in 2017. 07 March 2017 06 June 2017 03 October 2017 05 December 2017 Source Document: <u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf
E.2.15	Is the attendance of members at Nominating Committee meetings disclosed?		YES Attendance is disclosed in the Annual Report for all the four (4) meetings held in 2017. 07 March 2017 06 June 2017 03 October 2017 05 December 2017 Source Document: <u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf
	Remuneration Committee/ Compensation Committee		
E.2.16	Does the company have a Remuneration Committee?	OECD PRINCIPLE VI (D) (4) Aligning key executive and board	YES The Remuneration Committee is composed of at least three (3) members of the Board, including a

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
	<p>remuneration with the longer term interests of the company and its shareholders.</p> <p>It is considered good practice in an increasing number of countries that remuneration policy and employment contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors. There are also calls for a Remuneration Committee that excludes executives that serve on each others' Remuneration Committees, which could lead to conflicts of interest.</p>		<p>Committee Chair, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation.</p> <p>The following are some of its duties and responsibilities:</p> <ul style="list-style-type: none"> • <i>“Review and assess the following matters and make recommendations annually to the Board and/or the Corporation's shareholders with regard thereto:</i> <ol style="list-style-type: none"> a. <i>the compensation of independent directors; and</i> b. <i>compensation of the President and the performance based bonus of eligible employees, including secondees from Sun Life of Canada Philippines, Inc. (SLOCPI)Report to the Board and/or the Corporation's shareholders as to all such matters;</i> • <i>Report to the Board and/or the Corporation's shareholders as to all such matters; and</i> • <i>Perform such other duties and exercise such powers as may from time to time be assigned to or vested in the Committee by the Board. The Board has delegated the following to the Remuneration Committee: a) approval of the redundancy package in a resolution dated 12 December 2011, and b) approval of the executives' compensation and annual increase in a resolution dated 13 March 2013Remuneration Committee: a) approval of the redundancy package in a resolution dated</i>

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>12 December 2011, and b) approval of the executives' compensation and annual increase in a resolution dated 13 March 2013."</p> <p>Source Document:</p> <p>Manual on Corporate Governance (Pages 8-9) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.2.17	Does the Remuneration Committee comprise of a majority of independent directors/commissioners?	NO	The Remuneration Committee are composed of Helen Dee, Francisco C. Eizmendi, Jr. (independent) and Rizalina G. Mantaring.
E.2.18	Is the chairman of the Remuneration Committee an independent director/commissioner?	NO	Helen Y. Dee is the Committee Chairman
E.2.19	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	YES	<p>OECD PRINCIPLE VI (E) (2) When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p> <p>While the use of committees may improve the work of the board they may also raise questions about the collective responsibility of the board and of individual board members. In order to evaluate the merits of board committees it is therefore important that the market receives a full and clear picture of their purpose, duties and composition. Such</p> <p><i>"The Remuneration Committee shall be composed of at least three (3) members of the Board, including a Committee Chair, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation.</i></p> <p><i>2.2.2.2.2 Duties and Responsibilities</i></p> <p><i>Review and assess the following matters and make recommendations annually to the Board and/or the Corporation's shareholders with regard thereto:</i></p> <p><i>a. the compensation of directors; and</i></p> <p><i>b. the compensation of the President and the performance-based bonus of eligible employees,</i></p>

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>information is particularly important in an increasing number of jurisdictions where boards are establishing independent Audit Committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Other such committees include those dealing with nomination and compensation. The accountability of the rest of the board and the board as a whole should be clear. Disclosure should not extend to committees set up to deal with, for example, confidential commercial transactions</p> <p>including secondees from Sun Life of Canada Philippines, Inc. (SLOCPI).</p> <p>Xx”</p> <p>Source Document:</p> <p><u>Manual on Corporate Governance (Pages 8-9)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.2.20	Did the Remuneration Committee meet at least twice during the year?		The Remuneration Committee had 1 meeting in 2017 with all members present.
E.2.21	Is the attendance of members at Remuneration Committee meetings disclosed?	YES	<p>Attendance is disclosed in the Annual Report.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 24)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
	Audit Committee		

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.2.22	Does the company have an Audit Committee?	YES	<p>The Audit Committee shall be composed of at least three (3) members of the Board, all or majority of whom shall be independent directors, including a Committee Chair who is an independent director, who are all nominated and appointed thereto pursuant to the By-Laws of the Corporation. Each member shall preferably have experience in accounting or finance, or at least an adequate understanding of, or competence in, most of the Corporation's financial management systems and environment..</p> <p>Source Documents:</p> <p><u>Manual on Corporate Governance (Pages 6-9)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p><u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.2.23	Does the Audit Committee comprise entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	YES	<p>The Audit Committee is composed of Mr. Jose Isidro N. Camacho (independent) as Chairman, and Ms. Rizalina G. Mantaring (non-executive director) and Francisco C. Eizmendi, Jr. (independent).</p> <p>Source Documents:</p> <p>Manual on Corporate Governance (Pages 6-8) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p>2017 Annual Report (Page 23) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.24	Is the chairman of the Audit Committee an independent director/commissioner?	YES	<p>Yes, the Chairman is Mr. Jose Isidro N. Camacho, Independent Director.</p> <p>Please refer to the section on Audit Committee.</p>

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>Source Documents:</p> <p>Manual on Corporate Governance (Pages 6-8) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p>2017 Annual Report (Page 23) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.25	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	YES	<p>The company discloses the terms of reference/governance structure/charter of the Audit Committee through the Manual on Corporate Governance, which is published on the website.</p> <p>Manual on Corporate Governance (Pages 6-8) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.2.26	Does the Annual Report disclose the profile or qualifications of the Audit Committee members?	YES	<p>The membership of the Audit Committee is indicated on the Annual Report and the profiles of the members are also contained therein.</p> <p>Source Documents:</p> <p>Manual on Corporate Governance (Pages 6-8) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p> <p>2017 Annual Report (Pages 10-14, 23) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.2.27	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	YES	<p>The Company has at least one independent director who has accounting experience/ expertise. Also, the Manual on Corporate Governance states that each member of the Committee shall be independent as defined in the Director Independence Policy and financially literate. Note that the Chairman of the Audit Committee, Mr. Joselito Camacho is a former Secretary of Finance and has extensive experience/exposure on accounting and finance. The past positions and affiliations of Former Secretary Camacho are proofs of his possession of accounting qualification or experience, if not expertise. He has a long and distinguished career in government and international banking. Mr. Camacho graduated cum laude with a bachelor's degree in mathematics from De La Salle University and received his MBA with a concentration in finance from the Harvard Business School.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 10)</u></p>
E.2.28	Did the Audit Committee meet at least four times during the year?	YES	<p>The Audit Committee had 4 meetings in 2017, on the following dates:</p> <p>07 March 2017 06 June 2017 03 October 2017 05 December 2017</p>

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>Source Document:</p> <p>2017 Annual Report (Page 23) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.29	Is the attendance of members at Audit Committee meetings disclosed?	YES	<p>The Certificate of Attendance of the directors/Committee members is published on the website and disclosed in the Annual Report.</p> <p>Source Document:</p> <p>Certificate of BOD Attendance https://www.sunlifegrepa.com/upload/files/SLGFI%20Board%20Meeting%20Attendance.pdf</p> <p>2017 Annual Report (Page 23) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.2.30	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	YES	<p>Under the Manual on Corporate Governance, as part of the Duties and Responsibilities of the Audit Committee, it shall:</p> <ul style="list-style-type: none"> • <i>“Provide oversight of the Corporation’s internal and external auditors;</i> • <i>Appoint of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;</i> • <i>Set compensation of the external auditor in relation to the scope of its duties;</i>
		<p>UK CODE (JUNE 2010)</p> <p>C.3.6 The Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment and removal of the external auditor. If the board does not accept the Audit Committee’s recommendation, it should include in the Annual Report, and in any papers recommending appointment or re-appointment, a statement from the Audit Committee explaining the recommendation</p>	

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SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>and should set out reasons why the board has taken a different position.</p> <ul style="list-style-type: none"> • Discuss and agree to the terms of the engagement letter issued by the external auditor prior to the approval of the engagement. Where relevant, the engagement letter should reflect changes in circumstances relevant to the external audit; • Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one audit firm is involved;" xxx <p>Source Document:</p> <p>Manual on Corporate Governance (Pages 6-8) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.3	Board Processes		
	<i>Board meetings and attendance</i>		
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Scheduling board meetings before or at the beginning of the year would allow directors to plan ahead to attend such meetings, thereby helping to maximise participation, especially as non-executive directors often have other commitments. Additional ad hoc meetings can always be scheduled if and when necessary. It is common practice for boards in developed markets to schedule meetings in this way.	<p>YES</p> <p>The meetings are scheduled before the start of financial year as described in the Board Meeting Practices Process Flow:</p> <p><i>“Setting Meeting Dates Dates for regular meetings, as well as the Annual Meetings of the stockholders shall be set two (2) years in advance and confirmed at the last meeting of the board for the current year. “</i></p> <p>Source Document:</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><u>Section 3.2 Board Meeting Practices Process Flow/ Setting Meeting Dates</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Board%20Meeting%20Practices%20Process%20Flow.pdf</p>
E.3.2	<p>Does the board of directors/commissioners meet at least six times during the year?</p>	NO	<p>The Board met for a total of four (4) times in 2017 in compliance with the Company's By-Laws and Manual on Corporate Governance. We believe that a quarterly meeting is sufficient to keep the Board abreast with meaningful reports that are presented on a quarterly basis.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 23)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Certificate of BOD Attendance</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Board%20Meeting%20Attendance.pdf</p> <p><u>Article IV Section 5 By Laws/The Board of Directors/ Regular Meetings</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	YES	<p>YES. Each member of the board has attended at least 75% of all the board meetings held during the year.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 22-24)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Certificate of BOD Attendance</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Board%20Meeting%20Attendance.pdf</p>
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	YES	<p>All Board resolutions are passed unanimously by the Board, with no abstentions or objections. This is reflected in the Company's By-laws:</p> <p><i>"A majority of the Board of Directors shall constitute a quorum for the transaction of business, provided at least one (1) director nominated by Sun Life and GPLL (neither of whom are independent directors are present). The presence of a quorum, a majority vote of the directors present at any Board meeting shall be sufficient to decide any action, provided that the matters listed in paragraph 12 below (Board Reserve Matters) will require an affirmative vote on at least one director nominated by Sun Life and GPLL (none of whom are independent directors)</i></p> <p><i>In the absence of a quorum, a majority of the directors present may adjourn a meeting until a quorum is present.'</i></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>Source Document:</p> <p><u>Article IV Section 7 By Laws/The Board of Directors/ Regular Meetings</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p>
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	WORLD BANK PRINCIPLE 6 (VI.E.1.6) Does the corporate governance framework requires or encourages boards to conduct executive sessions?	<p>YES</p> <p><i>For every quarter in 2017, the non-executive directors of the Board have a private and confidential meeting with each of the Risk Officer, Compliance Officer, and Internal Auditor, without the presence of management, to provide a safe environment where said officers could freely discuss their issues and concerns with the non-executive directors. The non-executive directors meet with the External Auditors at least three times a year. Starting in 2018, the non-executive directors of the Board have a short meeting prior to the start of every quarterly Board meeting, where no members of management are present.</i></p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 22)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
	<i>Access to information</i>		
E.3.6	Are board papers for Board of Directors/Commissioners meetings provided to the board at least five	OECD PRINCIPLE VI (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information.	<p>YES</p> <p>The Company is mandated to follow the requirements under the Board Practices Manual which states that:</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
	business days in advance of the board meeting?		<p><i>“The entire Board material binder shall be dispatched by the Corporate Secretary at least seven (7) calendar days prior to the meeting, provided there is no explicit requirement for an earlier period in the company's constitutional documents. If there is such a requirement, the Corporate Secretary shall likewise adjust the relevant dates under 3.4 accordingly. The Board material binder may be distributed in soft copies by email in lieu of hard copies and such distribution shall be deemed compliant with the requirements of this Process Flow.”</i></p> <p>Source Document:</p> <p><u>Section 3.8 Par. 4 Board Meeting Practices Process Flow/ Board Materials Binder</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Board%20Meeting%20Practices%20Process%20Flow.pdf</p>
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	YES	<p>Under the Manual on Corporate Governance:</p> <p><i>“The Corporate Secretary and Assistant Corporate Secretary are officers of the Corporation and perfection in performance and no surprises are expected of them. Likewise, their loyalty to the mission, vision and specific business objectives of the Corporation come with their duties.</i></p> <p>Under the Duties and Responsibilities of the Corporate Secretary, he/she must:</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<ul style="list-style-type: none"> • <i>“Gather and analyze all documents, records and other information essential to the conduct of his duties and responsibilities to the Corporation;</i> • <i>As to the agenda, get a complete schedule thereof at least for the current year and put the Board on notice before every meeting;</i> • <i>Assist the Board in making business judgment in good faith and in the performance of their responsibilities and obligations;</i> • <i>Attend all Board meetings and maintain records of the same;</i> • <i>Submit to the Supervising Government Agencies, at the end of every fiscal year, an annual certification as to the attendance of the Directors during Board meetings”</i> <p>Source Document:</p> <p><u>Section 2.2.3 Manual on Corporate Governance/ Corporate and Assistant Corporate Secretary</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices?	WORLD BANK PRINCIPLE 6 (VI.D.2.12) Do company boards have a professional and qualified company secretary?	YES Under the Corporate Secretary section in the Manual on Governance, it is stated that: <i>“Considering his varied functions and duties, he must possess administrative and interpersonal skills, and <u>if he is not the general counsel, then he must have some legal skills. He must also have some financial and accounting skills.</u>”</i>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>The Company Secretary is Atty. Samuel V. Torres. Atty. Torres has an extensive experience as a legal practitioner as well as Corporate Secretary. He possesses the skills and has received training necessary and required under regulations for a Corporate Secretary. He graduated from the University of Philippines School of Economics with a degree in BS Economics and took up Bachelor of Laws at the Ateneo De Manila University School of Law.</p> <p>Source Documents:</p> <p><u>2017 Annual Report (Page 18)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Section 2.2.3 Manual on Corporate Governance/ Corporate and Assistant Corporate Secretary</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
<i>Board Appointments and Re-Election</i>			
E.3.9	<p>Does the company disclose the criteria used in selecting new directors/commissioners?</p>	<p>OECD PRINCIPLE II (C) (3) To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p> <p>OECD Principle VI (D) (5) Ensuring a formal and transparent board nomination and election process.</p>	<p>YES</p> <p>SLGFI is a Company that has only two shareholders. The selection of its Directors therefore is performed by the 2 parties or shareholders pursuant to their joint venture agreement and the Board Charter or Manual on Corporate Governance.</p> <p>Article III par. 6 of the By-Laws discloses or provides for the manner of selection/ nomination of the directors.</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
		<p>These Principles promote an active role for shareholders in the nomination and election of board members. The board has an essential role to play in ensuring that this and other aspects of the nominations and election process are respected. First, while actual procedures for nomination may differ among countries, the board or a nomination committee has a special responsibility to make sure that established procedures are transparent and respected. Second, the board has a key role in identifying potential members for the board with the appropriate knowledge, competencies and expertise to complement the existing skills of the board and thereby improve its value-adding potential for the company. In several countries there are calls for an open search process extending to a broad range of people.</p>	<p><i>“a) GPL Holdings, Inc or its successor-in-interest {“GLPH”} will have the right to nominate from time to time four (4) directors, one of whom will be and independent director;</i> <i>b) Sun Life Financial Philippines Holding Company, Inc. or its successors-in-interest (“sun Life”) will have the right to nominate from time to time four (4) directors, one of whom will be an independent director’</i> <i>c) In the event that the business of life insurance in the Philippines becomes a partially nationalized activity, Sun Life will have the sole right to nominate Person(s) to fill the seats allocated to foreign directors in the Board; and</i> <i>d) GPLH will have the right to nominate candidates for the third independent director, and Sun Life will approve one GLPH’s nominees, which approval Sun Life will not unreasonably withhold. Each nominee for the third independent director must be a Philippine national. IF Sun Life reasonably withholds its approval, GPLH will submit new nominee (s) for the third independent director for Sun Life’s approval. There is no limitation to the number of nominees for the position of the third independent director that GPLH may submit or the number of submission that GPLH may make.”</i></p> <p><u>2.2.1.4 Director Attributes</u></p> <p><u>Each Director should exhibit the following characteristics in discharging the responsibilities of his role:</u></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<ul style="list-style-type: none"> • <u>Integrity</u> • <u>Accountability</u> • <u>Independent and informed judgment</u> • <u>Commitment</u> • <u>Diligence</u> • <u>Knowledgeable of business issues and financial matters</u> • <u>Ability to communicate openly and work effectively with fellow Directors and Management.</u> <p>2.2.2.3.2 Manual on Corporate Governance</p> <p><i>“..the Corporation may retain the services of a search firm to assist in the selection of suitable candidates to fill a vacancy in the Board..”</i></p> <p>Source Documents:</p> <p><u>Article III.6 By-Laws/Election of Directors</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p> <p><u>Manual on Corporate Governance (Page 11)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.3.10	Does the company disclose the process followed in appointing new directors/commissioners?	YES	<p>SLGFI is a Company that has only two shareholders. The selection of its Directors therefore is performed by the 2 parties or shareholders pursuant to their joint venture agreement and the Board Charter or Manual on Corporate Governance.</p> <p>Article III par. 6 of the By-Laws discloses or provides for the manner of selection/nomination of the directors.</p> <p><i>“a) GPL Holdings, Inc. or its successor-in-interest {“GLPH”} will have the right to nominate from time to time four (4) directors, one of whom will be and independent director;</i></p> <p><i>b) Sun Life Financial Philippines Holding Company, Inc. or its successors-in-interest (“sun Life”) will have the right to nominate from time to time four (4) directors, one of whom will be an independent director’</i></p> <p><i>c) In the event that the business of life insurance in the Philippines becomes a partially nationalized activity, Sun Life will have the sole right to nominate Person(s) to fill the seats allocated to foreign directors in the Board; and</i></p> <p><i>d) GPLH will have the right to nominate candidates for the third independent director, and Sun Life will approve one GLPH’s nominees, which approval Sun Life will not unreasonably withhold. Each nominee for the third independent director must be a Philippine national. IF Sun Life reasonably withholds its approval, GPLH will submit new nominee (s) for the third independent director for Sun Life’s approval. There is no limitation to the number of nominees for the</i></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><i>position of the third independent director that GPLH may submit or the number of submission that GPLH may make.”</i></p> <p>Source Document:</p> <p>Article III.6 By-Laws/Election of Directors https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p>
E.3.11	<p>Are all the directors/commissioners subject to re-election at least once every three years?</p>	YES	<p>SLGFI’s By-Laws state:</p> <p><i>“6. Election of Directors. – The nine (9) directors of the corporation shall be elected by a plurality vote, cast by ballot, at the annual meeting of stockholders for that year. The directors so elected shall hold office for a term of one (1) year, until the election and qualification of their respective successors, or until the next annual meeting of the stockholders, subject to the following provisions: xxx.”</i></p> <p>Source Document:</p> <p>Article III.6 By-Laws/Election of Directors https://www.sunlifegrepa.com/upload/files/SLGFI%20Amended%20AOI%20and%20By-Laws.pdf</p>
	Remuneration Matters		

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	YES	<p>The Company discloses only the remuneration of the executive directors and CEO in aggregate as part of its financial statements.</p> <p>Source Document:</p> <p><u>2017 Audited Financial Statement</u> https://www.sunlifegrepa.com/upload/files/2015%20SLOCPI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf</p>
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	YES	<p>The Company discloses the only the fee structure for non-executive directors and CEO in aggregate as part of its financial statements.</p> <p>Source Document:</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>2017 Audited Financial Statement https://www.sunlifegrepa.com/upload/files/2015%20SLOCPI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf</p>
E.3.14	<p>Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?</p>	YES	<p>The Manual on Corporate Governance provides that the Board through the Remuneration Committee:</p> <ul style="list-style-type: none"> • <i>“Review and assess the following matters and make recommendations annually to the Board and/or the Corporation's shareholders with regard thereto:</i> <p><u>i. the compensation of directors; and</u> <u>ii. the compensation of the President and the performance based bonus of eligible employees, including secondees from Sun Life of Canada Philippines, Inc. (SLOCPI).</u></p> <ul style="list-style-type: none"> • <i>Report to the Board and/or the Corporation's shareholders as to all such matters; and</i> • <i>Xxx”</i> <p>Based on the recommendation of the Committee the Board approves the remuneration. The Shareholders, on the other hand, approves or affirms the Board actions during the Shareholders meeting.</p> <p>Source Document: <u>Manual on Corporate Governance (Page 9)</u></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf
E.3.15	<p>Do independent non-executive directors/commissioners receive options, performance shares or bonuses?</p>	NO	<p>Non-executive directors are not entitled to receive options, performance shares or bonuses by virtue of their being Directors of the Company.</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
	Internal Audit		
E.3.16	<p>Does the company have a separate internal audit function?</p>	YES	<p>The Internal Audit function is the third line of defence, providing independent assurance on the effectiveness and appropriateness of internal controls relative to the risk inherent in the business, as well as assessing that risks are identified, measured, effectively mitigated, monitored and appropriately reported to the Board of Directors, Board Committees and Senior Management Committees by the first and second lines of defence.</p> <p>Under the section on Internal Audit of the Manual on Corporate Governance, it states:</p> <p>“2.2.5 Internal Auditor</p> <p><i>2.2.5.1 The Corporation shall have in place an <u>independent internal audit function</u> which shall be performed by an Internal Auditor or group of internal auditors through which the Board, senior management, and stockholders shall be provided with reasonable assurance that the Corporation’s key organizational and procedural controls are effective, appropriate, and complied with.</i></p> <p><i>2.2.5.2 The Internal Auditor shall present his report to the Audit Committee.</i></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>2.2.5.3 <i>The minimum internal control mechanisms for management’s operational responsibility shall center on the Chief Executive Officer, being ultimately accountable for the Corporation’s organizational and procedural controls.</i></p> <p>2.2.5.4 <i>The scope and particulars of the Corporation’s system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of the business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance. “</i></p> <p>Source Document:</p> <p><u>Manual on Corporate Governance (Page 17)</u> <u>https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</u></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	YES	<p>YES. The Company's head of internal audit is identified in the Annual Report. The function is not outsourced to an external firm.</p> <p><i>“Joel O. Bungabong Internal Auditor</i></p> <p><i>Mr. Bungabong, 40 years old is the Internal Auditor for Sun Life Grepa Financial, Inc. He has also been the Audit Head for the Sun Life Financial Philippines group since October 1, 2009. He joined Sun Life as a Systems Audit Manager (acting on a Specialist role) in 2006, and was appointed as Team Leader of the Systems Audit Team in 2008 until his appointment as Audit Head in 2009. Prior to joining Sun Life, he was an Associate Director in the Technology and Security Risk Services (TSRS) practice of SyCip Gorres Velayo & Co. (SGV), a member practice of Ernst & Young Global.</i></p> <p><i>He is a Certified Public Accountant (1998) with a B.S. Accountancy degree from the Silliman University (1998). He is also a Certified Information Systems Auditor (2001), a Certified Information Security Manager (2007), and a Certified Forensic Accountant (2012). He acquired his Fellow, Life Management Institute (FLMI) designation in 2011.”</i></p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 19)</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	YES	<p>Under the Duties and Responsibilities section of the Manual on Corporate Governance, it is stated that:</p> <p><i>“ The Audit Committee shall:</i></p> <ul style="list-style-type: none"> • <i>Provide oversight of the Corporation's internal and external auditors;</i> • <i>Appoint an internal auditor</i> as well as an independent external auditor, the audit fee, and <i>any question of resignation or dismissal;</i> x x x” <p>Source Document:</p> <p>Manual on Corporate Governance (Page 7) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
	Risk Oversight		
E.3.19	Does the company disclose the internal control procedures/risk management systems it has in place?	YES	The Company discloses the internal control procedures/risk management systems it has in place.

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
		<p>appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>	<p>“Risk Management <i>The Company’s overall risk management framework establishes policies, operating guidelines, risk tolerance limits and practices for risk management patterned after the Company’s parent organization. It provides oversight to the risk management activities within the Company’s business segments, ensuring discipline and consistency are applied to the practice of risk management.</i></p> <p><i>The Company’s activities expose it to a variety of operational risk and financial risks such as market risk (which includes foreign exchange risk, interest rate risk and equity price risk), credit risk, liquidity risk and insurance risk (which includes product design and pricing risk, mortality and morbidity risk and legal, regulatory and market conduct risk management).</i></p> <p>Risk Framework <i>The risk management program is designed to:</i> <i>a. avoid risks that could materially affect the value of the Company,</i> <i>b. contribute to sustainable earnings,</i> <i>c. take risks that the Company can manage in order to increase returns, and</i> <i>d. provide transparency of the Company’s risks through internal and external reporting.”</i></p> <p>Sun Life’s strategy to address its key risk are also described in the 2017 Audited Financial Statements under “Note 30. Management of Insurance and Financial Risk.</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>The Company’s Manual on Corporate Governance also provides:</p> <p>“2. Compliance System 2.1 Compliance Officer</p> <p>2.1.1 <i>To ensure adherence to corporate principles and best practices, the Board shall designate a Compliance Officer, who shall have direct access to the Board, Chief Executive Officer and to the Risk Management Committee.</i></p> <p>2.1:2 <i>The Compliance Officer shall perform the following duties:</i></p> <ul style="list-style-type: none"> • <i>Monitor compliance with the provisions and requirements of this Manual;</i> • <i>Appear before the Corporation's supervising Government Agencies upon summons on matters relative to this Manual that need to be clarified by the same;</i> • <i>Determine violations of the Manual and recommend penalty for violation thereof for further review and approval of the Board;</i> • <i>Issue a certification when necessary, on the extent of the Corporation's compliance with this Manual for the completed year, explaining the reason/s for the latter's deviation from the same, if any; and</i> • <i>Identify, monitor and control compliance risks.”</i>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>Source Documents:</p> <p><u>Note 30 of 2017 Audited Financial Statements/ Management of Insurance and Financial Risk (Page 55)</u> https://www.sunlifegrepa.com/upload/files/2015%20SLOCPI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf</p> <p><u>2017 Annual Report/Risk Management (Page 40)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Manual on Corporate Governance (Pages 2-3)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
E.3.20	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?	YES	<p>UK CODE (JUNE 2010) C.2.1 The board should, at least annually, conduct a review of the effectiveness of the company's risk management and internal control systems and should report to shareholders that they have done so. The review should cover all material controls, including financial, operational and compliance controls.</p> <p>Our Risk Management Framework, a document reviewed and approved by the Board, seeks to optimize the balance between risk and return and to enhance the creation of stakeholder value. The Annual Report contains a brief discussion on this. The Audited Financial Statements also contains a brief discussion on this area.</p> <p>The Statement of Management's Responsibility for the Financial Statements in the Annual Report states:</p> <p>"x x x <i>The Board of Directors is responsible for overseeing the Company's financial reporting process.</i></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><i>The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.</i> x x x"</p> <p>Source Documents:</p> <p><u>2017 Annual Report (Page 31)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Note 30 of 2017 Audited Financial Statements/ Management of Insurance and Financial Risk (Page 55)</u> https://www.sunlifegrepa.com/upload/files/SLOCFI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf</p>
E.3.21	Does the company disclose how key risks are managed?	<p>OECD PRINCIPLE V (A) (6) Foreseeable risk factors.</p> <p>Disclosure of risk is most effective when it is tailored to the particular industry in question. Disclosure about the system for monitoring and managing risk is increasingly regarded as good practice.</p>	<p>YES</p> <p>The Company discloses how key risks are managed. This can be found in the Key Risk discussion section of the Annual Report.</p> <p>Source Documents:</p> <p><u>2017 Annual Report/Risk Management (Page 40-42)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Note 30 of 2017 Audited Financial Statements/ Management of Insurance and Financial Risk (Page 55)</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			https://www.sunlifegrepa.com/upload/files/2015%20SLOCPI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf
E.3.22	<p>Does the Annual Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?</p>	YES	<p>The Annual Report contains a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems. You may find this is the Audited Financial Statements portion of the Annual Report.</p> <p>The Statement of Management's Responsibility for the Financial Statements in the Annual Report states:</p> <p><i>"x x x The Board of Directors is responsible for overseeing the Company's financial reporting process.</i></p> <p><i>The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders. x x x"</i></p> <p>Source Documents:</p> <p><u>2017 Annual Report (Page 31)</u> <u>https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</u></p> <p><u>Note 30 of 2017 Audited Financial Statements/ Management of Insurance and Financial Risk (Page 55)</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			https://www.sunlifegrepa.com/upload/files/2015%20SLOCPI%20Audited%20Financial%20Statement%20with%20notes_SEC_160614.pdf
E.4	People on the Board		
	Board Chairman		
E.4.1	Do different persons assume the roles of chairman and CEO?	YES	<p>The Chairman of the Board (Ms. Helen Y. Dee) is different from the CEO (Mr. Richard S. Lim) of the Company.</p> <p>Source Documents:</p> <p>2017 Annual Report (Page 10, 12) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p>Amended General Information Sheet (Page 3) https://www.sunlifegrepa.com/upload/files/GIS%202015%20Amended%20SLOCPI_03142016.pdf</p>
E.4.2	Is the chairman an independent director/commissioner?	NO	<p>The Chairman of the Board is a non-executive Director.</p> <p>Source Documents:</p> <p>2017 Annual Report (Page 10) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p>Manual on Corporate Governance (Page 3-4) https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.4.3	Has the chairman been the company CEO in the last three years?	NO	<p>The Chairman is not the CEO of the Company.</p> <p>Source Document:</p> <p><u>2017 Annual Report (Page 10, 12)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p> <p><u>Amended General Information Sheet (Page 3)</u> https://www.sunlifegrepa.com/upload/files/GIS%202015%20Amended%20SLOCPI_03142016.pdf</p>
E.4.4	Are the role and responsibilities of the chairman disclosed?	YES	<p>The role and responsibilities of the Chairman are disclosed and contained in the Manual on Corporate Governance.</p> <p>Source Document:</p> <p><u>Manual on Corporate Governance (Page 3-4)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%20Corporate%20Governance%20Manual.pdf</p>
	Skills and Competencies		

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.4.5	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	YES	<p>Three (3) non-executive directors have extensive experience in the insurance and financial services industries. Please refer to the background of the directors contained in the Annual Report.</p> <p>The Chairman of the Audit Committee, Mr. Joselito Camacho is a former Secretary of Finance and has extensive experience/exposure on accounting and finance. The past positions and affiliations of Former Secretary Camacho are proofs of his possession of accounting qualification or experience, if not expertise. He has a long and distinguished career in government and international banking. Mr. Camacho graduated cum laude with a bachelor's degree in mathematics from De La Salle University and received his MBA with a concentration in finance from the Harvard Business School.</p> <p>Ms. Rizalina Mantaring, another non-executive director of SLGFI and the CEO & Country Head of the Sun Life Financial Group in the Philippines, has more than 25 years of experience in the insurance industry.</p> <p>Mr. Claude Accum, another non-executive director of SLGFI, has significant insurance and leadership experience in the insurance industry. Mr. Accum was Executive Vice President & Chief Risk Officer, Sun Life Financial. He was responsible for growing Sun Life Financial Asia to realize its full potential, through distribution excellence, strong partner relationships, and by leveraging the rest of Sun Life. He led several businesses including Group Retirement Services in Canada, Sun Life's former 401k retirement business in</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>the U.S., and its Individual Insurance business in the U.S</p> <p>Source Document:</p> <p><u>Annual Report (Page 10-14)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.4.6	<p>Does the company disclose a board of directors/commissioners diversity policy?</p>	YES	<p>The Company has a board of directors' diversity policy. This is disclosed in its Annual Report.</p> <p><i>“Diversity and Inclusion</i> <i>Our commitment to diversity and inclusion is at the center of our company values and is critically important to the board and executive management. We believe that highly qualified directors and executive leaders who reflect the customers we serve, our employees, and the communities where we operate bring broader perspectives and experience to deepen our insight, enhance innovation and accelerate growth. They also create an inclusive, high performing culture where all employees, regardless of gender, race, religion, age, country of origin, physical ability, sexual orientation or other diversity attributes, can contribute to their full potential.</i></p> <p><i>Women on the Board</i> <i>The board believes a diverse group of directors produces better corporate governance and decision-making. The board has adopted a diversity policy that includes provisions relating to the identification and nomination of female directors. The objective of the</i></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><i>board's diversity policy is to ensure that the board as a whole possesses diverse characteristics, including a diversity of qualifications, skills, experience and expertise relevant to the company's business, in order to appropriately fulfil its mandate.</i></p> <p>Source Document:</p> <p><u>Annual Report/ Diversity and Inclusion (Pages 25)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.5	Board Performance		
	<i>Directors Development</i>		
E.5.1	Does the company have orientation programmes for new directors/commissioners?	This item is in most codes of corporate governance.	<p>YES</p> <p>The Company provides its new directors with onboarding materials that give them an overview of their obligations as a director. They are also required to attend a corporate governance course provided by an external provider.</p> <p><i>“Training</i> <i>The Company maintains a formal orientation and ongoing education program for independent Directors. All Directors are provided with, and encouraged to attend, appropriate trainings and informed of the Company's internal policies and procedures as appropriate, including written materials that outline the organization of the Board and its Committee(s), the powers and duties of Directors, the required standards of performance for Directors and the Sun Life Financial Code of Business Conduct. As part of the ongoing education program of all directors,</i></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p><i>short learning sessions were provided and attended by directors during the 2017 scheduled board meetings. The Directors completed the Corporate Governance training conducted by Risks, Opportunities, Assessment, Management (ROAM), Inc., which is accredited by the Insurance..”</i></p> <p>Source Document:</p> <p><u>Annual Report (Page 24-25)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>
E.5.2	<p>Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?</p>	YES	<p>The company has a policy that encourages directors to attend on-going or continuous professional education programmes. This can be found in the Annual Report as well as in the Manual on Corporate Governance.</p> <p>“Training <i>The Company maintains a formal orientation and ongoing education program for Independent Directors. All Directors are provided with, and encouraged to attend, appropriate trainings and informed of the Company’s internal policies and procedures as appropriate, including written materials including those that outline the organization of the Board and its Committee(s), the powers and duties of Directors, the required standards of performance for Directors and the Sun Life Financial Code of Business Conduct.”</i></p> <p>Source Document:</p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			Annual Report (Page 24-25) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf
	CEO/Executive Management Appointments and Performance		
E.5.3	Does the company disclose how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	YES	Under the Manual on Corporate Governance, it is specifically stated that the succession for Senior Management shall be performed in conjunction with Sun Life sole shareholder and parent company- SLF. Source Document: SLOCPI Manual on Corporate Governance (Page 24) https://cdn.sunlife.com/static/ph/About%20us/Corporate%20Governance/MOCG_SLOCPI_(03-07-2018).pdf
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	YES	The board of directors conducts an annual performance assessment of the CEO/Managing Director/President as an individual director. Source Document: Annual Report (Page 25) https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf

A. The Rights of Shareholders

SCORECARD ITEM		Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>moved to recommend or indeed mandate self-assessment by boards of their performance as well as performance reviews of individual board members and the CEO/Chairman.</p>
	<i>Board Appraisal</i>		
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	YES	<p>The Company has a board assessment process in place. Every year, the Compliance Officer requests the directors to answer a Board Effectiveness Questionnaire to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Manual on Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.</p> <p>The questionnaire includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the directors belong. The questionnaire is sent to all members of the Board covering various facets of corporate governance including: the responsibilities of the Board, independence, strategic planning, audit, risk management, skills and experience of individual</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>directors. This assessment is led and the results are collated by the Compliance Officer to ensure utmost confidentiality. Responses from individual directors are not disclosed and only the consolidated results are discussed and reported to the Board.</p> <p>In 2017, the Directors accomplished the Board Effectiveness Questionnaire and have evaluated themselves, the Board and the Board-Level Committees to be very independent and effective in implementing their respective mandates and discharging their duties and responsibilities. The Company has robust and effective risk management policies and procedures in place to identify, mitigate and manage risks arising from the Company's operations. The results of the assessment were reported to the Board. The Board agreed to have the results disclosed in this Report.</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u></p>

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	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.5.6	Does the company disclose the process followed in conducting the board assessment?	YES	<p>The Company has a board assessment process in place. Every year, the Compliance Officer requests the directors to answer a Board Effectiveness Questionnaire to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Manual on Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.</p> <p>The questionnaire includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the directors belong. The questionnaire is sent to all members of the Board covering various facets of corporate governance including: the responsibilities of the Board, independence, strategic planning, audit, risk management, skills and experience of individual directors. This assessment is led and the results are collated by the Compliance Officer to ensure utmost confidentiality. Responses from individual directors are not disclosed and only the consolidated results are discussed and reported to the Board.</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u></p> <p><u>https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.5.7	Does the company disclose the criteria used in the board assessment?	YES	<p>The Company has a board assessment process in place. Every year, the Compliance Officer requests the directors to answer a Board Effectiveness Questionnaire to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Manual on Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.</p> <p>The questionnaire includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the directors belong. The questionnaire is sent to all members of the Board covering various facets of corporate governance including: the responsibilities of the Board, independence, strategic planning, audit, risk management, skills and experience of individual directors. This assessment is led and the results are collated by the Compliance Officer to ensure utmost confidentiality. Responses from individual directors are not disclosed and only the consolidated results are discussed and reported to the Board.</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u> https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
	<i>Director Appraisal</i>		
E.5.8	Is an annual performance assessment conducted of individual director/commissioner?	OECD PRINCIPLE VI (D) (2)	<p>YES</p> <p>An assessment of the performance of the Board of its duties and responsibilities is regularly conducted. This includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the Directors belong.</p> <p>“In 2017, the Directors accomplished the Board Effectiveness Questionnaire and have evaluated themselves, the Board and the Board-Level Committees to be very independent and effective in implementing their respective mandates and discharging their duties and responsibilities.</p> <p>The Company has robust and effective risk management policies and procedures in place to identify, mitigate and manage risks arising from the Company’s operations. The results of the assessment were reported to the Board. The Board agreed to have the results disclosed in this Report”</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.5.9	Does the company disclose the process followed in conducting the director/commissioner assessment?	YES	<p>An assessment of the performance of the Board of its duties and responsibilities is regularly conducted. This includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the Directors belong.</p> <p>“In 2017, the Directors accomplished the Board Effectiveness Questionnaire and have evaluated themselves, the Board and the Board-Level Committees to be very independent and effective in implementing their respective mandates and discharging their duties and responsibilities.</p> <p>The Company has robust and effective risk management policies and procedures in place to identify, mitigate and manage risks arising from the Company’s operations. The results of the assessment were reported to the Board. The Board agreed to have the results disclosed in this Report”</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u></p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.5.10	Does the company disclose the criteria used in the director/commissioner assessment?	YES	<p>The Company has a board assessment process in place. Every year, the Compliance Officer requests the directors to answer a Board Effectiveness Questionnaire to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Manual on Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.</p> <p>The questionnaire includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the directors belong. The questionnaire is sent to all members of the Board covering various facets of corporate governance including: the responsibilities of the Board, independence, strategic planning, audit, risk management, skills and experience of individual directors. This assessment is led and the results are collated by the Compliance Officer to ensure utmost confidentiality. Responses from individual directors are not disclosed and only the consolidated results are discussed and reported to the Board.</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (Page 25)</u></p> <p><u>https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</u></p>
<i>Committee Appraisal</i>			

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
E.5.11	Is an annual performance assessment conducted of the board of directors/commissioners committees?	YES	<p>The Company has a board assessment process in place. Every year, the Compliance Officer requests the directors to answer a Board Effectiveness Questionnaire to assess the effectiveness of the Board and Board Committees in the performance and exercise of their functions and mandate under the Manual on Corporate Governance, Charters of the various Board Committees, and applicable laws and regulations.</p> <p>The questionnaire includes self-assessments on (1) performance as an individual director, (2) performance of the Board as a body, and (3) performance of each of the Committees to which the directors belong. The questionnaire is sent to all members of the Board covering various facets of corporate governance including: the responsibilities of the Board, independence, strategic planning, audit, risk management, skills and experience of individual directors. This assessment is led and the results are collated by the Compliance Officer to ensure utmost confidentiality. Responses from individual directors are not disclosed and only the consolidated results are discussed and reported to the Board.</p> <p>“In 2017, the Directors accomplished the Board Effectiveness Questionnaire and have evaluated themselves, the Board and the Board-Level Committees to be very independent and effective in implementing their respective mandates and discharging their duties and responsibilities. The Company has robust and effective risk management policies and procedures in place to identify, mitigate</p>

A. The Rights of Shareholders

	SCORECARD ITEM	Y/ N	Reference/ Source document
E.1 Board Duties and Responsibilities			
			<p>and manage risks arising from the Company's operations. The results of the assessment were reported to the Board. The Board agreed to have the results disclosed in this Report"</p> <p>Source Document:</p> <p><u>Annual Report/Board Performance Appraisal (page25)</u></p> <p><u>https://www.sunlifegrepa.com/upload/files/SLGFI%202017%20Corporate%20Annual%20Report.pdf</u></p>