

Allianz PNB Life

Corporate Governance, Nomination and Compensation Committee Charter

1.0 CORPORATE GOVERNANCE, DEFINED

Corporate Governance is defined as the framework of rules, systems and processes in the corporation that governs the performance of the Board of Directors and Management of their respective duties and responsibilities to stockholders and other stakeholders which include, among others, customers, employees, suppliers, financiers, government and community in which it operates. The Board and Management believe that corporate governance is a necessary component of sound strategic business management and will, therefore, undertake every effort necessary to create awareness within the organization to ensure that the principles of fairness, accountability and transparency are indispensable in conducting the day-to-day business. *(Source: Allianz PNB Life Corporate Governance Manual, July 2017)*

2.0 THE CORPORATE GOVERNANCE, NOMINATION AND COMPENSATION COMMITTEE

The Committee shall have the following responsibilities:

A. Corporate Governance

1. To formulate the company's strategic objectives and a set of corporate values that are communicated throughout the company;
2. To formulate and implement clear lines of responsibility and accountability throughout the organization;
3. To ensure that Board members have a clear understanding of their role in corporate governance and are not subject to undue influence from management or outside concerns;
4. To effectively utilize the work conducted by internal and external auditors in recognition of the important control function they provide;
5. To ensure that compensation approaches are consistent with the organization's ethical values, objectives, strategy and control environment;
6. To ensure the Board's effectiveness and due observance of corporate governance principles and guidelines;
7. To review and evaluate allegations of conflict of interest against any director ;
8. To determine the manner by which the Board's performance may be evaluated, and oversee the periodic performance evaluation and self-evaluation of the Board and its committees and executive management;
9. To formulate such policies regarding the continuing education of Directors, assignment to Board Committees, succession plan for Board members and senior officers, and their remuneration commensurate with corporate and individual performance; and
10. To oversee compliance with the Company's Corporate Governance Manual, and ensure that the company's practices comply with industry- and regulator-determined corporate governance principles and best practices.

B. Nomination and Compensation

1. To review and evaluate the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board of Directors;
2. To establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of Senior Management and other key personnel ensuring that compensation is consistent with the organization's culture, financial capacity, business strategy and control environment;
3. To determine the amount of remuneration and fringe benefits, which shall be at a sufficient level to attract and retain directors and officers who are needed to run the organization successfully; and
4. To oversee compliance with the Company's Remuneration Policy.

3.0 COMPOSITION AND MEETINGS

The Committee shall be composed of five (5) members, three (3) of whom shall be nominated by Allianz and two (2) of whom shall be nominated by PNB. The Chairman of the Committee shall be an independent director. The presence of at least a majority of the members of the Committee will constitute a quorum in all the meetings of the Committee. The Committee may invite resource persons in any of its meetings to render a report, clarify and provide guidance to the Committee on any relevant issue the Committee is confronted with.

The Committee shall meet quarterly or more frequently as circumstances may require, upon the call of the Chairman or upon the instance of a majority of the members of the Committee.

The administrative requirements of the Committee shall be handled by a Secretariat to be designated by the Committee.

4.0 THE CHAIRMAN

Generally, the powers and duties of the Chairman of the Committee are as follows:

1. To convene the members of the Committee whenever he deems it necessary, either on his own initiative, or upon the request of a majority of the members of the Committee;
2. To preside over all the meetings of the Committee;
3. To maintain efficient lines of communication and information between the Board and Management; and
4. To perform such other functions as provided by the by-laws or as may be assigned to him by the Board of Directors.

5.0 REVIEW OF THE CHARTER

The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes for approval by the Board of Directors.

Document Information:

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Author(s):	Legal
Contact Person(s):	Amor M. Datinguino
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Amendments and Updates:

Version	Date	Reason for and Extent of Changes	Author(s)
1.0	2013	Original	Gregorio Balatan
2.0	Nov. 8, 2017	Annual review; alignment with Amended By-Laws (August 2017); alignment with Corporate Governance Manual (July 2017) and the Remuneration Policy (November 2017)	Amor Datinguino