

WITH YOU SO YOU CAN DO MORE

**ANNUAL
REPORT
2024**



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About BPI

The 173-year-old Bank of the Philippine Islands is the first bank in the Philippines and Southeast Asia.

BPI is licensed as a universal bank by the Bangko Sentral ng Pilipinas to provide a diverse range of financial services: deposit taking and cash management, payments, leading and leasing, wealth management, bancassurance, investment banking, securities brokerage, foreign exchange and treasury.

BPI has investment-grade ratings of BBB+ (S&P), Baa2 (Moody's), BBB (Capital Intelligence), and BBB- (Fitch).

About AIA Philippines

AIA Philippines (AIA Philippines Life and General Insurance Company Inc.) formerly AIA Philam Life (The Philippine American Life and General Insurance Company), is the country's premier life insurance company. Originally established on 21 June 1947 and became popularly known as Philam Life, AIA Philippines has earned the trust of customers for its financial strength, strong brand name, and ability to deliver on its promises.

AIA Philippines has PHP 257.76 billion in total assets and PHP 57.35 billion in net worth as of 31 December 2024 while serving nearly 1.2 million individual policyholders and nearly 800,000 insured group members. AIA Philippines understands the needs of its customers and provides holistic solutions that include life protection, health insurance, savings, education, retirement, investment, group, and credit life insurance. It also offers bancassurance through its subsidiary, BPI AIA Life Assurance Corporation (formerly BPI-Philam Life Assurance Corporation).

Based on the unaudited reports submitted to the Insurance Commission as of 31 December 2024, the combined total premium income of AIA Philippines and BPI AIA was at PHP 29.77 billion. AIA Philippines is a member of AIA Group Limited, the largest independent publicly listed pan-Asian life insurance group.

BPI AIA AT A GLANCE



1,356

Number of BSEs

#4

IC ranking
as of end 2024



NEARLY
700,000

Number of
lives insured

100,186

Number of
policies sold

BPI AT A GLANCE



173

Years in
operation

15.98

MILLION
Number of clients

2,581

ATMs and CAMs

857

Number of
branches

2

Foreign
offices

1,266

Domestic branches
licenses

AIA PHILIPPINES AT A GLANCE



NEARLY
1.2 MILLION

Individual
policies

NEARLY
800,000

Insured
group members

OVER
3,000

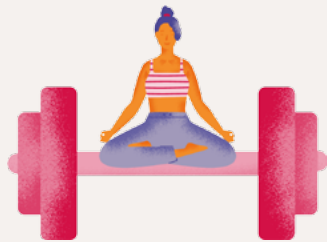
Group policies
issued

AIA Philippines Life and General Insurance Company, Inc. (AIA Philippines) is the country's premiere and most trusted life insurer for over seven decades now. We focus our knowledge and experience on the Philippines and, as part of the AIA Group, are strengthened by their presence in the Asia-Pacific region.

Our vision is to be the Philippines' undisputed PARTNER OF CHOICE for Savings, Protection and Health Solutions, driven by our mission of RACING AGAINST RISK to protect every Filipino family and empower them to achieve Healthier, Longer, and Better Lives.

PHP 800

MILLION
in capital for
its non-life
insurance



PHP 1.87

BILLION
in share capital
for its life
insurance license

OVER
6,000

Agents
nationwide

EXCESS
CAPITAL
2.9X

the amount set
by the Insurance
Commission

AIA AT A GLANCE



HEALTHIER, LONGER,
BETTER LIVES

**THE LARGEST
INDEPENDENT
PUBLICLY LISTED
PAN-ASIAN LIFE
INSURANCE
GROUP ⁽¹⁾**

**A LEADING
LIFE INSURER IN
THE WORLD**
by market capitalisation

**PRESENT IN
18 MARKETS**
and 100%
FOCUSED ON ASIA

**DIGITAL
INSURER OF
THE YEAR**
by InsuranceAsia News
for four consecutive years

**No. 1
WORLDWIDE FOR
MDRT REGISTERED
MEMBERS**
The only multinational
company to top the table
for **TEN CONSECUTIVE
YEARS**

Serving the holders of
MORE THAN

43 MILLION
individual policies and
16 MILLION
participating member
of group insurance
schemes

**ESG INDUSTRY
TOP RATED**
and
**ESG REGIONAL
TOP RATED**
by Sustainability for
four consecutive years

Provides protection with
total sum assured of

**US\$2
TRILLION**
to people across Asia

Benefits and claims
EXCEEDED
**US\$21
BILLION** in 2024,

Received the
**GALLUP
EXCEPTIONAL
WORKPLACE
AWARD**
for four consecutive years

Ranked second in the
**FORTUNE FINTECH
INNOVATORS ASIA
2024 LIST**

⁽¹⁾ as at 31 December 2023

OUR VISION

We are a trusted and reliable life insurance
partner of every Filipino family

OUR PURPOSE

We build a better everyday life
and future for all Filipinos



MESSAGE FROM THE CEO

As we reflect on 2024, I am proud to share another year of remarkable achievements, driven by our unwavering commitment to our customers, employees, and stakeholders.

We continued to strengthen our leadership in the industry, solidifying our position as the **number one bancassurance provider** and earning the prestigious title of **Best Life Insurance Company in the Philippines from World Finance for the seventh consecutive year**. These milestones underscore the trust our customers place in us and the dedication of our people in delivering excellence.

This year, we also embarked on a significant brand reintroduction campaign, reinforcing our purpose of helping Filipinos live Healthier, Longer, Better Lives. At the heart of this is our renewed brand message: **“With you, so you can do more.”** More than just providing financial protection, we are here to empower our customers to achieve their aspirations and live life to the fullest.

Innovation remained at the core of our strategy, with the successful launch of **Future Ready, Aspire Premier, Wealth Advantage, and InstaProtect**—solutions designed to address the evolving needs of our clients. Our commitment to digital transformation has further enhanced our ability to serve, making protection and investment solutions more accessible than ever.

Beyond business performance, our culture of malasakit (genuine care and compassion) continues to shape the way we support our customers and employees. This is reflected in the increasing number of awardees and MDRT qualifiers, a testament to our people’s passion for service and excellence.



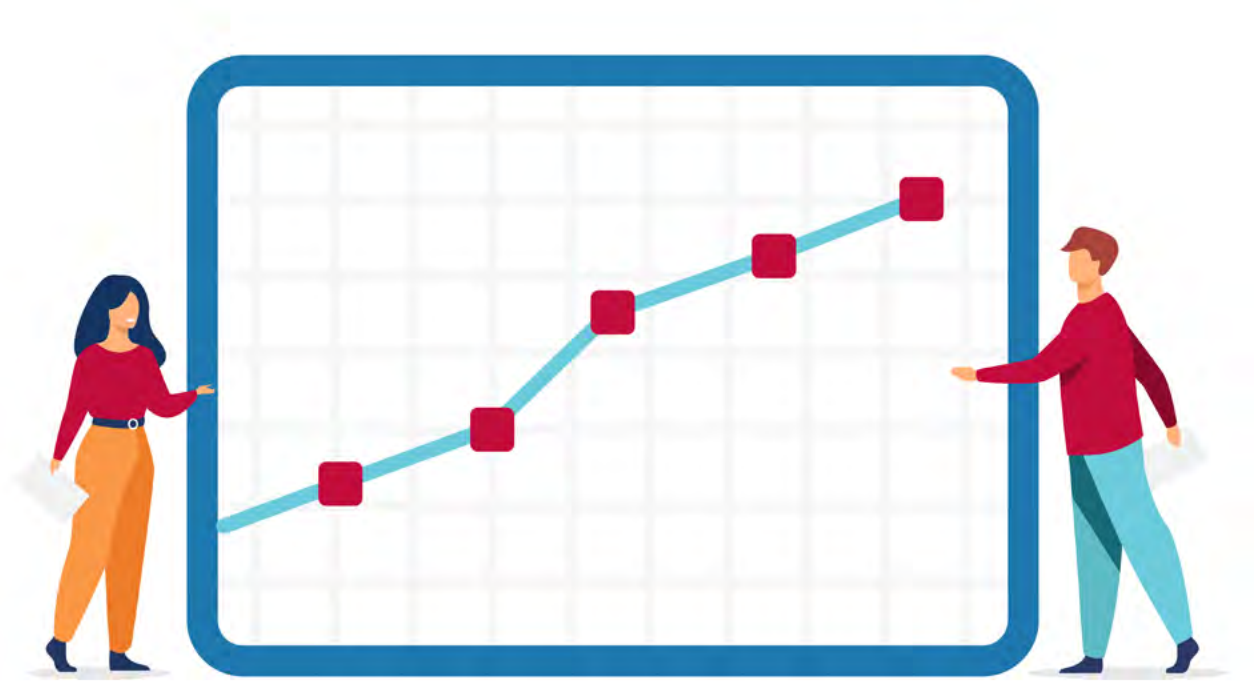
As we move forward, we remain steadfast in our purpose, embracing innovation, strengthening our customer relationships, and upholding our brand promise. With a shared commitment to excellence, I am confident that we will continue to redefine the future of insurance in the Philippines.

Thank you for being part of this journey. **We are with you, so you can do more.**

KATHERINE P. CUSTODIA
Executive Director and
Chief Executive Officer

FINANCIAL HIGHLIGHTS





in '000	2024	2023	% change
Revenue			
First Year Premium	5,640,215	3,567,706	58%
Renewal Premium	11,075,950	9,527,302	16%
Single Pay Premium	1,734,194	2,432,008	-29%
Gross Investment Income	1,804,822	1,633,135	11%
Fee Income	2,288,457	2,159,995	6%
Net Income	4,762,243	2,502,469	90%
Total Assets	117,629,493	112,967,809	4%
Shareholders Equity	14,118,280	9,823,220	44%

BUSINESS HIGHLIGHTS





PRODUCTS

In 2024, BPI AIA implemented a holistic product proposition through its total health and wealth solutions. First new product launched was **BPI AIA Future Ready** — a comprehensive and customizable insurance plan that can address the key protection needs of our mid-market customers. This product can be used for life protection, health and medical insurance, or wealth transfer. It offers guaranteed benefits such as 200% death benefit, 200% maturity benefit, bonus potential dividends, and a slew of attachable riders for accidents, disabilities, medical expenses, and critical illnesses.

In the same year, BPI AIA also released a version of its top-selling product in 2023, but this time specifically designed for customers who prefer shorter pay periods. **BPI AIA Aspire Premier** is a 2-Pay product that provides guaranteed death and maturity benefit at 200% of the policy's face amount, and guaranteed cash payouts every other year until age 100. This product primarily

catered to older and affluent customers who want a guaranteed protection and savings plan but without the long premium-paying years.

Lastly, BPI AIA ended 2024 with a fresh take on the effective combination of protection and savings. It launched **BPI AIA Wealth Advantage**, a participating endowment plan that also provides 200% guaranteed death benefit, 200% maturity benefit, and guaranteed cash payouts. Two main features that set this product apart: 1) it gives the cash payouts annually and 2) it offers a shorter coverage period, allowing the customer to enjoy the maturity benefit at an earlier period in their lifetime. Through the guaranteed cash payouts and maturity benefit, customers can use this product to help them save up for future goals.

As a result, these became the company's top-selling products helping propel BPI AIA to greater heights. The combined hard work of its salesforce and the business contribution of these products placed BPI AIA as the number 1 Bancassurance company in the Philippines.

SEGMENTS

In 2024, BPI AIA focused on enabling our customers to do more and to achieve more. Personalized approach to different client segments of the bank was carried out through segmentized thematic campaigns, engagement activities and product offers.

Affluent and High Net Worth (HNW) Clients

Building on the success of client forums in the previous year, 2024 saw the continuation of these initiatives with an expanded scope that provided clients with deeper insights into wealth management principles. Topics covered risk assessment, investment strategies, and financial planning. Financial gurus and subject matter experts were invited as keynote speakers to offer valuable perspectives and expertise as well as their real life experiences. These events were well received by both BPI Relationship Managers and High Value Clients.

Monthly thematic campaigns adopted a hyperpersonalization approach to ensure the messaging is tailored to the unique need and preference of Affluent clients. These campaigns were executed through email and SMS. The campaigns also featured premium raffle giveaways, exclusive to the Affluent client base.

To further strengthen the Health & Protection proposition, new and innovative offers were introduced. BPI AIA Aspire Premier, a 2-pay product, was introduced halfway through 2024. This product is intended for Affluent and HNW clients who are in their prime years who want to ensure that their hard-earned wealth is seamlessly passed on to their loved ones in case the unexpected happens.



Health Riders for BPI AIA Aspire were also introduced in the last quarter of 2024 which provides coverage for 10 Critical Illnesses and an Enhanced Waiver of Premium to ensure the client's policy stays in-force in the event of a critical illness or disability.

Another product targeting the young and middle-aged Affluent clients was unveiled in the latter part of the year - BPI AIA Wealth Advantage. The product offers guaranteed protection, annual cash payouts and maturity benefit. This product intends to help clients grow their wealth so they can live comfortably when they retire, but at the same time, reward themselves regularly.

BPI AIA also provided an embedded protection benefits (ADDD, Life Insurance, HIB, and Cancer Coverage) to investors of the newly launched BPI Wealth Builder Fund. The fund targets next generation Affluent clients focusing on Millennials and Gen Zs.

Mass and Mid-Market including Overseas Filipinos

Among other things, sickness, accidents and death are identified as key uncertainties faced by the general population. Providing a solution addressing these concerns were deemed essential to help these clients have a secured and stable future. This mindset gave birth to BPI AIA Future Ready in the early months of 2024. BPI AIA Future Ready comes in different variants that provides solution for Health, Protection and Legacy needs. This product is well suited for risk averse clients and is also available in different pay-periods which make it easy on the pocket.

The need for guaranteed protection was recognized as equally important for middle-income clients, reflecting their growing demand for financial security and stability. BPI AIA Aspire, which became the top selling product for Affluent clients in 2023, was made affordable by introducing low entry Sum Assured requirement. With this enhancement, Mid-Market clients were

able to avail BPI AIA Aspire and are now enjoying guaranteed protection. More than 70% of the BPI AIA Aspire policies in 2024 are from the Mid-Market clients.

Monthly thematic campaigns continued throughout 2024, complemented by pocket forums aimed at promoting the value of insurance and financial literacy. Campaigns also featured raffle prizes designed to appeal to general audience to boost interest and participation in protection solutions.

BPI AIA also participated in one of the biggest BPI-led client engagement activities, BPI Familyang OFW Party (BPI POP). This event provided a holistic financial wellness program for Overseas Filipinos. Free on-site Vitality Health Check (Blood Pressure, Cholesterol, Blood Sugar and BMI) was offered to the event goers. Through MyData, BPI OFW Clients and dependents were able to provide their consent for safer, easier and faster data transfer and appointment setting for a follow through Financial Wellness Needs Analysis were scheduled seamlessly after the event.





Loan Borrowers, Business and Institutional Banking Clients

One of the key developments in 2024 is the MRI Automation which was made possible through integration with BPI systems and processes for BPI Housing Loan application. This resulted to an improved and faster processing time from 2-3 working days to just 1 working day. This improvement ensures that Housing Loan borrowers and their family members will have peace of mind that they are protected from mortgage debt in the event of an unfortunate circumstance.

BPI AIA SME Credit Life was also made available early 2024 for BPI's Ka-Negosyo Credit Line Borrowers. This is to provide sole proprietors protection for their business and family from the burden of repaying what they borrowed from the credit line in the event of untimely death.

BPI AIA collaborated with BPI Institutional Banking in providing an improved corporate payroll program by providing life insurance to payroll accountholders. Corporate Payroll clients now benefit from the higher insurance coverage for their employees and access to BPI AIA's Employee Wellness program to enhance and nurture the employees' experience through digital engagements, and on-site activities for health and finances, supported by AIA Vitality.

Client engagements also went up a notch with the introduction of Coffee Conversations with Business Owners. Often held in a relaxed setting like a café or office lounge encourages open communication, making it easier for clients to engage in discussions about the financial wellbeing of their employees.

BizTalk engagements and Insurance Appreciation for Business Owners, to name a few, were also successfully executed in 2024.

STRENGTHENING OUR BRAND PRESENCE

In 2024, BPI AIA continued to increase its brand awareness and deepen its connection with customers through strategic sponsorships and impactful brand campaigns. Our commitment to empowering individuals and communities was exemplified by key initiatives that brought our brand purpose to life.

Event Sponsorships and Activations

Apart from sponsoring fun runs and amplifying our on-ground presence through booth activations, BPI AIA also proudly served as a broadcast sponsor of the Premier Volleyball League (PVL), one of the most watched sporting



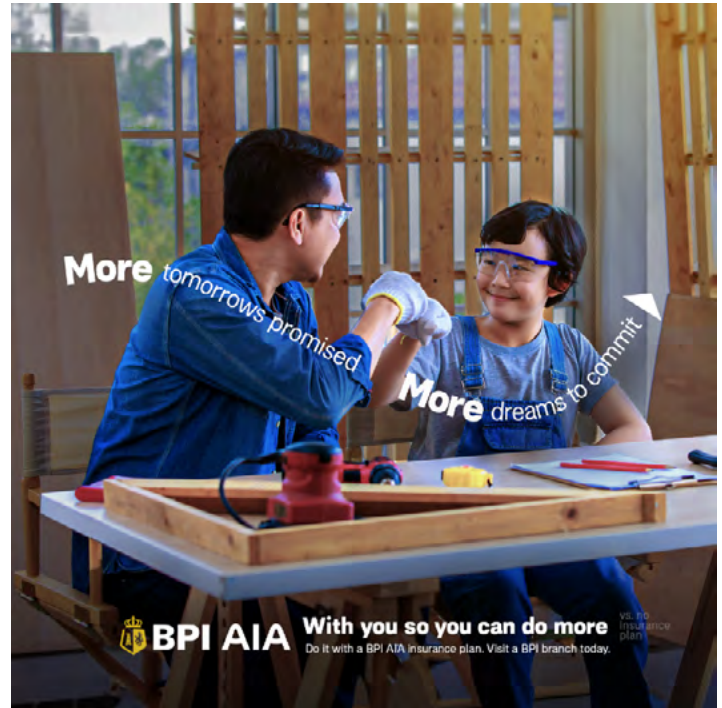
events in the country. This partnership enabled BPI AIA to celebrate the spirit of sportsmanship, perseverance, and excellence — values that resonate deeply with how the company carries out its vision and purpose.



Brand Reintroduction Campaign

This year also marked the reintroduction of the BPI AIA brand through our “With you so you can do more” campaign. With a nod to AIA’s “With you wherever life goes” and BPI’s “Do More” messaging, the campaign reflects what BPI AIA aims to do — to empower Filipinos to build a better everyday life and future. By doing this, they are able to pursue both the “little more” moments, and their grander dreams and aspirations confidently with BPI AIA by their side.

By extending the on-ground and digital presence through these initiatives, BPI AIA is able to engage with a broader audience including sports enthusiasts and further solidify its presence among potential customers.





AGILE TRIBE

2024 was a landmark year for the BPI AIA Agile Tribe, with the introduction of several new systems and solutions designed to improve the 'phygital capability' of the salesforce and enable them to reach more clients who are in need of protection.

BPI AIA improved on its legacy point of sale system with the Next Generation iPoS. The NGiPoS has a much better architecture that allows for a more seamless integration with several of the company's systems making it more responsive and easier to use for our sales force. It intuitively guides users to the recommended sales process thereby ensuring that the best solutions are eventually offered while keeping manual inputting of information to a bare minimum. The NGiPoS advantageously supports the existing MyData process which shortens the insurance application process, using the data from the bank that clients have willingly consented to provide. Alongside this NGiPoS the company also introduced MasterPlanner, a system that allows the sales force to automate the management of their day-to-day activities, track their progress against personal and

company goals, monitor their progress on several campaigns, keep tabs on their performance, and enforce a healthy dialogue among teams.

While the company progresses through with the introduction of 2 new systems designed to improve physical interactions and discussions through digital solutions, BPI AIA has also made strides on e-commerce.

In 2024, the Messenger-based PamilyaProtect was made accessible to individuals who do not have a Messenger account through the creation of a web version, allowing access from anywhere, anytime. BPI AIA also introduced an e-Commerce platform that was to become the foundation for creating a digital insurance marketplace. Intended as a solution to reach out to more clients — the first offer on this e-Commerce platform is PamilyaProtect and will soon be followed by an even more affordable product — InstaProtect.

The movement to production of these new sales tools is a testament to BPI AIA's commitment to continuously innovate on solutions to reach more clients and unceasingly transform its formidable sales force.



STRENGTHENED SALESFORCE

BPI AIA remains dedicated in its thrust to provide insurance for every Filipino. This commitment is reflected through various initiatives set forth by the Company in 2024.

At the core of each of these initiatives are our people on the ground. Our salesforce are the ones who ensure that the new products, technology, and innovations developed to enrich our customers' lives truly reach them. By the end of 2024, BPI AIA is proudly supported by 1,373 BSEs whose passion and dedication have enabled us to transform the lives of countless customers.

We began the year with our 2024 Sales Kick-Off, energizing the entire organization with a clear vision and renewed purpose. This was followed

by a series of Partnership Distribution Leaders and Sales Congresses held throughout the year — platforms where strategies were aligned, successes celebrated, and inspiration shared across all levels of the organization.

In BPI AIA, we measure our success by the success of our people. In 2024, we saw over 242 of our salespeople rewarded and recognized through our annual Alpha Awards. Our top performers were also given the opportunity to join incentive trips to premier destinations such as London, Paris, and Seoul — milestones that reflect their excellence and dedication. Additionally, 326 BSEs qualified for the prestigious Million Dollar Round Table (MDRT), underscoring our team's world-class performance.

To support and sustain this high level of achievement, BPI AIA continued to invest in the development of its people through a robust



suite of training programs. These covered channel-specific technical learning, advanced product knowledge, sales mastery, effective communication, financial planning, leadership development, and compliance. From foundational skills to strategic planning, each module was designed to equip our salesforce with the tools they need to thrive in a dynamic environment and deliver superior value to our clients.

These learning and engagement initiatives reflect our commitment to building a capable, confident, and future-ready salesforce — one that serves as the foundation of BPI AIA's ongoing mission to empower and protect every Filipino.

CORPORATE SOLUTIONS

BPI AIA successfully executed initiatives that deepened our reach with potential SME and Corporate clients. This was done primarily through the strong integration of the Credit Life coverage for the bank's business loan clients. In support of this, targeted client engagements led by consistent joint field work activities of the channel and our BPI bank partners have been an effective avenue in generating more referrals for Employee Benefits.

2024 was also key to strengthening bank partnerships by launching high impact bundle initiatives and expanding the Credit Life business. Our focus on automation and digital solutions streamlined processes, improving efficiency and customer experience. Throughout the year, BPI AIA remained committed to process enhancement, customer centricity and delivering value to its clients.



LIFE OPERATIONS

Operations, under the shared services of AIA Philippines, continued with its digital transformation journey towards seamless and improved customer experience, leveraging and optimizing the use of AIA's technology, digital, and analytics capabilities to deliver service that is convenient, suitable, and secured for its customers.

The customer journeys from Buy, Service, and Claims were revisited to take into consideration the evolving preferences and digital innovation available to the customer today. Solutions that address the friction points and service gaps were implemented coupled with the delivery of service with “malasakit” by its employees. Systems were enhanced to support process automation, with analytics expanded to strengthen operational controls, and tighter collaboration with IT, Risk, and Compliance was undertaken to provide customers with a safer digital experience.

In efforts to protect more Filipino families at the point of new business, the eKnow-Your-Customer (eKYC) process was enhanced to include a more streamlined validation check by use of the Optical Character Recognition (OCR) tool, which validates select customer ID types and transfers the information to an online application form in seconds. This improvement enables the Company to comply with requirements on remote selling, minimizes errors in data entry, and allows for faster processing of new business applications. Alongside the OCR tool, the Liveliness Check functionality was enabled to keep our customers' data with us secure by ensuring that a real, live person is present during biometric authentication.

Aftersales operational enhancements were also introduced with the shift to digital in mind. Customers are now able to keep their policies



active by conveniently settling their premiums through safe and secure online platforms such as the My AIA customer portal, recurring payment merchants, and various bank partners with online and mobile banking capabilities. In addition to the availability of an expanded suite of payment channels, customers and distributors are now regularly updated on policy transactions through relevant and guiding communications.

As our customers' partner for protection, it has remained important for us to be there for them when they need us the most. With this in mind, system and process improvements in the claims journey commenced, starting with the launch of an improved platform where customers can easily file their claim requests. Upgrades made include helpful tooltips and pop-up reminders that guide customers in accomplishing the form, as well as faster customer validation to cut claim fulfillment turnaround times. The successful implementation of these changes ease the burden of claim filing as customers go through a difficult time.

With the customers' needs at the heart of what we do, stronger ties, innovative projects, and exciting breakthroughs with partners and collaborators can be expected in the coming years. All these, anchored on service with “malasakit”, will aim to deliver an even better experience for our valued stakeholders, and lead them towards Healthier, Longer, and Better Lives.

OUR PEOPLE

“Empowering our people to succeed through fostering a learning environment in a diverse, inclusive and supportive culture.”

Adopted by BPI AIA, this is the thrust of the People and Culture pillar of AIA Philippines’ ESG Strategy.

Our culture is shaped by leaders who embrace the three Leadership Essentials — Clarity, Courage, and Humanity. Leaders should (a) live the Company’s purpose and operating philosophy with a clear direction (b) deliver the best solutions together and ensure that ideas are turned into action and (c) create a culture where

people can thrive as they develop and shape the future of BPI AIA together as a team.

The Leadership Essentials set out the desired behaviors for all its people, not just for its leaders but at every level of the organization. When these behaviors are brought to life everyday, BPI AIA employees do the Right Thing in the Right Way, with the Right People, thus creating long-term value for all its stakeholders, delivering on its Purpose of helping people live Healthier, Longer, Better Lives.



Fostering a Learning Culture

Operating as part of the One AIA Philippines Group, BPI AIA subscribes to a comprehensive and holistic development in the belief that each employee can make a difference. The Company's holistic development opportunities ensure a proportionate way for employees to make the best out of their learning journey.

Holistic Learning Development

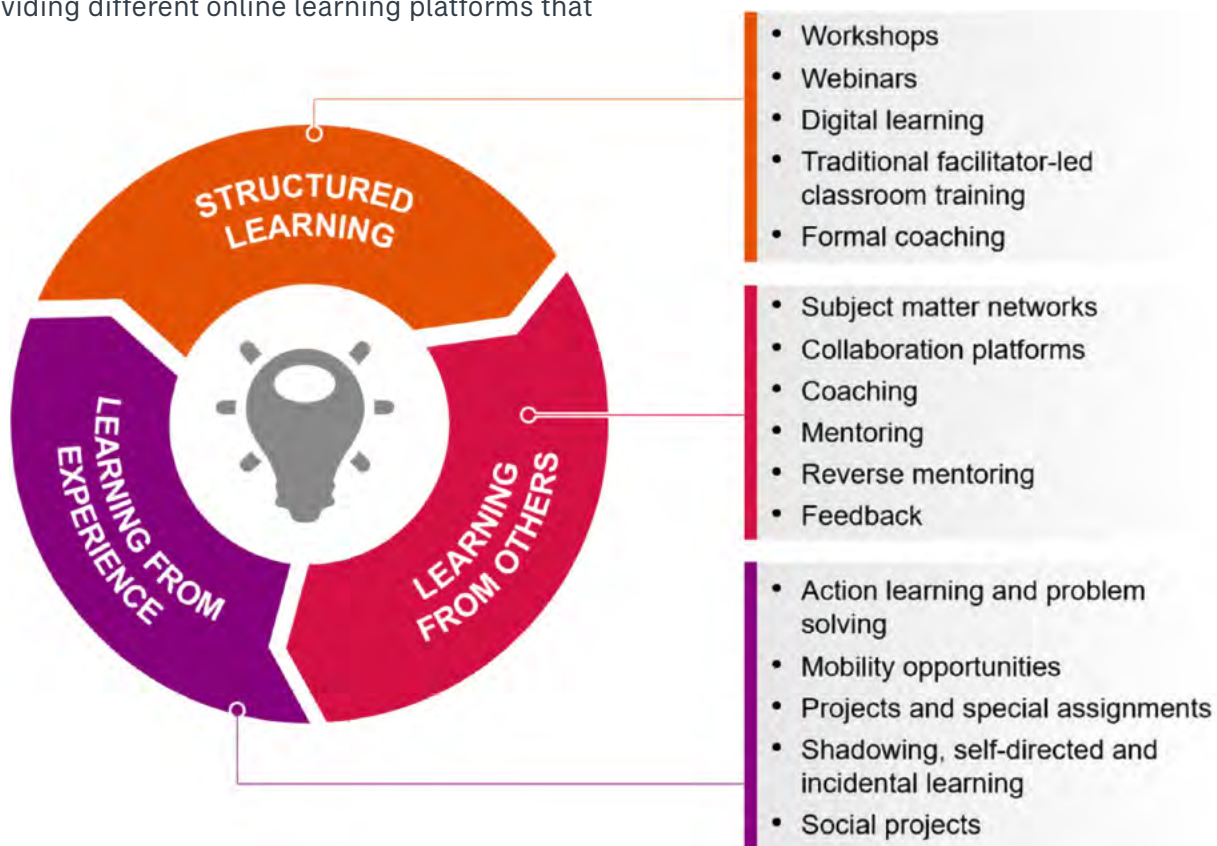
BPI AIA also believes in providing employees with growth opportunities so they can make a difference in their own unique way. They are given learning opportunities through different learning methodologies.

First is through Structured Learning. This can come in the form of workshops, webinars, digital learning, certifications, and facilitator-led trainings and can help bridge the gap in skills and capabilities. The Company has invested in providing different online learning platforms that

make learning accessible and contribute to the overall development of employees.

Second is through Learning from Others. Peer learning is an effective way for employees to learn from others. Coaching is a critical aspect of managers' development of their teams. In addition, conferences, company events, networking opportunities, brownbag sessions and regular team meetings can be venues where they can share their knowledge and expertise, creating a natural setting for peer learning and leveraging subject matter experts (SME) within the Company.

And lastly, employees must be able to apply what they learned by Learning from Experience. The best learning opportunities come from providing employees on-the-job experience such as experiential learning, new project exposure, and job rotation and mobility to broaden their perspective and support their career aspirations.





Organization of the Future

Organization of the Future is one of the key enablers which underpins the Ascend 200 strategic priorities. To ensure that its people will flourish through a simpler, faster and more connected One AIA, the focus areas in 2024 centered on employee engagement and capability uplift.

Capability Uplift Through Catalyst for Growth

BPI AIA has access to an array of Core Programs that are targeted for Individual Contributors, People Managers, and Senior Leaders in the Company. The Company invests in developing its people, its **Catalyst for Growth** Capability-Building Framework has four focus areas which directly align with the Company's strategic priorities.

Additional programs are also implemented to support the different developmental needs of its people:

New Employee Orientation Online Course

New joiners are required to take the online course specially designed to help them navigate and facilitate their integration into the company. The self-paced course contains modules that will help them learn about the organization's history, teams, leadership team, and other essential information unique to being part of the AIA Philippines Group.

LIFT Onboarding Program

The onboarding journey was revamped to improve new joiner engagement and retention. In May 2023, the AIA Lift program was launched to help new joiners "Learn, Integrate, Focus and Thrive". With LIFT, the digital onboarding learning journey was enhanced with AIA Fundamentals to help new joiners understand the industry, business models, customers and culture. The hiring manager guides were also refreshed to better equip them in helping new joiners understand their roles, navigate the organization, understand the AIA business and culture, and continue to grow professionally and personally.





Life Office Management Association (LOMA)

An international trade association for the insurance and financial services industry that provides globally recognized educational resources and products that illuminate new ideas and ignite potential. It helps career advancement and performance development by building a deeper understanding of the best practices in the insurance business.

Enterprise Leadership Program

An executive development program that is designed to help the senior leadership team embrace the AIA Operating Principles and Leadership Essentials, which BPI AIA applies, as well as achieve the Company's ambitions.

LinkedIn Learning through Workday Learning

Integrated in Workday, HR's software system, are online learning courses accessible to employees anytime, anywhere through their desktop computers, laptops, or mobile phones. More than 16,000 LinkedIn Learning courses on creativity, business, technology, and management are made available to address the different learning needs of employees. The LinkedIn Learning Bingo

Rush was also recently launched as a fun way to encourage self-directed learning.

Udemy for Business

An online platform specifically designed for employees with technical development needs as they work on different projects related to technology, digital, and analytics.

Employees can earn online certifications and short courses coming from reputable institutions and subject matter experts.

The Company regularly updates its employees about various learning and development opportunities through numerous internal communication channels. BPI AIA values its people and is committed to help them develop their skills and capabilities to succeed in their role as they achieve personal and professional growth.

Through these combined approaches, the AIA Philippines Group has achieved a target average of **26.5 learning hours per employee** in 2024.

Cultivating Employee Connection Beyond Boundaries

BPI AIA is dedicated to strengthening employee relationships, creating a safe and feedback-focused work environment, and building a more integrated organizational framework through a variety of programs. One of the activities held in support of this was the ground-breaking Roar As One Concert, which demonstrated an innovative way to foster camaraderie while showing appreciation to employees for their hard work and contribution to positive business performance.

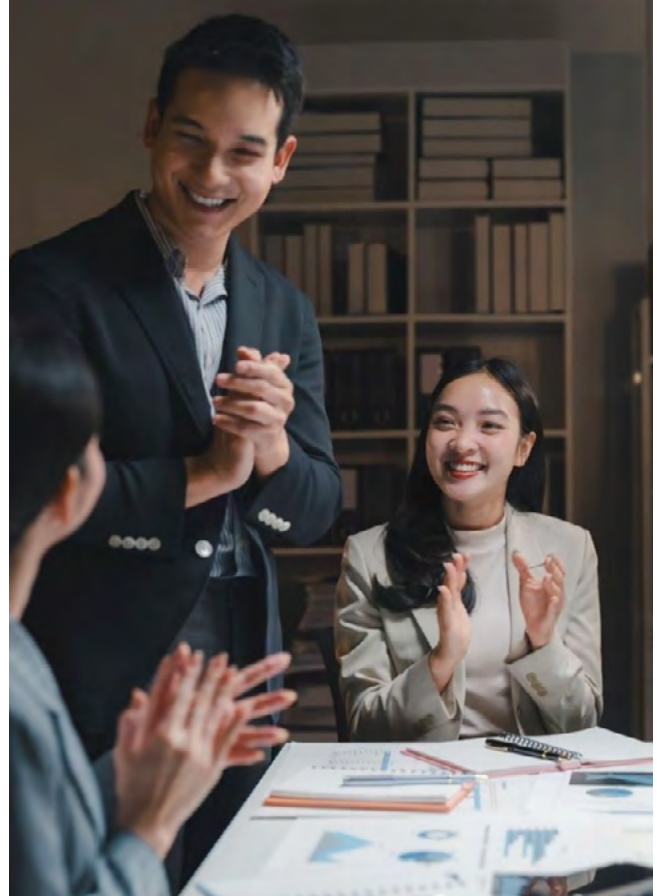
Amplifying Employee Voices: The Value of Feedback at AIA

Feedback is important to the whole enterprise, as demonstrated by the annual Gallup Employee Engagement Survey. This survey explores employees' alignment with the Company Vision and Purpose, their contributions to Company goals, and their potential impact. Beyond this, initiatives like the **New Hire Roundtable** and **Speak Up** sessions create avenues for continuous feedback, empowering leaders with valuable insights for informed decision-making and enhancing the employee experience.

These activities give Leaders and Managers an opportunity to listen and gather inputs on a regular basis, giving them valuable insights that may influence people-related decisions, continuously improve employee experience, and increase employee engagement.

Celebrating Milestones, Strengthening Bonds

Throughout the year, One AIA Philippines Group-wide activities are organized to rebuild and strengthen social connections. Quarterly townhalls serve as platforms for communicating



organizational goals, sharing milestones, and collectively celebrating successes, while fostering a sense of unity and shared achievement among employees.

E-Champs: Authentic Advocates in Employee Engagement

Engagement champions, or E-Champs, are vital as genuine brand ambassadors. Their commitment involves passionately promoting and supporting employee engagement initiatives, encouraging active participation, and amplifying the impact of organizational activities. The recent Roar As One Concert is a testament to this commitment, setting a new industry standard and showcasing the impactful nature of the One AIA Philippines Group's engagement initiatives.

Promoting Workplace Diversity and Advancing its Culture of Innovation and Inclusion

HEALTHY LIVING STARTS WITH YOU

With the mission of racing against risk to protect every Filipino family and empowering them to live Healthier, Longer, Better Lives, each employee must walk the talk and be a role model to others.

As part of the AIA Philippines Group, BPI AIA strives to create a work environment that is open and inclusive, where each employee's growth is encouraged, health is promoted, and everyone feels safe and supported. By having healthy employees, they will be more productive, collaborative, and connected.

In 2023, the focus was on supporting employees' physical, mental, social, and financial well-being through engaging activities for their overall health. Through the WorkWell with AIA program, physical wellness was promoted among employees by providing access to onsite medical assessment, 24/7 teleconsult hotline, Annual Physical Exam (APE) services, and Flu vaccination program. Various sports clinics (badminton, basketball, volleyball and football) was also launched for employees, and a company-wide sportsfest was organized to support AIA Vitality's Roar to Gold Employee Challenge to make healthy living exciting and rewarding.

Through the continued partnership with MindYou, BPI AIA employees are able to access mental health services, improve knowledge, raise awareness, and break the chains of stigma surrounding mental health through talks and webinars. Onsite consultation with psychologists, onsite massage, and face to face and online talks were implemented in support of the World



Mental Health Day. Moreover, other initiatives to support financial wellness and improve social wellness were offered to employees such as Basic Money Concepts and Personal Finance talk, Sports Community kick-off, Love Week and International Women's Month celebration and Blood Donation Drive.

RIISING ALLIES IN AN INCLUSIVE WORKPLACE

The first step was taken to create a holistic impact in the Company's focus on diversity and inclusion. Its first Inclusive Network: Allies in AIA, the LGBTQIA+ employee resource group, was launched. Its objective is to help strengthen the Company's agenda to become an equal opportunity employer, and a champion for diversity, equity, inclusion, and belonging. It brings together LGBTQIA+ members and even allies to provide awareness, learning and growth to become more diverse and inclusive. The launch also welcomed guest speakers from PFIP (Philippine Financial and Inter-Industry Pride) and Project Red Ribbon to share meaningful insights around Diversity, Equity, Inclusion and Belonging. This event marks an important milestone for the AIA Philippines Group.



REWARDING PERFORMANCE

BPI AIA provides a dynamic work environment that encourages employees to bring their best to work each day. In return, the Company offers a Total Reward program including growth opportunities and a comprehensive package of pay and benefits which aims to give employees the choice and flexibility to meet their individual needs.

The Company's Reward Philosophy is built on the principle of providing an equitable, motivating, and market-competitive total remuneration package that fosters a strong performance-oriented culture. Its strong pay-for-performance culture is aligned with AIA Group's Operating Philosophy of "Doing the Right Thing, in the Right Way, with the Right People... and the results will come." It aims to ensure that individual rewards and incentives relate directly to the individual's performance, the function in which they work, and the overall performance of the business.

The Short-Term Incentive (STI) Plan is designed to reward employees for achieving individual objectives and contributing to AIA's annual business performance. It is an incentive scheme

intended to link reward directly with both individual and AIA's overall business success.

The Long-Term Incentive (LTI) Plan is a discretionary plan intended for key executives and selected critical talent, based on their individual performance and potential. It is based on the GCB (Group Career Band), the criticality of the nominee's job, and the individual's performance and long-term potential at BPI AIA.

The Employee Share Purchase Plan (ESPP) is another important element of the Total Reward program which offers a convenient and attractive means for employees to further benefit from the Company's future success through its one-for-two share matching.

Recognition for Happy Hacks, Above and Beyond, and Super Synergy. To promote the right behaviors, recognition is given to employees who have given quantifiable contributions while exhibiting the Leadership Essentials. This is by a) innovating or simplifying processes, b) going above and beyond one's job to delight customers, or c) promoting cross-functional collaboration and challenging the status quo.

Embedding a Culture of Ethical Decision-Making and Strong Risk Management

SAFE AND SECURE WORKPLACE

BPI AIA is a Safe, Healthy, and Secure Workplace. The Company observes Occupational Safety, Security, and Health Standards being promoted by the Department of Labor and Employment. It conducts its business in a manner that protects the health, safety, and security of its employees and customers.

Promptly reporting to management or to the appropriate Corporate Security Personnel the situations that may pose health, safety, security, and environmental hazards is mandated. Employees are encouraged to notify management or Corporate Security of any issue that may impact the company's security, fire and life safety, or emergency readiness.

Using, selling, possessing, or working under the influence of illegal drugs is strictly prohibited. At the same time, use of alcohol while conducting business for the Company is also prohibited.

BPI AIA abides by local labor and employment laws including those addressing discrimination and harassment. Its Code of Conduct also mandates that employees treat each other with respect, including valuing each other's differences and respecting each other's opinions.

Physical security systems reduce the risk of exposure. Entry controls are implemented to ensure the Company's safety, security, and protection. The wearing of IDs is strictly observed.

The Company respects the personal information and property of employees. Employees expect the Company to carefully maintain the personal information they provide. Employee trust must not



be compromised by disclosing this information other than to those with a legitimate need to know.

Access to personal information or employee property is given only to authorized personnel with a legitimate reason to access such information or property.

From time to time, AIA Philippines may access and monitor employee internet use and communications to assess compliance with laws and regulations, policies, and behavioral standards. Subject to local laws, employees will have no expectation of privacy with regard to workplace communication, and especially when using the information technology resources of the Company.

DISCIPLINARY GUIDELINES

The Company takes appropriate action against erring employees who violate company policies and procedures or have exhibited any aberrant behavior. Violating applicable laws, regulations, the Company's Code of Conduct, or encouraging others to do so may result in disciplinary action. Failing to promptly report known violations by others may also be a violation of the Code of Conduct.



PROMOTING HEALTH AND WELLBEING

With lifestyle-related diseases accounting for 70% of deaths globally¹ and growing at an alarming rate, the need for behaviour change has never been more imperative than now. By rewarding people to embrace a healthier lifestyle through its science-backed wellness program, AIA Vitality, AIA Philippines delivers on its commitment to create a more sustainable healthy future for Filipinos.

In 2024, key initiatives were implemented to actively engage AIA Vitality members in taking charge of their health through enhanced program benefits and campaigns. Highlights include:

- Free health check from MediCard and Hi-Precision Diagnostics, plus a PHP300 transportation voucher, to help members know their baseline health numbers
- Launch of the AIA Vitality app face scan — a digital biomarker tool that aids in early detection of risk factors by measuring heart rate, blood pressure, stress levels, and body mass index with a 30-second selfie
- Promos to motivate members to create healthy habits: up to PHP800 monthly for hitting weekly and team fitness goals, PHP1,900 eGifts for moving up a status, PHP100 voucher for taking the 'How Healthy Are You?' assessment, 50 weekly winners of a fitness tracker in Hit Silver, Win a Tracker promo, monthly winners of up to PHP100,000 GCash credits in Dash For Cash promo for earning 50 points from healthy activities; preferential rates of up to 50% off on MediCard health services
- Distribution force and staff campaigns to continue creating ambassadors of AIA Vitality and forge a culture of wellness within the organization: Roar To Gold (for agency); One Team To Vitality (for bancassurance); Fight To Gold and Wellness Wins (for staff)
- Sponsorship of 2024 Cebu Marathon to solidify AIA Vitality's commitment to promote an active lifestyle

These are on top of existing core benefits being enjoyed by AIA Vitality members for living healthy—from a wide-range of partner discounts to insurance benefits of up to 20% off insurance premiums, 50% off additional coverage, 100% loyalty boost or 50% double booster.

Year-end metrics affirms AIA Philippines' commitment to promoting healthy living:

- 97.4K members enrolled in the AIA Vitality program as of December 2024, comprised of employees, individual and corporate clients
- 9.8K members posted improved health outcomes in at least one metric (i.e., blood pressure, glucose, cholesterol, body mass index) compared to the previous year

- 4.55 AIA Vitality app rating as a result of continuous enhancements to ensure a delightful digital wellness experience for members

2025 promises to be an even bigger year for AIA Philippines in inspiring people to live healthy. With more curated, data-driven health and wellness propositions in the offing, we're better primed to propel 'AIA One Billion' — AIA Group's bold ambition to engage a billion people to live healthier, longer, better lives by 2030.

¹ WHO 5 5 70 Framework - Noncommunicable diseases



CORPORATE GOVERNANCE



CAPITAL STRUCTURE

Authorized Capital Stock	P1Billion
Subscribed & Paid-Up Capital Stock	P 749,993,979.00
Par Value	P1.00 per share
Treasury Share	P6,000.00

LIST OF STOCKHOLDERS

Name	Shares Held	Class	Amount Paid (Php)	Pecent of Ownership	Nationality	Beneficiary Ownership	Date of First Appointment
AIA Philippines Life and General Insurance Company, Inc.	382,496,926	Common	382,496,926	51.00%	Hong Kong SAR		
Leo Michel Grepin*	1	Common	1		American	AIA Philippines	17 May 2022
Melita Teo More May Non-Executive Director	1	Common	1		Singaporean	AIA Philippines	21 Jan 2019
Katherine P. Custodia Executive Director Chief Executive Officer	1	Common	1		Filipino	AIA Philippines	23 Jan 2023
Stephanie L. Sy	1	Common	1		Filipino	AIA Philippines	17 July 2019
Bank of the Philippine Islands (BPI)	359,767,361	Common	359,767,361	47.95%	Filipino		
Jose Teodoro L. Limcaoco Non-Executive Director, Chairman	100	Common	100		Filipino	BPI	28 Apr 2021
Maria Theresa D. Marcial	100	Common	100		Filipino	BPI	28 Apr 2019
Jesse O. Ang	100	Common	100		Filipino	BPI	10 Apr 2019
Others	7,807,388	Common	7,807,388	1.05%	Filipino	N/A	N/A
TOTAL	749,993,979		749,993,979	100%			

*Replaced by Jacky Chan

BOARD OF DIRECTORS



JOSE TEODORO K. LIMCAOCO (61)

Chairman of the Board (since 28 April 2021)

Jose Teodoro “TG” Limcaoco is the President and CEO of Bank of the Philippine Islands (BPI) — the oldest bank in both the Philippines and Southeast Asia, and one of the most established financial institutions in the country. TG was appointed as BPI President and CEO on April 22, 2021. He has served as a Director of the Board and a Member of the Bank’s Executive Committee since February 2019.

He is Chairman of BPI Wealth — A Trust Corporation, Bank of the Philippine Islands (Europe) Plc., BPI Capital Corporation, BPI/MS Insurance Corporation, and BPI AIA Life Assurance Corporation. He is Vice Chairman of BPI Century Tokyo Lease & Finance Corporation and BPI Century Tokyo Rental Corporation. He is President and Vice Chairman of BPI Foundation, Inc.

Outside of BPI, he is President of the Bankers Association of the Philippines, Chairman of Philippine Payments Management Inc., a Trustee of the Asian Institute of Management, and a Director of AC Mobility Holdings, Inc. He is also a current member of the Management Association of the Philippines, the Financial Executives Institute of the Philippines (FINEX), and the Rotary Club of Makati West (where he is a Past President). Lastly, TG is a Director of Just for Kids, Inc., a homegrown business of his family.

In recognition of his outstanding leadership and exemplary communication skills, TG was bestowed the prestigious 2023 Communicator of the Year award under the Executive Leader Category by the International Association of Business Communicators (IABC) Asia Pacific. This award underscores his ability to effectively convey complex ideas and foster meaningful connections within the business community. He also earned the Gold Award in the Best CEO category for the Philippines in Asia’s Best Managed Companies 2023 poll of FinanceAsia. This accolade serves as a testament to his exceptional stewardship and strategic vision, further solidifying his reputation as an exceptional leader in the financial industry.

Before coming to BPI, he was the Chief Finance Officer, Chief Risk Officer, and Chief Sustainability Officer of Ayala Corporation, a Philippine Stock Exchange-listed company. He was also the Chairman of AC Energy

International, Inc. (formerly Presage Corporation) and the President and CEO of AC Ventures Holding Corp. He was also a Director of the Board of several Ayala companies, including publicly-listed Globe Telecom and Integrated Micro-electronics Inc, and the energy, infrastructure, industrials and healthcare companies of the Ayala group. He was also a director of the companies that operated G-Cash and Zalora Philippines.

Previously, he served as President of BPI Family Savings Bank from 2010-2015 and President of BPI Capital Corporation from 2007- 2010. He also served as Officer-in-Charge for Ayala Life Assurance, Inc. and as Director and Chairman of Ayala Plans, Inc.

Mr. Limcaoco joined Ayala Corporation as a Managing Director in 1998. Prior to his appointment as Chief Finance Officer in April 2015, he held various responsibilities including Trustee and Treasurer of Ayala Foundation, Inc., President of myAyala.com, and CFO of Azalea Technology Investments, Inc. He served as the President of the Chamber of Thrift Banks from 2013-2015. He was named as the ING-Finex CFO of the Year in 2018. He has held prior positions with JP Morgan & Co. in Singapore and New York and with BZW Asia.

He graduated from Stanford University with a BS Mathematical Sciences degree (Honors Program) in 1984 and from the Wharton School of the University of Pennsylvania with an MBA (Finance and Investment Management) in 1988.



JACKY CHAN (61)

Non-Executive Director (since 06 February 2025)

Mr. Jacky Chan - Regional Chief Executive and Group Chief Distribution Officer responsible for the Group's businesses operating in Hong Kong SAR, Macau SAR, Philippines and Taiwan (China) as well as the Group's agency distribution, partnership distribution, corporate solutions and digital platform partnerships. He is a director of various companies within the Group, including AIA Company Limited and AIA International Limited. Mr. Chan has extensive life insurance industry experience having worked at AIA for the past 36 years. Prior to becoming a Regional Chief Executive, Mr. Chan was Chief Executive Officer of AIA Hong Kong and Macau since 2009. Previously, he held several senior positions including the Country Head of AIA China, responsible for overall business performance and results in China; Executive Vice President - Distribution & Marketing of Nan Shan Life Insurance - Taiwan; Senior Vice President & Head of Life Profit Centre of AIA - Asia (ex-Japan & Korea).

Mr. Chan holds a Bachelor of Science Degree from the University of Hong Kong. He is a Fellow of Society of Actuaries (FSA), a member of American Academy of Actuaries (MAAA) and a Fellow of Canadian Institute of Actuaries (CIA).



KATHERINE P. CUSTODIA (50)

Chief Executive Officer

Executive Director (since 23 January 2023)

Karen Custodia is the Chief Executive Officer of BPI AIA Life Assurance Corporation. Prior to her appointment, she was the Head of Partnership Distribution Sales Channels of BPI AIA for 4 years. She led a team of over 1,500 employees from In-Branch Sales, Corporate Sales, Direct Sales, Private Banking, and Telesales teams.

She joined BPI AIA in 2013 and has since held various leadership posts — she was Head of Marketing, Head of Preferred Segment, Territory Sales Head and Head of In-Branch Sales. For 9 years, her experience in marketing, sales and partnership management allowed her to drive profitability and growth within BPI AIA.

Ms. Custodia previously held the position of head of insurance sales for retail clients in HSBC Insurance Brokers, Inc. and has also held various roles in other top-tier insurance companies in the country in her 25 years in the industry. She has an AB Psychology degree from De La Salle University in Manila, Philippines.



MELITA TEO (49)

Executive Director (since 25 January 2024)

Ms. Melita Teo is the Chief Executive Officer of AIA Philippines.

Prior to her appointment, Ms. Teo was Chief Customer and Digital Officer at AIA Singapore, where she was responsible for advancing the customer, brand, integrated health strategy and wealth propositions, accelerating the delivery of an integrated digital and analytics value creation for customers and distribution. She previously served as Chief Operations Officer, Chief Corporate Solutions Officer, Chief Business Development Officer for Vitality and Head of Planning and Strategy. She was the driving and collaborative

force behind the transformation of operations, digital and healthcare, introducing many policy controls and new growth initiatives and thought leadership, clearly differentiating AIA Singapore from the market. Under her leadership, AIA Singapore received many industry accolades in Digital, Healthcare and Customer Service Excellence.

Ms. Teo holds a degree in Bachelor of Commerce majoring in Economics and Finance from Curtin University of Technology — Western Australia.



JESSE O. ANG (64)

Independent Director (since 10 April 2019)

Lead Independent Director

Mr. Jesse Ang is an Independent Director of Bank of the Philippine Islands (BPI) Capital Corporation, BPI Wealth, BPI MS, BPI Wealth Hong Kong, ACEN and ACEN International and Integrated Micro-Electronics, Inc.

After more than 18 years, Mr. Jesse Ang retired from the International Finance Corporation (IFC) in June 2018. Previously, he was the Resident Representative for the Philippines office of the International Finance Corporation. He has extensive financial sector expertise and a solid track record in putting together investment deals in infrastructure, including power, mining, water and telecommunications. He was the first Filipino to become the head of the IFC Philippine office.

He joined IFC Philippines in February 2000 as a Senior Investment Officer primarily responsible for business development. Prior to joining IFC, he was the Chief Financial Officer and Treasurer of the Philippine International Air Terminals Company based in Manila. He worked in New York City for several years in various capacities, such as Director of the Global Structured Finance department in ANZ Investment Bank, Vice President of the Trade and Commodity Finance department in Generale Bank and Assistant Vice President in Irving Trust Company. His work experience involved significant travel to Latin American countries such as Mexico, Chile, Colombia, Venezuela, Brazil and Argentina and East Asian countries including Korea, Taiwan, Hong Kong and the Philippines.

He earned his Master's degree in Business Administration from the Wharton Graduate School of Business and a BS Industrial Engineering degree from the University of the Philippines.


STEPHANIE L. SY (34)
Independent Director (since 17 July 2019)

Stephanie Sy is the CEO of Thinking Machines, a leading data technology consulting firm with offices in Manila, Bangkok, and Singapore. Thinking Machines has built data platforms and artificial intelligence tools for leading corporations throughout Southeast Asia. Thinking Machines is part of the UNICEF Innovation Fund, building data tools and a technology ecosystem to improve the lives of children and their families.

Stephanie graduated from Stanford University in 2011, and got her start as an early employee at Wildfire Interactive, a Silicon Valley startup which was acquired by Google in 2013. In her roles at Wildfire and at Google, she built analytics platforms on some of the largest datasets in the world. Sy continues to advocate for STEM and data science in the country through her board memberships on Save the Children Philippines and the Philippine Department of Science and Technology's PCIEERD advisory group.


MARIA THERESA D. MARCIAL (53)
Non-Executive Director (since 28 April 2019)

Ms. Marcial, 53, is the President & CEO of BPI Wealth. She leads the asset and wealth management business of the bank, providing a wide range of investment, trust and wealth management solutions to corporate, institutional, high net worth, mass affluent and retail client segments.

Ms. Marcial is a seasoned banker. Through 28 years of experience, she has developed expertise in a broad range of disciplines including investment management and trust, corporate banking, debt and equity capital markets, finance, corporate strategy and sustainability. She has held senior leadership positions in BPI, including 5 years as Chief Finance Officer, responsible for driving the bank's strategic planning and budget process, performance management, capital structure, and sustainability agenda. She had oversight of financial and regulatory reporting for BPI group of companies, shaped the bank's strategic imperatives while engaging with business partners, investors and capital markets. As CFO, she led the most important and innovative capital raising transactions of the bank to support its growth and digital transformation.

She is presently a board director of BPI Europe Plc, and a fellow of Foundation for Economic Freedom. In the past, she held key management and governance roles including - chairman of BPI Finance Committee and

BPI Sustainability Council, member of BPI Asset and Liability Committee and BPI Credit Committee, treasurer of BPI Foundation, board director and treasurer of BPI MS Insurance Corporation, board director of AF Payments, BPI Global Payments Asia Pacific Philippines, BPI Investment Management, and ALFM Mutual Funds.

She was the head of BPI Asset Management and Trust Group from 2009 to 2014. She previously served as president of the Fund Managers Association of the Philippines, president of the Trust Officers Association of the Philippines, vice-chairman of Capital Markets Development Committee of FINEX, and alternate governor of the Market Governance Board of Philippine Dealing and Exchange Corporation. Prior to her banking career, she worked for the Philippine government - the Agricultural Policy Credit Council and the National Economic and Development Authority.

In 2014, she was recognized as one of Top 25 Most Influential Women in Asset Management in Asia by Asian Investor, Most Outstanding Alumnus of the University of the Philippines Los Baños in 2006 and received the CEM Centennial Outstanding Alumni Award from the University of the Philippines Los Baños in 2019.

Ms. Marcial is an advocate of marine conservation and renewable energy. She is a trustee and treasurer of WWF Philippines, member of WWF Asia Pacific Council, and board director of Philippines Inter-Island Sailing Federation. She previously served as member of the National Advisory Council of WWF Philippines. She is an outdoor enthusiast, with interests in offshore sailing and yacht racing, open water scuba diving, wreck diving and underwater photography. She obtained the Royal Yachting Association Skipper Certification in Sydney, Australia in 2015. In 2018, she participated in the Rolex Middle Sea Race, a 606-nautical mile Category 2 offshore yacht race around Sicily organized by the Royal Malta Yacht Club. She has logged over 5,000 nautical miles sailing in offshore and coastal waters of the Philippines, New South Wales Australia, South China Sea, and Mediterranean Sea.

She has a master's degree in Economics from the University of the Philippines Diliman and bachelor's degree in Economics, cum laude, from the University of the Philippines Los Baños. She completed the Advanced Management Program at Harvard Business School in 2010 and the CFA Institute Investment Management Workshop also at Harvard Business School in 2006.

BOARD SUPPORT



CARLA J. DOMINGO
Corporate Secretary

Atty. Carla Domingo is currently the Head of Legal and Corporate Secretary of AIA Philippines. She also serves as the Corporate Secretary of BPI AIA. Likewise, she heads the Company's Centralized Investigation Team and Records Management.

Atty Domingo is a fellow of the Institute of Corporate Directors. She is supported by Atty JoAnne Lucille Germaine Y. Claudio-Guevara, Legal Principal and Assistant Corporate Secretary of AIA Philippines. Atty. Domingo attended the IC-mandated annual continuing board training held since 2020 and every year thereafter, with the most recent training held on 30 September 2024.

She also served as Deputy Company Secretary of AIA Group Company Limited in Hong Kong from February 2014 to February 2015.



MARIA CRISTINA HELENA G. SAMANIEGO
Chief Risk Officer and Chief Compliance Officer

Maria Cristina Helena Samaniego, the Chief Risk and Compliance Officer of AIA Philippines, is a Senior Vice President and a member of the Company's Executive Committee. She has been attending the IC-mandated annual board continuing training on corporate governance since 2020, including the one held on 30 September 2024. Ms. Samaniego is not a member of the board of the company.

Ms. Samaniego joined AIA Philippines with an extensive international and local experience on risk and compliance. Prior to joining the Company, Ms. Samaniego was the Chief Risk Officer and Member of the Board of Directors of ANZ Bank Taiwan Ltd. She also held various roles in the Singapore Regional Office of ANZ Banking Group including Head of Risk for Retail, Wealth and Private Bank, and Head of Retail Credit Risk, covering Asia Pacific. Prior to ANZ Bank, she spent ten years in HSBC performing senior roles heading Consumer Credit Risk and Collection and Local Conglomerates Relationship Banking. She also worked for BNP and Union Bank of the Philippines.

Ms. Samaniego earned her degree in Industrial Management Engineering from De La Salle University.



RIKKA C. PERALTA

Head, Group of Internal Audit Philippines

Rikka Peralta is a Certified Public Accountant and a Certified Internal Auditor. She started her career with Sycip Gorres Velayo & Co (a member firm of Ernst & Young Global) and has obtained over 20 years of internal audit experience outside and within AIA. Ms. Peralta currently plays a key role in managing the audit plans and activities for the companies under AIA Philippines while overseeing the team of internal auditors. She is an active member of the Institute of Internal Auditors and a fellow of Life Management Institute.

Ms. Peralta has been a regular participant of the IC-mandated annual continuing training of the Board held since 2020, including the most recent one held last 30 September 2024.



CORPORATE GOVERNANCE

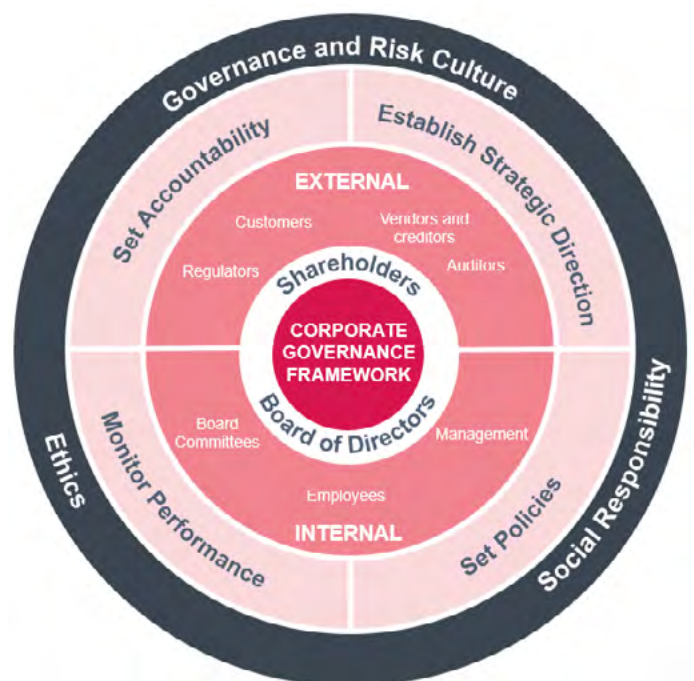
BPI AIA is committed to the highest standards of corporate governance as rooted in the belief that a culture of integrity and transparency is essential to the consistent achievement of its goals. Creating a sustainable culture, where trust and accountability are as vital as skill and wisdom, steers the Board towards achieving long-term value for shareholders and customers, and strengthens confidence in the institution.

Corporate Governance Policy

The Company's Corporate Governance Policy placed on the Board the ultimate responsibility for the sustainable performance of the Company, including its consistent achievement of business plans and compliance with statutory and corporate obligations. To fulfil such responsibility, the Board adopted a policy of adherence to all legislations, regulations, and statutory standards as may be applicable and relevant to the Company, and mandates all directors,

senior management, and employees to abide by the principles of good governance and the Company's Code of Conduct.

The Company's corporate governance framework underpins its commitment to corporate governance principles and leading practices.



Roles and Responsibilities of the Board

The Board of Directors exercises all the powers of the corporation ("Company") and review the vision and mission/strategy of the Company; all business conducted, and all properties of the corporation are controlled and held by them. The Board is completely independent from management and major stockholders. The Board exercises discretionary powers and oversees the management of the company.

The Board is accountable to the shareholders and as such it shall ensure the highest standard of governance in running the Company's business and setting the strategic directions.

The detailed role and responsibilities are set forth in the By Laws and the Manual of Corporate Governance.

The Board of Directors, through its Board Risk and Audit & RPT Committees, has conducted a regular review of the Company's material controls (including operational, financial and compliance controls) and risk management systems. The Board Risk Committee, the Audit & RPT Committee and the Board of Directors have declared their satisfaction and confidence on the Company's internal controls and risk management systems.

Board Independence and Diversity

Each of the independent directors meets the guidelines set in the Manual of Corporate Governance. None of the independent directors has any business or significant financial interest in the Company or any of its subsidiaries. They, therefore, continue to be considered independent.

BPI AIA adopts AIA Policy on Diversity, and believes in the power of diverse, talented people to create value and deliver on their customer and shareholder expectations. Fundamental to all the Company's inclusion efforts is zero tolerance for discrimination or harassment in any form, across all aspects of diversity, including gender, race, nationality, and sexual orientation.

Board Process

The Board meetings are held on a quarterly basis unless a special meeting is necessary to consider urgent matters. Minutes of meetings of the Board and all Committees are kept by the Corporate Secretary and are open for inspection by the Board and Stockholders upon request. Board materials are sent to the members at least five (5) business days in advance of the scheduled board meetings.

In addition to the regular meetings, the directors also engage in informal meetings on a quarterly basis to further discuss issues and strategies. The company conducted a Board Strategy Day on 16 September 2024, wherein the Board and the executive leadership team come together to discuss the organization's strategies and priorities.

Non-executive directors also find time to meet separately to discuss the business affairs of the Corporation. Independent Directors, likewise, regularly meet with management, the internal auditors, and the external auditors, separately, to ensure proper check and balance is achieved by the Corporation.

Board and Senior Management Succession and Selection Process

The Board ensures that plans are in place for orderly succession to the Board and senior management to maintain a balance of appropriate skills and experiences within the Company. The Company's Corporate Governance Manual prescribes a formal, rigorous, and transparent procedures for the selection and appointment of directors of the Board and senior management. Appointments to BPI AIA Board of Directors or Senior Management are made on merits and subject to objective criteria as set forth in the Manual. Careful deliberation and consideration are done to ensure that nominees are qualified to sit in the Board or in Senior Management. The Company, through its major shareholder, considers the knowledge, competencies, skills, and experience that the nominee-director or executives, seriously considering the Company's business objectives and strategies. The Company ensures that its Board membership and Senior Management consist of persons with sufficiently diverse and independent backgrounds and possesses a record of integrity and good repute. Part of the selection process of the Company is the use of independent/third party professional search firms to identify and source qualified directors and senior executives.

On 26 October 2023, the BPI AIA Board Succession Plan was adopted. This succession plan is designed to proactively ensure that interruption at the board level is minimized during the transition from the departing member to the appointment of a new one. This succession plan is an on-going process requiring regular evaluation of board composition and competencies to identify opportunities for improvement to better position the board to meet its current and future needs.

Fee Structure and Remuneration of Directors

The Independent Directors definitely play very significant roles in order to achieve the Company's business objectives today and in the future. As independent directors, they effectively participate and provide objective, independent judgment in the business affairs of the Company, and at the same time ensure that proper checks and balances are in place.

Considering the above, and in view of the stricter corporate and regulatory environment in the country, the Company believes that the independent directors should be adequately compensated for the knowledge, skills, and expertise they share and impart to the Board; for the time and efforts they provide to the Company; and for potential risks and liability they may be exposed of as its members. The fee structure of the independent directors are based on various factors, such as but not limited to director's qualification and experience, skills, and expertise; financial services sector benchmark; market condition; and regulatory environment.

As reviewed and approved by the shareholders of the Company on an annual basis, the independent directors receive fixed directors' fees per Board and Committee meeting attended, and annual fee. For 2024, the total annual gross fees of the independent directors of the Company amounted to Philippine Pesos: 2,664,000.00, broken down as follows: 1) Jesse O. Ang — PHP1,364,000.00; and, 2) Stephanie L. Sy — PHP1,300,000.00. The executive and non-executive directors do not receive any remuneration for their directorship in BPI AIA.



Remuneration Policy for Executive Director and CEO

BPI AIA provides a total rewards package to the Executive Director and Chief Executive Officer that consists of guaranteed and variable components that reward performance and value created for the Company. Our CEO's reward components support our rewards framework:

- Guaranteed compensation which includes base salary, allowances and contractual bonus that is reviewed annually to reflect market, individual performance and value created for the company;
- Short Term Incentive to reward achievement of business and individual performance metrics enabling the individual to share in the immediate success of the company;
- Discretionary Long-Term Incentive to motivate and reward the individual for individual who have contributed significantly to AIA's success and is likely to continue to do so; and
- Benefits that are carefully structured supplementing our cash compensation.

Election of Directors

The Company uses a transparent procedure for the election of directors. The Corporate Governance Committee sitting as the Nomination and Remuneration Committee pursuant to IC Circular 2021-70 looks into the qualifications of directors and thereafter endorsed to the Board their recommended nominee for approval. At the stockholders' meeting, the shareholders are duly informed by the Corporate Secretary of the qualified nominees and of the voting method and vote counting system. Each stockholder with voting privilege shall be entitled to cumulate his/her vote in the manner provided by law. After the election process, the Corporate Secretary shall count the votes and thereafter declare the duly elected members of the Board.

Seminars attended by the Board of Directors

Director	Training/Seminar
Jose Teodoro K. Limcaoco	<ul style="list-style-type: none"> IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 BPI Executive Session on AML and Fincrim Compliance 2023, 26 September 2023 2023 Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit, 03 October 2023 ICD Masterclass: The Third Series - Session 6 "The Brand Architecture: A Valuable Framework for Setting Strategy", 15 December 2023 IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Melita Teo More May	<ul style="list-style-type: none"> Corporate Governance Orientation Program by ICD, 14 June 2024 IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 30 September 2024
Leo Michel Grepin	<ul style="list-style-type: none"> IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Katherine P. Custodia	<ul style="list-style-type: none"> IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Jesse O. Ang	<ul style="list-style-type: none"> 2021 Integrated Corporate Governance, Risk Management and Sustainability Summit of Ayala Corporation held on October 21, 2021 via Zoom IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 Ayala Integrated CGRMS Summit on 03 October 2023. IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Stephanie L. Sy	<ul style="list-style-type: none"> IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Maria Theresa D. Marcial	<ul style="list-style-type: none"> IC-Mandated Annual Training Continuing Board Training on Corporate Governance, 05 December 2022 IC-Mandated Annual Continuing Board Training on Corporate Governance, 18 September 2023 and 30 September 2024
Non-Executive Directors	<ul style="list-style-type: none"> Separate meetings with the External Auditor and Head of Group Internal Audit Philippines without the presence of management 24 January 2024, 12 April 2024, 24 July 2024, and 23 October 2024.

Orientation Program and Training

For newly elected directors, the Corporate Secretary schedules and provides comprehensive orientation to explain the organizational profile, charters, by-laws, policies and procedures of the Company. In compliance with the Circular issued by the Insurance Commission, BPI AIA ensures that all its directors have attended a training and orientation course on Corporate Governance conducted by duly accredited training providers of the commissions.

The Board members are also encouraged to attend further training and inform the Corporation on such trainings attended. BPI AIA provides necessary resources in developing and updating its director's knowledge and capabilities. For two years in a row since 2020, the Company sponsored its own 4-hour annual continuing board training on corporate governance where topics were covered and discussed by competent speakers expert in their field. The Company encourages the directors to attend continuous professional education programs such as Professional Directors' Program of the Institute of Corporate Directors.

Performance Evaluation

The Board has established its own performance evaluation, the criteria of which are based on the Insurance Commission's Circular on Corporate Governance. Every year, the Board, as well as the Committees, conducts annual self-assessment of its performance, the results of which are submitted to the Corporate Governance Committee and to the Board of Directors.

In the Annual Board Performance Evaluation Survey, the Board members are required to rate the performance of the Chairman, the CEO, the Board, the Board Committees based on the standards and criteria provided. Among the criteria set include, but are not limited to, the following: the appropriateness of the Board's composition; the directors' skills, expertise, and their participation and contribution in the Board and Committee discussions; the working relationship among the Board, the Chairman, and the senior management; the overall performance of the Chairman, the CEO, the independent directors, the Board and the various Board Committees.

In the Survey, the Board members are required to give the subject either an 'excellent'; 'consistently good'; 'adequate'; or 'needs major improvement' rating. The directors are also required to provide other ideas and suggestions on how they could further improve the performance of the Board.

After accomplishing the survey, the directors will submit the same to the Corporate Secretary, who will then consolidate and evaluate the answers and submit the results to the Governance, Nomination and Compensation Committee for its approval. The results will then be reported to the Board for its notation.

In 2024, the board of BPI AIA Philippines conducted a self-assessment with the objective of identifying areas in which the board could

perform better, as well as assess if the board's skills and expertise match the strategic direction that the companies are taking with the findings summarized as follows:

- The Board agrees to the adequacy and appropriateness of its size and composition. It has a good balance of skills, capabilities and experience, which are necessary for the Board to perform its duties.
- The Board also has good knowledge and understanding of the Company's vision, mission, objectives, and strategies; and it continuously considers shareholder value and long-term shareholder interests in its decisions-making process.
- In terms of Board dynamics, the Board continues to show excellent working relationship and positive atmosphere due to high level of trust among the members. The Board has continuously shown the ability to cope with conflict and differing views. One however noted that the board does not know the senior management team especially well.
- Board meetings are continuously held on a regular and efficient manner.
- In terms of Board support, the Board has acknowledged the timeliness and quality of the materials and reports provided by management.

In line with its commitment to good corporate governance, third party evaluation is conducted every 3 years. Such evaluation is scheduled to be conducted in June 2025.

Retirement Benefit

BPI AIA sought the services of Mercer to provide a formal retirement plan for the employees.

We adapted the Defined Contribution (DC) Retirement Plan wherein the employer, employee or both make contributions on a regular basis.

Monthly contributions are pooled and invested by an assigned fund manager which means that future benefits fluctuate on the basis of investment earnings. During the launch in 2014, employees were given an option to elect the new DC Retirement Plan or remain under statutory minimum normal retirement benefits. The board of directors elected BPI Asset Management and Trust Corporation (BPI AMTC) as fund manager while Zalamea administrates the individual ledgers of each employee. All employees are provided an online account which allows them to view their monthly statements and keep track of contributions and investment earnings.

Each employee is credited an employer contribution monthly based on 8% of his/her current monthly basic salary which started in July 2014. Benefits are computed based on the vesting factor and number of years of service. Minimum years of service entitled for Retirement Pay under DC plan is 5 years. The voluntary contribution has just started this April 2018. Employee participation will be incentivized by the company with 50% of voluntary contributions subject to a maximum of 3% of employee's monthly basic salary.

Dividend Policy

BPI AIA shall declare and pay cash dividends, the amount of which shall be determined through consideration of the following factors:

- local statutory requirements relating to solvency and liquidity;
- ongoing sustainability of corresponding insurance fund taking into consideration likely future changes in regulatory requirements; and
- likely future strategic initiatives.

No cash dividend declaration for the year 2024.

Rewarding Performance

BPI AIA provides a dynamic work environment that encourages employees to bring their best to work each day. In return, the company offers a Total Reward program including growth opportunities and a comprehensive package of pay and benefits which aims to give employees the choice and flexibility to meet their individual needs.

BPI AIA's Reward Philosophy is built on the principles of providing an equitable, motivating and market-competitive total remuneration package that fosters a strong performance-oriented culture. Its strong pay-for-performance culture is aligned with the Company's operating philosophy of doing the right thing, in the right way, with the right people. It aims to ensure that individual rewards and incentives relate directly to the individual's performance, the function in which they work, and the overall performance of the business.

The Company also has long-term incentive programs that provides executives certain rewards depending on the performance of the company. The Long Term Incentive (LTI) Plan is a discretionary scheme provided by AIA to motivate and reward executives who have not only made a significant contribution to AIA's and AIA Philippines' performance and success, but also have the potential to contribute more in the future. It operates through the grant of Restricted Share Units (RSU). This means that their contributions to AIA's sustained and profitable performance mean that there is also the potential for the awards to be financially rewarding for them.

Board Meetings in 2024

The Board had a total of seven (7) meetings in 2024. The directors received the meeting pack five days in advance. The meeting pack includes among others, the Board and Committee Meeting Minutes for approval of the Board, the business and financial highlights of the Company and other items that need Board action and approval.

The presence of at least four (4) out of seven (7) directors is necessary to have a quorum and the affirmative votes of the majority of the directors present are required to decide a matter except where the law or the by-laws require a higher number.

Before the start of the financial year, the Corporate Secretary advises the members of the Board of the schedule of their meetings, which

may change subject to their availability and other reasonable circumstances. Board meetings are regularly set on a quarterly basis, while special meetings are called by the Chief Executive Officer, or as provided in the Company By-Laws. Five (5) days prior to the scheduled meetings, the Corporate Secretary sends to the members of the Board their respective meetings packs, which would contain, among others, the Board and Committee meeting minutes, the management report and financial highlights, and other items that need action and approval of the Board. The number of meetings held in 2024 and the overall attendance rate are shown below.

In 2024, the NEDs had separate meetings with the External Auditor and Head of Group Internal Audit Philippines without the presence of management on 24 January 2024, 12 April 2024, 24 July 2024, and 23 October 2024.

BOARD OF DIRECTORS	
Chairman of the Board	Jose Teodoro K. Limcaoco
Executive Director	Katherine P. Custodia, CEO
Non-Executive Director	Maria Theresa D. Marcial Leo Michel Grepin* Melita Teo More May
Independent Directors	Jesse O. Ang Stephanie L. Sy
Corporate Secretary	Carla J. Domingo

*Replaced by Jacky Chan

BOARD OF DIRECTORS	
MEMBER	DATE OF MEETING
	25 January 2024 (Regular) 15 April 2024 (Outgoing) 15 April 2024 (Organizational) 29 May 2024 (Special) 25 July 2024(Regular) 15 August 2024 (Special) 24 October 2024 (Regular) 7 Meetings (93.87%)
Jose Teodoro K. Limcaoco	6 Meetings (85.71%)
Leo Michel Grepin	7 Meetings (100%)
Melita Teo More May	6 Meetings (85.71%)
Katherine P. Custodia	7 Meetings (100%)
Maria Theresa D. Marcial	6 Meetings (85.71%)
Jesse O. Ang	7 Meetings (100%)
Stephanie L. Sy	7 Meetings (100%)

Note: No changes in the Capital Structure as of 31 Dec 2024.

New Board Charter, Revised Corporate Governance Manual and Policies

In compliance to the requirements stipulated in the Insurance Commission Circular Letter (IC CL) 2020-71, the Board approved its new Board Charter, revised its Corporate Governance Manual, and passed several policies. Below are the highlights of the said manual and policies:

Board Charter - sets out the roles and responsibilities of the Board primarily delegating to the Board the ultimate responsibility for the sustainable performance of the Company and its subsidiaries, including the consistent achievement of business plans and compliance with statutory as well as corporate obligations. For more details, the full text of the charter is available on the company website.

Revised Corporate Governance Policy and Procedure Manual (Corporate Governance Manual) – articulates the Company's good corporate governance practices including board annual and on-boarding training, and training topics, among others. For more details, the full text of the Corporate Governance Manual is available on the company website.

Remuneration Policy – ensures that board and senior management remuneration programs are designed to be market competitive, fully compliant with local regulations, and foster a strong performance-oriented culture within an appropriate risk management framework.

Board Diversity Policy – sets out the Company's approach to ensuring adequate diversity in the Board and that selection of candidates for appointment to the Board will be based on merit which include a review of candidate's integrity, educational background, industry or related experience, among others.

Retirement Age Policy – as part of succession planning and to promote dynamism in the Company, the Board approved the Retirement Age Policy that provides, among others, the maximum tenure for independent directors to be aligned with local regulations; for retirement age of directors other than independent, key officers and employees; and for the procedures for their retirement.

Environment, Social and Governance (ESG) Policy – provides that the Company's ESG direction is aligned with the direction of its parent company, AIA Group Limited, while further developing suitable local strategies and initiatives, as may be needed.

Financial Disclosure Policy – sets out AIA Philippines' approach to disclosure of financial information to give a complete picture of the Company's financial standing and results of business operations to stakeholders. It states that the Company will fully abide by legal and regulatory mandates on financial reporting standards and disclosures of financial information.

Internal Audit Charter – sets out, among others, the role, mission, scope and responsibilities of the Company's internal audit functions, called Group Internal Audit Philippines (GIAPH), including arrangements for ensuring GIAPH's independence and objectivity. It articulates GIAPH's purpose, which is to support the Board, the Audit Committee, and the senior management to protect the assets, reputation and sustainability of the Company. It further provides that GIAPH's mission is to provide independent and objective assessment and reporting of the overall effectiveness of risk management, internal controls and governance processes and appropriately challenge executive management to improve the effectiveness of these processes.

Stakeholder Engagement Policy – designed to facilitate communication for various stakeholders to raise their queries and concerns with ease, and to ensure that the same are addressed in a timely manner by the appropriate functional units of the Company. The policy also defines the Company’s Stakeholder Engagement Framework.

BOARD RISK COMMITTEE	
MEMBER	DATE OF MEETING 18 March 2024 (Regular) 26 June 2024 (Regular) 02 October 2024 (Regular) 13 December 2024 (Regular) 4 Meetings (91.66%)
Jesse O. Ang	4 Meetings (100%)
Stephanie L. Sy	3 Meetings (75%)
Maria Theresa D. Marcial	4 Meetings (100%)

AUDIT & RPT COMMITTEE	
MEMBER	DATE OF MEETING 24 January 2024 (Regular) 12 April 2024 (Regular) 24 July 2024 (Regular) 23 October 2024 (Regular) 4 Meetings (91.66%)
Jesse O. Ang	4 Meetings (100%)
Stephanie L. Sy	4 Meetings (100%)
Melita Teo More May	3 Meetings (75%)

CORPORATE GOVERNANCE COMMITTEE	
MEMBER	DATE OF MEETING 21 March 2024 19 June 2024 18 September 2024 04 December 2024 4 Meetings (100%)
Stephanie L. Sy	4 Meetings (100%)
Jesse O. Ang	4 Meetings (100%)
Melita Teo More May	4 Meetings (100%)

EXECUTIVE COMMITTEE
Melita Teo More May , Chairman (Non-Executive Director)
Jose Teodoro K. Limcaoco , Vice-Chairman (Executive Director)
Katherine P. Custodia (Executive Director)
Ms. Maria Theresa D. Marcial (as alternate for Mr Limcaoco)

BOARD RISK COMMITTEE
Maria Theresa D. Marcial , Chairperson (Non-Executive Director)
Jesse O. Ang (Independent Director)
Stephanie L. Sy (Independent Director)

AUDIT & RPT COMMITTEE
Jesse O. Ang , Chairman (Independent Director)
Stephanie L. Sy (Independent Director)
Melita Teo More May (Non-Executive Director)

CORPORATE GOVERNANCE COMMITTEE
Stephanie L. Sy , Chairperson (Independent Director)
Melita Teo More May (Non-Executive Director)
Jesse O. Ang (Independent Director)

Stakeholder Engagement Framework

Defined in the company’s Stakeholders’ Engagement Policy, the Stakeholder Engagement Framework is envisioned to provide a holistic view of the various stakeholders of the Company and the manner by which they can interact and communicate with the Company.

Various individuals, groups or organizations can affect or is affected by the Company or its activities. To better manage stakeholder engagements, the Company identifies below as its priority the stakeholders, possible engagement activities and various communication touchpoints available to each:



A. Various engagements

PRIORITY STAKEHOLDERS	COMMON TOUCHPOINTS		
Customer	Website: www.bpi-aia.com.ph	Telephone No.: (02) 8528-5501 1-800-8-944-5433 (TOLL FREE)	Email Address: BPI-Philam_Customerservice@aia.com Vibe Customer Service Center: GF, BPI AIA Building, 6811 Ayala Ave., 1226 Makati City
Shareholder			
Regulators			
Employees			
Sales Force			
Vendors			
Business partners			
Industry associations			
Communities			

B. Regulatory and conduct-related engagements

PRIORITY STAKEHOLDERS	COMMON TOUCHPOINTS	
Customer	Data Privacy: Bpiaia.dpo@aia.com	Whistleblower/conduct complaints: compliance@aia.com www.aiaethicsline.com 1010-5511-00 (PLDT) then dial 800-245-4179 105-11 (Other providers) then dial 800-245-4179
Shareholder		
Regulators		
Employees		
Sales Force		
Vendors		
Business partners		
Industry associations		
Communities		

C. Purchase or service engagements, other concerns

	MODE	TOUCHPOINTS	FUNCTIONAL UNITS	ROLES AND RESPONSIBILITIES
Customer	Digital	<ul style="list-style-type: none"> MyAIA: https://www.aia.com.ph/en/myaia/home.html Chatbot Bessie: <ul style="list-style-type: none"> - Facebook Messenger - Viber 	Operations	Lead in customer centric initiatives of the company;
			Marketing	Lead in the implementation of the company's Customer Commitment Standards and other relevant standards of the company such as, Claims Operations Standard, New Business Operations Standard, etc.
		AIA Vitality Marketing	Marketing	Lead in all Vitality initiatives focusing on efforts that enhance customer engagement
		Mailbox: <ul style="list-style-type: none"> BPIAIA.customerservice@aia.com BPI AIA Customer Service: <ul style="list-style-type: none"> BPIAIA.customercare@aia.com BPI AIA Customer Care: <ul style="list-style-type: none"> BPIAIA.CS@aia.com CITI CS Mailbox: <ul style="list-style-type: none"> BPI AIA Customer Service 	Operations	Customers can send their inquiries/request
	Email	BPIAIA.customerservice@aia.com Hotline: (02) 8-528-5501	Operations	Ensures prompt delivery of services in accordance with the Customer Commitment Standard, Claims Operations Standard, New Business Operations Standard, etc.
	Face-to-face	Customer Service Centers	Operations	Physical means of facilitating requests that ensures prompt delivery of services in accordance with the Customer Com-mitment Standard, Claims Operations Standard, and New Business Operations Standard.
		BSE at any BPI or BFB Branches	PDSC Finance	
Share-holders/ Investors	Email	AIAPHCorporateSecretary@aia.com	Corporate Secretary	Implements the company's Corporate Governance Policy and Manual
Regulators	Email	Direct contact with relevant units via: <ul style="list-style-type: none"> Email Mobile phone Others – Viber/FB messenger 	All	In accordance with the company's Regulatory Framework, all functional units ensure that all regulatory communications addressed to the company are promptly handled, monitored, and any responses or communications are signed-off by appropriate units and signed by an officer of the Company with a rank of at least Vice President and up.
	Face-to-face	Direct contact with relevant units <ul style="list-style-type: none"> IC pigeonhole Conference 	All	
	Mail	Direct contact with relevant units	All	
Employees	Digital	Workday	Human Resources	Ensures that employee-related concerns are promptly addressed
Sales force	Digital	Agency Portal iCare	PDSC Operations Finance	Ensures prompt delivery of services in accordance with the Customer Commitment Standard, Claims Operations Standard, New Business Operations Standard, etc.
	Face-to-face	BSE at any BPI or BFB Branches		
	Email	Official email of BSE		
Vendors	Digital	Ariba	Sourcing	Ensures appropriate due diligence are conducted prior to on-boarding of vendors and suppliers; maintains records of engagement with vendors in accordance with the records management policy; ensures prompt settlement of vendor payments; and handles all vendors/suppliers concerns promptly
	Email	aiaph.strategicsourcing@aia.com MY.GFS.ServiceDesk@aia.com		

Annual Organization People Review (OPR) and Performance Development Dialogue (PDD)

In an executive session, the Company's Chief Human Resources Officer presents to the Corporate Governance Committee and subsequently, to the Board, the Company's annual OPR aimed at ensuring effective succession planning for directors, key officers and senior management to ensure growth and continued increase in the shareholders' value. The Corporate Governance Committee and the Board also approve the Company's PDD ensuring that remuneration and incentives granted the management, including the Chief Executive Officer, and the personnel are at par with the performance

standards set by the Board and senior management. The PDD also aims to encourage employees to actively participate in the realization of the Company's goals and governance.

2024 IC-Mandated Annual Continuing Board Training on Corporate Governance

In compliance with IC CL 2020-71, the Company conducted annual continuing training for the board with the following topics: (1) Life Insurance Industry Updates, (2) Customer Fairness / FCPA / AML, (3) Role of Directors, and (4) Financial Reporting / Internal Controls.



OPERATING PHILOSOPHY



AIA CODE OF CONDUCT

Honesty and integrity are the cornerstones of the AIA business. AIA serves millions of customers across the most dynamic growth region in the world – and is known and admired for its unwavering commitment to these values. This reputation and the trust it inspires are critical to the success of the organization. Dedication and commitment to high standards have helped build the organization in the past and continue to do so. It can only maintain such reputation when each employee strives harder to do what is right and by being committed to the highest standards of integrity and conduct at all times and in every dealing.

This is what the AIA Code of Conduct is about. It sets out AIA's and its member companies' commitment to the Operating Philosophy of "Doing the Right Thing, in the Right Way, with the Right people... and the Right results will come." This is the core of the unique culture of AIA across all 18 markets within the Asia Pacific region which includes BPI AIA.

The AIA Code of Conduct sets out the ethical guidelines for conducting business which is the same code that BPI AIA observes. This serves as a guide in managing the company's compliance, ethics, and risk issues.

The standards set forth in the Code also apply to business partners including agents, contractors, subcontractors, suppliers, distribution partners, and those who act on behalf of AIA and BPI AIA. The corporation, its directors, senior management and employees are mandated to comply with the policies. The Compliance Department is tasked to implement these policies and monitor compliance therewith.



BPI AIA has always believed in the power of diverse, talented people to create value and deliver on customer and shareholder expectations. Thus, it competes vigorously to create new opportunities for its customers and for itself. However, competitive advantages are sought only through legal and ethical business practices. Promoting compliance with local laws and local regulatory requirements that apply to the business is at the foundation of BPI AIA's good corporate citizenship.

Code of Conduct Annual Certification

To ensure that all BPI AIA employees are aware of the provisions of the AIA Code of Conduct, an annual certification program is conducted whereby all employees confirm their knowledge, understanding, and practice of the rules and guidelines written in the Code.

New Employees Orientation Program

Company policy mandates for all new joiners to complete the New Hires Mandatory Course whereby the Code of Conduct and all other relevant company policies are discussed. This program is offered through an online learning platform and must be completed within ninety (90) days from joining date.

Treating Customers Fairly

BPI AIA's Customer Commitment Standard demands that customers are treated fairly at all times. This ensures that customer needs and reasonable expectations have been considered by the Company in its business activities. Appropriate standards of business practice to promote customer outcomes that are consistent with reasonable expectations are in place. The



Company also monitors customer experience and manages the risk of unfair treatment or poor outcome for customers.

Marketing, advertising and sales-related materials and services are truthful and accurate, and misrepresenting or attempting to mislead or deceive customers by use of unsupported or fictitious claims about BPI AIA products or those of its competitors are not acceptable.

BPI AIA adopts a structured framework in handling complaints related to market misconduct. The Customer Complaints Handling Process defines the step-by-step approach to ensure that all customer grievances and complaints of misconducts are immediately addressed. Misconduct includes but is not limited to misrepresentation of product features, mis-selling, policy replacement, misappropriation of client monies, and any other infringement of the Market Conduct Guidelines.

Anti-Fraud Policy

BPI AIA adopts a zero-tolerance approach to fraud and expects all employees and third parties to act with honesty and integrity. The policy is intended to reinforce management procedures designed to aid in the prevention, detection, and investigation of fraud, thereby safeguarding the company's assets and providing protection from the legal and reputational consequences of fraudulent activity. All suspected cases of fraud are investigated, and disciplinary procedures enforced, including prosecution and termination.

This policy was submitted to the Insurance Commission following the requirements of IC Circular 2016-50. The Insurance Commission wants to ensure that all companies are prepared and ready to combat insurance fraud for its own protection and for the welfare of its stakeholders or insuring public.

Anti-Corruption & Bribery and Gifts & Entertainment

BPI AIA implements a robust Anti-Corruption Program supported by an Anti-Corruption Policy. The Policy provides guidance on giving and accepting gifts and entertainment and is applied alongside the AIA Code of Conduct.

The Company adopts a zero-tolerance approach on Bribery and Corruption. Employees and other persons representing BPI AIA are prohibited from offering, paying, promising or authorizing (directly or indirectly) any bribery, kickback or anything of value (as defined in the Policy), with corrupt intent or in violation of anti-corruption laws.

The company is not allowed to use improper means to influence another person's business judgement. All employees and officers are required to report and seek approval, when necessary, to the Compliance Office any gift/entertainment provided to Government organizations and/or any of its officials.

Conflict of Interest

An employee's position in BPI AIA must not be used for inappropriate personal gain or advantage. Any situation that creates, or even appears to create a conflict of interest between personal interests and the interests of the company must be appropriately managed.

Conflicts of interest (whether potential or actual conflicts) are mandated to be reported. Managers are expected to take appropriate steps to prevent, identify, and appropriately manage conflicts of interests of employees they supervise. All AIA and BPI AIA employees are prohibited from taking for themselves, or directing to a third party, a business opportunity that is discovered through

the use of company's corporate property and information. BPI AIA employees are prohibited from using corporate property, information, or position for personal gain.

Employees are asked to declare if they have any personal relationships within BPI AIA. Immediate family members, members of the household, and individuals with whom an employee has a close personal relationship within BPI AIA must never improperly influence business decisions.

Fair Dealing Policy and Creditor's Rights

BPI AIA adheres to a Fair Dealing Policy, which ensures that businesses with the customers, service providers, suppliers, and competitors are conducted in a fair manner. Following AIA's model, BPI AIA seeks competitive advantages only through legal and ethical business practices. Every employee must conduct business in a fair manner with customers, service providers, suppliers, and competitors.

Disparaging competitors or their products and services are discouraged. Improperly taking advantage of anyone through manipulation, concealment, abuse of privileged information, intentional misrepresentation of facts or any other unfair practice is not and will not be tolerated at BPI AIA, much more in the AIA Group.

It is also the policy of BPI AIA to uphold creditor's rights by honoring its contractual obligations with all its creditors and counter parties, in accordance with the provisions of their contracts and the law. In the conduct of its business dealings with third parties, BPI AIA undertakes to honor all its commitments, stipulations, and conditions set forth in their binding agreements.



Investment Standard: Personal Dealing

BPI AIA believes that individual investment activities by its officers and employees should not be prohibited or discouraged. Nonetheless, the nature of BPI AIA's obligations necessarily requires some restrictions on the investment activities of certain employees, officers, directors, and their related interests, who may be deemed Investment Access Persons.

In managing assets for AIA entities, Investment Access Persons have a responsibility to treat stakeholders fairly. This duty requires a course of conduct, consistent with other statutory obligations, that seeks to be prudent in AIA's and its stakeholders' best interest.

The AIA Investment Code of Ethics is intended to address three (3) fundamental principles that must guide the personal investment activities of Investment Access Persons in light of their duties:

1. Place the interests of AIA and its Stakeholders first. Investment Access Persons must avoid serving personal interests ahead of the interests of AIA or those of its stakeholders.
2. Avoid taking inappropriate advantage of one's position as an Investment Access Person.
3. Conduct personal investing activities in such a way as to avoid even the appearance of a conflict of interest with investment activities undertaken for the AIA Portfolios.

As a member of the AIA Group, BPI AIA adopts the same policy and follows the same guidelines. Generally, all Investment Access Persons are required to obtain pre-clearance prior to purchasing or selling a security. In addition, Investment Access Persons must provide and certify on a regular basis their accounts and beneficial holdings as well as all transactions in securities in which they had beneficial ownership and/or control. Certain outside business activities of Investment Access Persons also need prior approvals.



Related Party Transaction

BPI AIA (“Company”) recognizes the importance of establishing and maintaining policies and procedures for transactions between related parties. The Company is mandated to ensure that such transactions are only undertaken on an arm’s length basis for the financial, commercial and economic benefit of the Company and the entire group where it belongs.

The Related Party Transactions (RPT) Policy of the Company is adopted to ensure that there is an effective compliance with existing laws, rules and regulations at all times; that all related party transactions are conducted on an arm’s length; and that no stakeholder is unduly disadvantaged. Under the Policy, any transaction that could pose conflict of interest, or any material or special risks, credit or counterparty risks, or potential abuse to BPI AIA, shall be

considered related party transactions. Related party shall be interpreted broadly to include not only transactions that are entered into with related parties as defined in the RPT Policy but also outstanding transactions that were entered into with an unrelated party which subsequently becomes a related party. It shall also include such other person/juridical entity whose interests may pose potential conflict with the interest of the Company.

The Policy requires that all RPTs should be on normal commercial terms, fair and reasonable in the interest of BPI AIA; in the regular course of business; and at arm’s length or not undertaken on more favorable economic terms (e.g., price commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under the similar circumstances. BPI AIA has put in place an effective price discovery mechanism

to ensure that transactions are engaged into at terms that promote the best interest of the Company and its stakeholders.

If a particular transaction is considered to involve related parties, the same shall be endorsed to the Regulatory and Compliance Committee for appropriate action. If RPT falls below the materiality threshold prescribed by the Policy, the Regulatory and Compliance Committee shall have the authority to approve the same, subject to the Board Audit and RPT Committee's confirmation. Otherwise, the former shall endorse the transaction to the latter for its consideration and approval.

All RPTs that are considered within and above the material threshold, including write-off of material exposures and renewal of material changes in the terms and conditions of the RPTs, based on the company's Internal RPT Policy, shall be endorsed by the Audit and RPT Committee to the Board of Directors for approval and to the stockholders of the company for confirmation by majority vote, during the annual stockholders' meeting.

The Board of Directors shall be the final approving authority of all material RPTs. Any member of the relevant Committees or the Board who has an interest in a transaction must abstain from deliberation and approval of such transaction.

For 2024, the Company declares that all related party transactions are conducted in arm's length basis.

Whistleblower Protection Program

BPI AIA does business with integrity and follows the highest ethical principles. Any employee (or anyone else) may raise concerns of misconduct

or wrongdoing within AIA and BPI AIA that can allow investigation to fix any problems. The Whistleblower Protection Policy applies to all employees of the AIA Group including BPI AIA. This Policy guides all employees on how to raise ethical concerns, and guides managers on how they should respond when this happens.

'Whistleblower' refers to someone (a BPI AIA employee, business partner, agent, consultant, vendor, customer, or other party) who informs AIA or BPI AIA of suspected illegal or improper ways of doing business involving violation of laws, regulations, AIA or BPI AIA policies, and other unethical actions that might negatively impact AIA's and BPI AIA's reputation.

Employees who are aware of possible wrongdoing within AIA and BPI AIA have a responsibility to disclose that information to management. Reports are taken seriously and investigated confidentially. Employees or other individuals will not suffer retaliation for reporting suspected wrongdoing in good faith.

Speak up culture is being encouraged and widely promoted in the company. Posters are displayed, brochures are distributed to promote reporting whenever employees see or suspect potential misconduct or fraud. A hotline and a link is made available and the employee may choose to be anonymous.

An AIA Ethics line (<https://www.aiaethicsline.com>) was developed to support the program. It is an independently managed website and hotline (telephone) service, receiving reports in local language, 24 hours a day, and seven days a week. AIA and BPI AIA can communicate with anonymous whistleblowers via a secure platform using the AIA website. The report may also be made by using the AIA Group Ethics and Compliance Hotline +632 8626 3049, or via email to compliance@aia.com.

GOOD CORPORATE CITIZENSHIP

Prevention of Insider Trading and Market Misconduct

The AIA Group takes its obligations as a listed entity seriously and is committed to ensuring the highest standards of market conduct and fair dealing. The Hong Kong Securities and Futures Ordinance (SFO) prohibits market misconduct, including insider trading. Breaches of market misconduct laws are serious offences that attract heavy civil and criminal penalties.

Since BPI AIA is a member of the AIA Group, it adopts the same policy and follows the same guidelines. The Prevention of Insider Trading and Market Misconduct Policy aims to build a robust system to prevent market misconduct, including insider trading. It sets out standards and controls to ensure compliance with the regulatory requirements. Lastly, this policy prohibits employees and directors from engaging in speculative trading in AIA Group Securities and in any market misconduct such as false trading, price rigging, disclosure of false or misleading information inducing transactions and stock market manipulation

The policy applies to all employees and directors of AIA Group Limited and each of its subsidiaries ("AIA Group"), including BPI AIA. This policy defines the duty of each employee to safeguard material information from improper use.

Under the policy, it is illegal to trade securities while in possession of material non-public information and/or pass the same to anyone who may trade securities based on it and/or give recommendations to buy or sell securities.



Dealings in AIA securities by certain employees, officers, directors, and their related interests, require pre-approval from the Group Company Secretary. The pre-approval of the Group Company Secretary is valid for 3 trading days from the date on which the pre-approval is granted. If the proposed transaction is not executed within this period, the pre-approval shall lapse and a fresh pre-approval application will need to be submitted.

Other securities about which AIA may have received or may expect to receive material, non-public information, or are otherwise subject to restrictions in trading, are placed on watch lists or restricted lists. Trading activities in securities included in these lists are restricted and/ or actively monitored.

Anti-Money Laundering and Counter Terrorist Financing

Pursuant to Section 18 of Republic Act (RA) No. 9160, also known as the “Anti-Money Laundering Act of 2001”, as amended by RA No. 9194, RA No. 10167, RA No. 10168, RA No. 10365, and RA

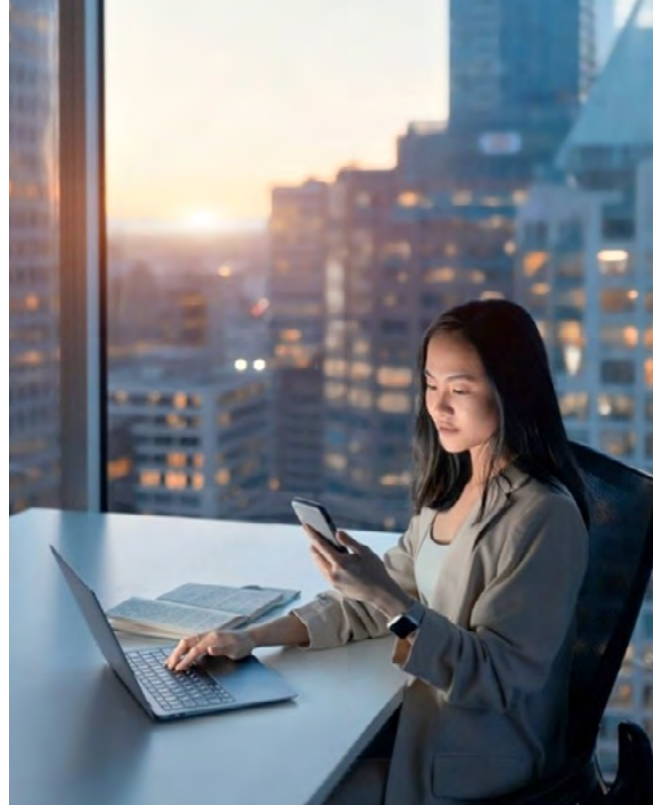
No. 11521 all covered institutions which include insurance companies supervised or regulated by the Insurance Commission are mandated to formulate their respective money laundering prevention program in accordance with the said law.

BPI AIA’s Anti-Money Laundering (AML) Program establishes the governing principles and business standards to protect BPI AIA and its business operations from becoming an unwitting tool of money launderers. The Company’s management, officers, and staff remain vigilant in the fight against money laundering and financing of terrorism and collectively oppose any effort to violate or flaunt the anti-money laundering laws.

BPI AIA adopts the Nice Actimize System to support the company’s implementation of its AML program. The system has three (3) modules that are used as monitoring mechanisms.

These include Watch List Filtering or Screening against PEPs and sanctioned persons, Customer Due Diligence that provides risk scoring for all customers and help determine high risk customers, and Suspicious Activity Monitoring that provides red flag/ alerts on behavior of transactions. The law’s reporting requirements on covered and suspicious transactions are religiously observed.

BPI AIA continues to improve its processes and systems to support the implementation of its AML Program.



Data Privacy

BPI AIA recognizes its responsibilities in protecting personal data and sensitive information of all its stakeholders including employees, customers, intermediaries, business partners, and third-party service providers. The Board of Directors, Management, and Staff of BPI AIA commit themselves to adopt and adhere to the Policy provisions to ensure protection of personal information and sensitive data collected by and shared with the company.

The Data Privacy Program of BPI AIA is aligned with RA 10173, the local Data Privacy law. the local Data Privacy Law. Under the program, the BPI AIA CEO shall be responsible for the implementation of these guidelines across all its business units and in ensuring that all employees, officers and staff are aware of their obligations stated in the guidelines.

Each employee is expected to comply with the standards when managing personal data being collected and handled for processing.

Compliance shall be responsible for keeping and maintaining effective guidelines by providing second line oversight and monitoring of implementation.

To strengthen corporate governance, the BPI AIA Board of Directors appointed a Data Protection Officer for the company who is tasked to oversee the implementation of its Data Privacy Program based on the issued Implementing Rules and Regulations of the local law and ensure that appropriate operational controls are implemented across all units or departments.

BPI AIA's Data Privacy Policy provides guidance to all employees, intermediaries, and third parties on how personal data should be collected, used, stored, transferred, and disposed. It further clarifies the roles and responsibilities of the employees and intermediaries about the relevant standards and procedural controls expected to be observed to secure and protect personal data.

Credit Information System Act (CISA)

RA 9510, otherwise known as the Credit Information System Act, was passed in 2008 and created the Credit Information Commission (CIC) whose primary function is to act as the central registry of all credit information. As provided in the law, the Securities and Exchange Commission (SEC) shall be the lead government agency to implement the CISA, in coordination with other relevant government agencies and private associations of financial institutions.

It also prescribed additional requirements for the establishment of the Credit Information



Corporation (CIC). Further, the SEC Chairman also sits as the Chairman of the Board of the CIC.

CISA addresses the need for a comprehensive, centralized, and reliable credit information system intended to:

1. Improve the overall availability of credit to Micro Small and Medium Enterprises (MSMEs),
2. Provide credit information at the least cost to eligible participants,
3. Ensure the protection of consumer rights and the existence of fair competition in the industry at all times,
4. Reduce the overall credit risk thereby contributing to a healthier and more stable financial system.

The CIC has three (3) important functions:

1. To receive and consolidate basic credit data;
2. To act as a central registry or repository of credit information; and
3. To provide access to reliable, standardized information on credit history and financial condition of borrowers.

BPI AIA, as one of the covered companies under financial institutions, supports the Commission's program and adheres to the requirements of the law by establishing its own set of systems and processes to ensure compliance with the requirements.

Communication with Regulators and Other Government Officials

Inquiries from regulators outside the normal course of BPI AIA's regulatory relationships must be reported immediately to the Compliance Officer or a designated Legal Counsel before a response is made.

Financial reporting-related inquiries may be responded to by authorized comptrollers.

Responses to regulators must contain complete, factual and accurate information. During a regulatory inspection or examination, documents must never be concealed, destroyed or altered, nor must lies or misleading statements be made to regulators. Requests from auditors are subject to the same standards.



RELATIONSHIP WITH VENDORS AND SUPPLIERS

Sourcing Policy/ Vendor Management

Business partners serve as extensions of AIA Philippines to the extent that they operate within contractual relationships. Business partners are expected to adhere to the spirit of the AIA Code of Conduct and to any applicable contractual provisions.

Business partners must not act in a way that is prohibited or considered improper for an AIA Philippines employee. Employees must ensure that customers, agents, and suppliers do not exploit their relationship with AIA Philippines or use AIA Philippines' name in connection with any fraudulent, unethical, or dishonest transaction.

Suppliers and vendors are selected on the basis of performance and merit in accordance with a fair and transparent process. Requirements for suppliers and vendors to follow the standards in the Code are part of the vendor management program.

The total expenditure on goods and services from third party suppliers form a significant part of AIA Philippines' operating cost. Any activity by a line of business to acquire goods/ services must be undertaken in a professional manner to ensure AIA Philippines is able to maximize its value, and manage risks associated with use of external suppliers.

The local Sourcing Policy sets out the framework within which AIA Philippines must engage external suppliers for goods/ services and is

supplemented by AIA Philippines' Sourcing Practice Guide. This provides AIA Philippines the standard processes and document templates in engaging suppliers that should be read in conjunction with the policy document.

The AIA Philippines Sourcing Policy, with the AIA Group Sourcing Policy as a model, was defined with the primary objective to establish standardized sourcing procedures. As set out in the AIA Group Sourcing Policy, a Local Sourcing Lead (LSL) or a designate is appointed and will be responsible for ensuring implementation, execution, update, and compliance to the local policy. This person will work closely with the AIA Group Sourcing (GS) team.

Supplier Selection

AIA Philippines selects suppliers and vendors on the basis of capability and performance in accordance with a fair and transparent process. Appropriate due diligence is performed regarding potential agents, consultants, and independent contractors prior to engaging their services.

AIA Philippines seeks supplier partnerships with diverse businesses, and values suppliers that share the Company's dedication and commitment to diversity and social responsibility.

Contract Management

AIA Philippines adopted the AIA Guidelines on Contract Management which aims to support the AIA Group in developing a sound, consistent, and effective approach to manage its diverse range of contracts. It deliberately focuses on the activities associated with the operational phase of the contract, from negotiations until after the contract has been awarded and is executed. To facilitate proper implementation, the company-appointed records coordinators are tasked

to oversee the strict implementation of these guidelines.

Record Coordinators are required on a yearly basis to submit a Certification that the following have been completed/ performed:

1. Contract Register has been reviewed and is certified to be complete upon submission to the Records Manager.
2. Contract in the submitted contract register have been reviewed by the Legal Department.
3. Contracts are in place for all transactions/ engagements/ undertakings/ agreements.
4. Contracts are executed in the best interest of the Company.
5. Contracts are signed by authorized signatories.
6. Terms and Conditions specified in the contracts are complied with.
7. All contracts follow proper safekeeping as specified in AIA Philippines' Contract Management Guidelines (both physical and electronic copies).





EMPLOYEE WELFARE

Safe, Healthy, and Secure Workplace

BPI AIA is a Safe, Healthy, and Secure Workplace. It observes Occupational Safety, Security, and Health Standards being promoted by the Department of Labor and Employment. BPI AIA conducts its business in a manner that protects the health, safety, and security of its employees and customers. Promptly reporting to management or to the appropriate Corporate Security Personnel the situations that may pose health, safety, security, and environmental hazards is mandated. Employees are encouraged to notify management or Corporate Security of any issue

that may impact the company's security, fire and life safety, or emergency readiness.

Using, selling, possessing, or working under the influence of illegal drugs at BPI AIA is strictly prohibited. At the same time, use of alcohol while conducting business for BPI AIA is also prohibited.

BPI AIA abides by local labor and employment laws including those addressing discrimination and harassment. The Code of Conduct also mandates that employees treat each other with respect, including valuing each other's differences and respecting each other's opinions.

Physical security systems reduce the risk of exposure. Entry controls are implemented to ensure the Company's safety, security, and protection. Wearing of ID is strictly observed.

BPI AIA respects the personal information and property of employees. Employees expect the company to carefully maintain the personal information they provide. Employee trust must not be compromised by disclosing this information other than to those with a legitimate need to know.

Access to personal information or employee property is only authorized for appropriate personnel with a legitimate reason to access such information or property. From time to time, BPI AIA may access and monitor employee internet use and communications to assess compliance with laws and regulations, policies, and behavioral standards. Subject to local laws, employees will have no expectation of privacy with regard to workplace communication or use of BPI AIA's information technology resources.

Disciplinary Guidelines

The Company takes appropriate action against erring employees who violate company policies and procedures or have exhibited any aberrant behavior. Violating applicable laws, regulations, or the Company's Code of Conduct, or encouraging others to do so may result in disciplinary action. Failing to promptly report known violations by others may also be a violation of the Code of Conduct.

Market Conduct Guidelines

BPI AIA envisions itself as having one of the highest sales standards in the life insurance industry in the Philippines. All sales personnel are expected to conduct their business with the highest level of professionalism, ethical conduct, and personal integrity to protect the policyholders and the insuring public. BPI AIA will not tolerate any less.

The Market Conduct Guidelines is used as a guide by all sales personnel in the conduct of



their business and aid in the determination of what would be deemed proper conduct and behavior.

It shall apply equally and consistently to the conduct of life insurance business practices and the sale of all financial products. Any breach of the Market Conduct Guidelines may result in the imposition of a penalty on offender or violator. Compliance with these guidelines does not ensure a continued contractual relationship with BPI AIA. The company reserves the right at all times to terminate the employment contract of any sales personnel in accordance with the terms of the contract entered into between BPI AIA and that of the sales personnel.

The Market Conduct Disciplinary Committee evaluates all complaints and determines whether a sales personnel has committed any wrongdoing. Any sales personnel found guilty of any market conduct-related offense is subjected to appropriate sanctions. This Committee administers the rules of the Market Conduct Guidelines, company policies and other guidelines, and provides assistance to the Board of Directors and Company's management to enable BPI AIA to continue operating according to the highest ethical business standards and the applicable laws and regulations.



The Sales Code of Discipline

In pursuit of building and promoting professionalism and having one of the highest sales ethical standards in the life insurance industry, it is the policy of the Company to set up measures of conduct and standards of behavior to instill a strong sense of discipline among its sales force.

In promoting professionalism among sales and moving towards self-regulation, the Office of the Insurance Commission and the Philippine Life Insurance Association support the need and use of penalties or sanctions or a combination thereof as the company deems fit.

The BPI AIA Sales Code of Discipline contains penalties associated with the breach of company policy, the market conduct guidelines, employment contract, laws, and regulations.

The objective is to establish uniform disciplinary sanctions amongst all sales personnel and adopt a systematic and equitable procedure in administering corrective measures. The sanctions, which may range from Written Reprimand to Termination of Contract, are applied accordingly depending on the gravity of the offense and as deemed appropriate by the Company.

REPRESENTING THE COMPANY'S BRAND

Social and Environmental Responsibilities

BPI AIA contributes positively to the social and economic development of the communities in which it operates, with support extended to people and communities in need. BPI AIA and its employees volunteer time and funds to programs that promote health, financial literacy, education, and other community needs. BPI AIA is committed to reducing the impact of its operations on the environment and raising awareness about sustainability by taking part in activities that highlight these issues.

BPI AIA recognizes the value of social media to engage with stakeholders in innovative and interactive ways. When using social media, every employee must conduct themselves professionally.

The Social Media Policy and Guidelines are intended to provide guidance to all AIA, AIA Philippines and BPI AIA employees on how to use social media to market the AIA brand and on the basic principles all employees should follow when using social media in a professional capacity or in a personal capacity where it may affect an employee's performance or AIA's business interests. The guidelines also apply to any comments employees may make or leave on other social media pages, edits to wikis, responses to tweets, postings on message boards/forums, opinions on online polls or any product/services AIA might create. Any breaches of the policy could lead to disciplinary action including dismissal.

ENTERPRISE RISK MANAGEMENT

Enhancing Value by Ensuring Stability

The Company believes that sound risk management relies on 1) a strong corporate culture driven from the leadership where accountability over risks and effective controls are taken with seriousness across all levels of the corporate hierarchy and operating areas of the organization, 2) a clear and effective Risk Management Framework that prescribes how risks are defined, measured, managed and mitigated.

BPI AIA operates using the three lines of defense model in running its Risk Management Framework (RMF). A very important characteristic of the model is to define primary risk ownership by the business areas to drive a strong culture of ethics and accountability in the way business is conducted day to day. In this way, risks are identified and mitigated early and comprehensively as they emerge.

The RMF is governed by the BPI AIA Risk Management Committee (RMC), which oversees and reviews both financial and operational risks, and ensures that appropriate risk policies and mitigation measures are in place. The RMC reports to the BPI AIA Board Risk Committee (BRC) which is responsible for oversight of the company's risk management activities. The BRC determines the Risk Appetite, the Risk Management Statement, and the Risk Management Framework of BPI AIA, and advises and assists the Board of Directors in the review and approval of these matters.

The RMF is brought down to operating level with the institutionalized Functional Unit Risk Management Meeting (FuRMM) which runs regularly in each unit to regularly prompt focused consideration of risks and regulatory compliance impacting the area in scope. This committee is chaired by the risk owner of each of the functional units.

The company has identified Risk Management Champions/Risk and Compliance Champions (RICOs) in each functional unit to drive awareness for risk exposures and provide guidance on the Risk Management Framework (RMF) so that they may be managed effectively. The RICOs also run FuRMMs in order to properly document risk incidents, outstanding risks and measures taken, and identify new or emerging factors for risks such as new regulations, changes in market environment, etc.

Risk awareness and advocating for early identification, reporting and management of risks are embedded in the employees' performance management process with specific and measurable KRIs.

The Company operates under a "Three Lines of Defense" governance model.

The First Line is made up of Risk Owners who underwrite risks through product development, investment of asset portfolios, structural allocations and other key business operations. The First Line is responsible for operating within the RMF, with oversight performed by the Second Line, and approved by the BRC and Board, ensuring risk and returns are well understood and optimized throughout the decision-making process. The First Line has the responsibility to operate a robust control environment for their functional areas as evidence of ownership and accountability over operational and compliance risks.



The Risk and Compliance Function acts as the Second Line of Defense as it implements the RMF, a method to identify, quantify, and mitigate risks within the Company, and ensuring it remains effective. While the First Line is empowered with decision-making authority on exception procedures and approvals, the Second Line endorses these decisions and provides independent oversight, challenge and advice.

An independent Audit Function acts as the Third Line of Defense to provide the Board of Directors insights on risk control effectiveness. Group Internal Audit (GIA) is responsible for providing independent assurance over the effectiveness of the RMF, including key Internal Controls, and makes recommendations based on audit findings.

The above are key parts of driving a strong risk culture with methods and values embedded

across the different parts of the organization and corporate hierarchy.

Managing Financial Risk

We manage our exposure to financial risk within tolerances agreed by the Board and RMC. As an internal control procedure, risk metrics, risk tolerances, and limits were set to monitor risk exposure and to ensure that we are operating within our Risk Appetite. We also manage financial risk by periodically running specific scenario-modelling exercises.

Financial risk is subdivided into solvency risk, credit risk, market risk, and liquidity risk. Solvency is subjected to stress tests against macroeconomic, portfolio performance and operational process shocks to ensure capital adequacy.

The primary source of credit risk is the investment portfolio, but such risk could also arise through reinsurance, procurement, and treasury activities. Credit risk management to financial creditors are subjected to robust internal ratings of all counterparties.

The BRC approves a matrix of risk tolerances that ensures that credit risk in the investment portfolio is contained within our Risk Appetite. These limits cover individual counterparty, segmental concentration, and cross-border exposures. The Investments Team has discretion to shape the portfolio within these credit limits, seeking further approvals through the risk governance framework. If certain investments are technically within credit limits but there is a specific concern, these are brought to the attention of the RMC or the Investments Committee, as appropriate.

Market risk is the risk of financial loss from adverse movements in the value of assets owing to market factors, including changes in interest and foreign exchange rates, as well as movements in the spread of credit instruments to corresponding bonds, “Credit Spread Risk”, in equity and property prices. The BRC approves policies and metrics used in evaluating market risk exposures. We manage the different Market Risks, as follows:

Interest Rate Risk: by ensuring appropriate insurance design and underlying assumptions as part of the product approval process and by matching, to the extent possible and appropriate, the duration of investment assets with the duration of insurance liabilities. Interest Rate Risk arises from any difference between the duration of the company’s liabilities and assets, in particular in relation to the reinvestment of maturing assets to meet commitments, predominantly in insurance liabilities. This exposure can be heightened in products with inherent options or guarantees.



Credit Spread Risk: by focusing on the overall quality and diversification of our investment portfolios and avoiding excessive volatility in their mark-to-market value. Credit Spread Risk arises from changes in the market value of non-government securities as a result of a change in perception as to their likelihood of repayment.

Equity Price Risk: by managing concentrations and volatility in our equity exposures, which are included in the aggregate exposure reports on individual counterparties to ensure concentrations are avoided. Equity Price Risk arises from changes in the market value of equity securities and equity funds. Investment in equity set on a long-term basis is expected to provide diversification benefits and improve returns.

Foreign Exchange Rate Risk: by matching assets and liabilities by currency. Foreign Exchange Risks arise from the translation of dollar-denominated assets and liabilities to local currency for financial reporting purposes.

Liquidity Risk occurs in two ways: Financial Liquidity Risk and Investment Liquidity Risk. We manage Financial Liquidity Risk by determining limits for our activities to ensure that sufficient cash is available to meet payment obligations when they fall due. Investment Liquidity Risk is managed through continuous assessment of the relative liquidity of the company’s assets and managing the size of individual holdings through limits.



Managing Operational Risk

Operational Risk is managed using the Operational Risk and Control Framework (ORCF) which provides the risk taxonomy defining the common sources of control failures known as Key Operational Risk (KOR). Business Units regularly assess the KORs applicable to their operations to identify vulnerabilities so that any incremental control requirements may be addressed. An executive is assigned to own each KOR to monitor and ensure appropriate controls are implemented.

KORs are divided into ten domains: Data, Technology, Business Operations, Conduct, Financial Crime, Legal & Regulatory, Reputational, Horizon, Policy, Climate. These KORs are defined to greater granularity in each impacted business unit together with the effectiveness of applicable controls.

Key Risk Indicators (KRI's) have been developed to support ongoing monitoring in order to flag emerging concerns.

The use of the ORCF helps the company to identify focus areas of vulnerability in order to ensure timely and appropriate remediation may be deployed as issues emerge.

Managing Product Risk

The development, pricing and underwriting of products must have regard to the following over-arching principles:

Purpose. Products must serve a defined business purpose.

Compliance. Products must comply with all applicable laws, regulations and internal policies.

Customer-Centricity. Products should provide attractive value to customers and reasonable compensation to distributors. Products should fulfill the principles stated in the Customer Commitment Policy.

Profitability. Products should generate reasonable profit for the Company at a reasonable pace.

Capital Efficiency. Products should deliver a minimum return on the capital consumed; not consume excessive capital of the Company; and not tie up the Company's capital for an unreasonable period.

Sustainability and Risk Management.

Products should remain profitable within a reasonable range of adverse deviations from pricing assumptions. A product must be priced using prudent pricing assumptions based on timely experience studies. Appropriate cost of options and guarantees needs to be reflected in pricing of products with embedded options and guarantees. Pricing assumptions should reflect appropriate asset-liability management.

Audit and RPT Committee

The Audit and RPT Committee is an independent committee formed by the Board of Directors to assist the Board in the performance of its duties and responsibilities, specifically in ensuring that governance, internal controls, and risk management systems of the organization are in place.

In 2024, the Audit and RPT Committee members were Jesse Ang as the Chairman and Melita Teo and Stephanie Sy as members. The Chairman and Stephanie Sy are independent directors. Each Audit and RPT Committee member met the necessary requirements of the Securities and Exchange Commission, the Revised Code of Corporate Governance and other applicable laws and regulations in the Philippines.

The Audit and RPT Committee Charter details the committee's responsibility for oversight of the organization's corporate governance process. The Committee, while exercising its oversight role, relies on the expertise of Management and works with Group Internal Audit — Philippines (GIAPH) and External Auditors, Isla Lipana & Co./ Pricewaterhouse Coopers, to ensure the integrity of the financial statements and the continuous review of the organization's governance process, risk management and internal controls including compliance with the law and relevant standards.

The Audit and RPT Committee, in accordance with its responsibilities outlined in the charter of the Audit and RPT Committee, developed an annual calendar and meeting agenda for 2024. From 1 January to 31 December 2024, the Audit and RPT Committee met four times. In these meetings, the Audit and RPT Committee met with Senior Management, GIAPH, the Compliance Office and the organization's External Auditors.



Among the agenda items discussed were the approval of the Annual Audit plan, Group Internal Audit updates, results of Compliance reviews, approval of the significant related party transactions and updates from the External Auditors. Group Internal Audit updates include the results of completed audit projects, the status of the audit plan, and tracking of open issues.

In 2024, the Audit and RPT Committee also met separately with GIAPH and the External Auditors without management being present.

Group Internal Audit

The Audit and RPT Committee Charter provides the Committee the authority to organize an internal audit function, and to approve the appointment, resignation and dismissal of an independent internal auditor as well as the terms and conditions of appointment and dismissal, in consultation with the AIA Group Head of Internal Audit. The internal audit function of the AIA Philippines Group is carried out by GIAPH, which is headed by the Head of Internal Audit.

GIAPH's mission is to provide independent, objective, reliable, insightful and timely assessment and reporting of the overall effectiveness of risk management, internal controls, and governance processes across the Group, and appropriately challenge executive management to improve the design and operating effectiveness of these processes. GIAPH is directly overseen and supported by the AIA Group Internal Audit, with the Head of Internal Audit directly and functionally reporting to the Audit and RPT Committee and to the AIA Group Head of Internal Audit through a nominated Regional Director, and administratively to the Chief Executive Officer.

GIAPH adopts a risk-based audit plan which considers the significant risks affecting the strategies and key objectives of the company. These risks include financial, operational, compliance and industry's emerging risks, among others. In finalizing the audit plan of GIAPH, input and expectations from key stakeholders are considered prior to the final approval by the Audit and RPT Committee. The Audit and RPT Committee ensures that GIAPH is authorized to have complete and unrestricted access to any of the AIA Philippines Group's records, properties and personnel in the discharging of their responsibilities.

The Head of Internal Audit, on behalf of GIAPH, is responsible for reporting the result and status of internal audit work to the Audit and RPT Committee on a regular basis. In overseeing the internal audit function, the Audit and RPT Committee is actively involved in approving the audit plan including any subsequent changes, assessing the result of audit engagements and monitoring the resolution of key issues identified. The Audit and RPT Committee is aware of the process by which assessment of the effectiveness of internal controls, risk management, financial reporting, and information technology security are conducted.

Engagement of External Auditors

The Audit and RPT Committee, on behalf of the Board of Directors, is responsible for the appointment, re-appointment, or removal of the External Auditors. For 2024, the Audit and RPT Committee has approved the re-appointment of Isla Lipana & Co./ PricewaterhouseCoopers as the External Auditor. The Audit and RPT Committee has reviewed and approved accordingly the scope and coverage of the Statutory Audit for 2024.

Although Management has the primary responsibility for the financial statements and the reporting process, the Audit and RPT Committee, having the oversight role, has noted and reviewed the audited financial statements for the calendar year 2024. The Audit and RPT Committee concurred and accepted the conclusion of the External Auditors on the financial statements and was satisfied that the financial statements were in compliance with Philippine Financial Reporting Standards as assessed by the External Auditors.

For 2024, the audit fees of Isla Lipana & Co./ PricewaterhouseCoopers amounted to exclusive of out-of-pocket expenses and value added tax (VAT). There were no non-audit fees paid to Isla Lipana & Co./ PricewaterhouseCoopers for 2024.

FINANCIAL STATEMENTS



BPI AIA Life Assurance Corporation
(Doing business under the name and style of BPI AIA)

Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023
Assets			
Cash and cash equivalents	2	4,444,424	4,187,192
Insurance receivables	3	730,655	148,547
Financial assets at fair value through profit or loss	4	89,070,613	88,322,517
Available-for-sale financial assets	4	19,903,867	17,194,178
Loans and receivables, net	5	766,767	726,518
Accrued income	7	455,780	396,116
Investment properties	9	905,113	865,371
Property and equipment, net	10	1,051,180	938,749
Other assets, net	12	301,094	188,621
Total assets		117,629,493	112,967,809
Liabilities and Equity			
Insurance contract liabilities, net	13	95,477,400	96,912,744
Policyholders' dividends	13	660,114	641,160
Reserve for experience refund	13	78,447	81,670
Premium deposit fund	13	805,965	742,485
Insurance payables	14	1,053,735	615,378
Accounts payable and accrued expenses	15	5,265,700	4,001,977
Deferred income tax liabilities	27	164,998	141,201
Other liabilities		4,854	7,974
Total liabilities		103,511,213	103,144,589
Share capital		750,000	750,000
Treasury shares		(6)	(6)
Reserves		220,442	687,625
Retained earnings		13,147,844	8,385,601
Total equity	16	14,118,280	9,823,220
Total liabilities and equity		117,629,493	112,967,809

The notes on pages 1 to 75 are integral part of these financial statements.

BPI AIA Life Assurance Corporation
(Doing business under the name and style of BPI AIA)

Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023
Premiums and other income			
Gross premiums on insurance contracts		18,450,359	15,527,016
Reinsurers' share of gross premiums on insurance contracts		(748,337)	(500,024)
Net insurance premiums	17	17,702,022	15,026,992
Investment income	18	1,804,822	1,633,135
Fee income from unit-linked funds	6	2,288,457	2,159,995
Fair value gains, net	20	4,298,662	2,631,517
Realized gains on available-for-sale financial assets, net	19	92,244	3,480
Foreign exchange gains (losses), net	30.4	147,666	(9,742)
Other income		125,074	152,230
Total premiums and other income		26,458,947	21,597,607
Expenses			
Benefits and claims on insurance contracts, net	21	2,803,972	1,891,263
Change in insurance contract liabilities, net	13	10,030,805	9,908,790
Commissions and other acquisition expenses, net	22	3,479,030	3,006,615
General and administrative expenses	23	3,137,956	2,758,124
Investment expenses	18	382,330	384,015
Insurance taxes, licenses, and fees		270,485	183,634
Total expenses		20,104,578	18,132,441
Income before income tax		6,354,369	3,465,166
Income tax expense	27	1,592,126	962,697
Net income for the year		4,762,243	2,502,469
Other comprehensive (loss) income			
Item that will be subsequently reclassified to profit or loss			
Net fair value changes on available-for-sale financial Assets	4	(364,866)	847,776
Items that will not be subsequently reclassified to profit or loss			
Remeasurement of insurance contract liabilities	13	(121,312)	93,541
Remeasurement of retirement benefits	25	(6,371)	4,772
Fair value gains on property and equipment, net of tax	10	25,366	5,768
Total other comprehensive (loss) income		(467,183)	951,857
Total comprehensive income for the year		4,295,060	3,454,326

The notes on pages 1 to 75 are integral part of these financial statements.

BPI AIA Life Assurance Corporation
(Doing business under the name and style of BPI AIA)

Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

	Share capital (Note 16)	Treasury Shares (Note 16)	Reserves (Note 16)	Retained earnings (Note 16)	Total equity
Balances as at January 1, 2023	750,000	(6)	(264,232)	7,255,623	7,741,385
Comprehensive income for the year					
Net income for the year	-	-	-	2,502,469	2,502,469
Other comprehensive income	-	-	951,857	-	951,857
Total comprehensive income for the year	-	-	951,857	2,502,469	3,454,326
Transaction with owners					
Cash dividends (Note 16)	-	-	-	(1,372,491)	(1,372,491)
Balances as at December 31, 2023	750,000	(6)	687,625	8,385,601	9,823,220
Comprehensive income for the year					
Net income for the year	-	-	-	4,762,243	4,762,243
Other comprehensive loss	-	-	(467,183)	(467,183)	(467,183)
Total comprehensive (loss) income for the year	-	-	(467,183)	4,762,243	4,295,060
Balances as at December 31, 2024	750,000	(6)	220,442	13,147,844	14,118,280

The notes on pages 1 to 75 are integral part of these financial statements.

28 Related party transactions

In the normal course of conducting its business, the Company transacts with the following related parties:

Related party	Relationship
AIAGL	Ultimate Parent Company
AIA	Intermediate Parent Company
AIA Philippines	Parent Company
AIA International Limited (Hong Kong Branch) ("AIA HK")	Related entities under common control of Ultimate Parent
AIA Reinsurance Limited ("AIA Re")	Related entities under common control of Ultimate Parent
AIA Shared Services (Hong Kong) Limited ("AIA SS HK")	Related entities under common control of Ultimate Parent
AIA Shared Services Sdn. Bhd.	Related entities under common control of Ultimate Parent
AIA Thailand	Related entities under common control of Ultimate Parent
AIA IM PH	Fellow subsidiaries under common control of Parent Company
Philam Properties Corporation ("PPC")	Fellow subsidiaries under common control of Parent Company
BPI	Significant shareholder
BPI Wealth	Subsidiary of BPI
BPI/MS Insurance Corporation ("BPI/MS")	Subsidiary of BPI
BPI Investment Inc.	Subsidiary of BPI
BPI-Philam Peso Bond Fund	BPI Wealth managed funds
BPI-Philam Equity Index Fund	BPI Wealth managed funds
BPI-Philam Growth Fund	BPI Wealth managed funds
BPI-Philam Odyssey Bond Fund	BPI Wealth managed funds
BPI-Philam Odyssey Balanced Fund	BPI Wealth managed funds
BPI-Philam Odyssey High Conviction Equity Fund	BPI Wealth managed funds
BPI-Philam Balanced Fund	BPI Wealth managed funds
BPI-Philam Equity Index Fund 2	BPI Wealth managed funds
BPI-Philam Philippine High Dividend Equity Fund	BPI Wealth managed funds
BPI-Philam Growth Fund 2	BPI Wealth managed funds
BPI-Philam Equity Value Fund	BPI Wealth managed funds
BPI-Philam Active Allocation Fund	BPI Wealth managed funds
BPI-Philam Odyssey Asia Pacific High Dividend Equity Fund	BPI Wealth managed funds
BPI-Philam Odyssey Philippine Dollar Bond Fund	BPI Wealth managed funds
BPI-Philam Global Equity Fund	BPI Wealth managed funds
Premier Philam Bond Fund	AIA IM PH managed funds
Premier Philam Strategic Growth Fund	AIA IM PH managed funds
Premier Philam Equity Index Fund	AIA IM PH managed funds
Premier Philam Dollar Bond Fund	BII managed funds
Premier Philam Asia Balanced Fund	BII managed funds
BPI-Philam US Dollar Bond Fund	BII managed funds
BPI-Philam US Dollar Bond Fund 2	BII managed funds
Medicaid Philippines, Inc.	Fellow subsidiaries under common control of Parent Company

28.1 Summary of transactions with related parties

The significant related party balances and transactions as at and for the years ended December 31 are summarized as follows:

28.1.1 Insurance activities with related parties

As part of the Company's insurance business, the Company entered into various reinsurance agreements with its related parties.

	Notes	2024		2023	
		Transactions during the year recognized in profit or loss	Outstanding net balances	Transactions during the year recognized in profit or loss	Outstanding net balances
Parent Company					
Premiums ceded	17	-	-	-	-
Benefits ceded	21	-	-	(7,750)	-
Commissions ceded	22	-	-	-	-
Related entities under common control of the Ultimate Parent Company					
Premiums ceded	17	44,371	-	39,788	-
Benefits ceded	21	-	-	-	-
Commissions ceded	22	(194)	(3,473)	(387)	(3,551)
Significant shareholder					
Service fees (part of direct commissions)	22	1,754,983	-	1,381,140	(189,102)
Subsidiaries of Significant shareholder					
Marketing fee income		(529,933)	-	(503,231)	-

The service fees balance are presented in net amounts. However, the receivable and payable balances as at December 31, 2024 and 2023 are presented at gross amounts in the statement of financial position (Note 28.2).

28.1.2 Investment and financing activities with related parties

	Notes	2024		2023	
		Transactions during the year	Outstanding net balances at December 31	Transactions during the year	Outstanding net balances at December 31
Dividends	16				
Parent Company		-	-	699,969	-
Significant shareholder		-	-	658,232	-
		-	-	1,358,201	-
Managed funds					
Fellow subsidiaries under common control of parent company					
Investment fees		(30,970)	(5,615)	-	-
Subsidiaries of Significant shareholder					
Trust fees	(a)	(46,291)	(46,291)	(34,519)	(34,519)
Investment placements	(b)				
Acquisitions	4,6	2,298,963	-	1,745,828	-
Disposals	4,6	(5,164,577)	85,920,367	(1,863,733)	85,526,903

- (a) Trust fees pertain to amounts paid to BPI Wealth, AIA IM PH and BII for managing the funds of the Company. This is presented as investment expenses in the statement of total comprehensive income.
- (b) The investment in mutual funds are classified as FVTPL financial assets with mark-to-market movements taken up in the statement of comprehensive income (Note 4).

28.1.3 Shared service activities and other transactions with related parties

The Company has entered into various service agreements mainly with the Parent Company, BPI and AIA IM PH, and Significant shareholder pertaining to support services, effective January 1, 2010. For the outsourcing services rendered, the above related parties allocate expenses based on percentage of time spent in the following areas: finance, operations, marketing, corporate services, corporate compliance, information technology, actuarial, underwriting, legal, internal audit, risk management, process management, property management, distribution services, corporate secretary, and other related functions.

For the years ended December 31, 2024 and 2023, these charges are presented as part of general and administrative expenses under outsourcing services, marketing and other expense accounts.

		2024		2023	
		Transactions during the year recognized in profit or loss	Outstanding net receivable (payable) balances as at December 31	Transactions during the year recognized in profit or loss	Outstanding net receivable (payable) balances as at December 31
Shared service fees					
Parent Company	(a)	1,359,086	(339,079)	1,123,335	(167,772)
Related entities under common control of the Ultimate Parent Company		196,717	(56,145)	180,933	(75,884)
Fellow subsidiaries under common control of the Parent Company	(c)	464	(402,385)	-	(14,065)
Leases and cost reimbursements					
Significant shareholder	(a)	35,474	(8,102)	36,735	(7,841)
Subsidiaries of Significant shareholder	(b)	(24,153)	(13,982)	(26,752)	(13,982)

- (a) The Company, as a lessor, has entered into agreements with BPI and BPI/MS, and its subsidiaries for lease of certain office spaces. Rental income from these agreements is included as part of rental income from investment properties under investment income in the statement of comprehensive income. In addition, the Company has costs reimbursements pertaining to consultation fees which are presented as part of general and administrative expenses in the statement of comprehensive income (Note 23).

The receivable and payable balances as at December 31, 2024 and 2023 are presented at gross amounts in the statement of financial position and are presented in Note 28.2. The transactions, aside from rental income which is presented in investment income and expenses (Note 18), are presented as part of general and administrative expenses in the statement of comprehensive income (Note 23).

28.1 Reconciliation of outstanding related party balances as at December 31, 2024 and 2023

The outstanding balances arising from transactions with related parties are unguaranteed and unsecured, non-interest-bearing, and are collectible on demand but not later than 12 months from the reporting date. The amounts will be settled in cash at gross amounts. No provision for impairment has been made for amounts owed by related parties since collection is deemed to be reasonably certain for the years ended December 31, 2024 and 2023.

The significant balances resulting from related party transactions as at December 31 are summarized as follows:

(a) *Receivable balances arising from:*

	Insurance activities	Investment and financing activities	Shared service activities and other transactions	Total
2024				
Parent Company (a)	-	-	44,396	44,396
Managed funds	-	85,920,367	-	85,920,367
	-	85,920,367	44,396	85,964,763
2023				
Parent Company (a)	-	-	28,557	28,557
Managed funds	-	85,526,903	-	85,526,903
	-	85,526,903	28,557	85,555,460

Receivable balances are presented as part of the following accounts in the statement of financial position as at December 31 as follows:

	Notes	2024	2023
Financial assets at FVTPL	4	85,920,367	85,526,903
Loans and receivables, net	5	17,524	1,686
Other assets, net		26,872	26,871
		85,964,763	85,555,460

(b) *Payable balances arising from:*

		Insurance activities	Investment and financing activities	Shared service activities and other transactions	Total
2024					
Parent Company	(a)	-	-	383,475	383,475
Related entities under common control of the Ultimate Parent Company		3,473	-	56,145	59,618
Fellow subsidiaries under common control of the Parent Company	(c)	-	5,615	402,385	408,000
Significant shareholder		-	-	8,102	8,102
Subsidiaries of Significant shareholder	(b)	-	46,291	13,982	60,273
		3,473	51,906	864,089	919,468
2023					
Parent Company	(a)	-	-	192,335	192,335
Related entities under common control of the Ultimate Parent Company		3,551	34,519	75,884	113,954
Fellow subsidiaries under common control of the Parent Company	(c)	-	-	4,078	4,078
Significant shareholder		189,102	-	7,841	196,943
Subsidiaries of Significant shareholder	(b)	-	-	13,982	13,982
		192,653	34,519	294,120	521,292

Payable balances are presented as part of the following accounts in the statement of financial position as at December 31 as follows:

	Notes	2024	2023
Accounts payable and accrued expenses (part of due to related parties)			
Shared service activities and other transactions		864,089	294,120
Investment and financing activities		51,906	34,519
Insurance activities		3,473	189,102
Insurance payables (part of premiums due to reinsurers)	14	-	3,551
		919,468	521,292

28.2 Transactions with key management personnel and employee retirement funds

Key management includes officers with a rank of Assistant Vice-President and up.

For the year ended December 31, 2024 and 2023, salaries, wages and other employment benefits paid to the Company's key management personnel amounted to P100,590 (2023 - P76,812).

For the year ended December 31, 2024, the total remuneration of the Company's key management personnel is P2,664 (2023 - P2,578).

There are no outstanding receivable nor payable balances due to key management personnel for the years ended December 31, 2024 and 2023.

The Company's transaction with the employee retirement funds for the years ended December 31, 2024 and 2023 are limited to contributions and benefit payments to retiring employees (Note 25).



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