

# 2019 ANNUAL REPORT



**AFPMBAI**

*Buhay na Panatag.*

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## HISTORY OF AFPMBAI

Abuluyan, or passing of the hat for voluntary financial assistance to the families of fellow soldiers who got killed-in-action, was a tradition which gave rise to the Armed Forces of the Philippines Mutual Benefit System. The system was created under the Letter Directive from the Headquarters of the National Defense Forces on February 22, 1949 to provide protection and security to its forces after World War II and during the height of the anti-dissident campaign. The need to have a corporate existence eventually emerged and led to a non-stock, non-profit corporation - Armed Forces of the Philippines Mutual Benefit Association, Inc. on September 1, 1965. The name was later changed to Armed Forces and Police Mutual Benefit Association, Inc. (AFPMBAI).

The Association was registered with the Securities and Exchange Commission on January 13, 1966. In March of the same year, the Insurance Commission also granted the Association the authority to start its mutual benefit operations. The AFPMBAI then became under the management of the AFP Chief of Staff on November 6, 1975 in accordance with President Ferdinand Marcos' Letter of Instruction No. 333 that aimed to improve the services for the uniformed men and women of the Philippines. It has established two financial institutions -- the Armed Forces and Police Savings and Loan Association, Inc. (AFPSLAI) on December 1, 1972, and the Armed Forces and Police General Insurance Corporation (AFPGEN) on March 22, 1979.

To date, the AFPMBAI membership includes personnel from the Armed Forces of the Philippines (AFP), Philippine National Police (PNP), the Bureau of Fire Protection (BFP), the Bureau of Jail Management and Penology (BJMP), and the Philippine Coast Guard (PCG).



### MISSION

To provide our members the most responsive insurance protection and investments, affordable housing/financial products, and meaningful social services.



### VISION

The leader and industry standard for all Mutual Benefit Associations.



### CORPORATE VALUES

With the guiding faith to the Lord God Almighty, we adhere to the following principles:



#### Service

Members come first. Their welfare is at the forefront of our service and reason for existence.



#### Commitment

Dedicated and consistent in the fulfillment of the mission entrusted by the members and always delivering beyond expectations..



#### Professionalism

Continuous pursuit of higher level of Competence, Standards, and Excellence - individually or organizationally.



#### Integrity

A beacon of Good Governance, Honesty, Responsibility and Accountability.



#### Innovation

Advocating "Continuous Improvement" by embracing "change", being comfortable with "progress" & challenging the "status quo".

## MESSAGE FROM THE CHAIRMAN



**GEN FELIMON T SANTOS JR AFP**  
AFP Chief of Staff and  
AFPMBAI Chairman of the Board  
January 4, 2020 - Present

The Armed Forces and Police Mutual Benefit Association, Inc. (AFPMBAI) has truly evolved from solely providing financial services, to improving its members' quality of life as a whole. The Association has continuously sailed through the changes and challenges of times, ensuring that its existence remains relevant and attuned to the needs of its members. The past year was a witness to the innovations and challenges the Association successfully took on and has overcome.

As always, the AFPMBAI has remained to be a reliable arm in promoting the welfare and financial security of the members and relentlessly pursuing initiatives and upgrading its services in living up to its commitment. The Association's one-stop shop philosophy of enabling its regional offices to independently process and provide the needs of members, and the forging partnerships with more banks and financial institutions are especially commendable. I would like to applaud AFPMBAI for going beyond insurance provision and constantly taking into consideration the gravity of its members' selfless duty by offering Comprehensive Financial Assistance Benefits. The Association has also lowered its loan interest rates, proactively released unclaimed benefits, dividends and refunds, and is currently finalizing the inclusion of a memorial service benefit to its eligible members.

AFPMBAI has been unwavering in providing members' needs even during the critical time of coronavirus disease 2019 (COVID-19) pandemic. Knowing the plight of its member-frontliners, the Association has initiated loan moratorium and premium payment grace period extension. It even designed a more affordable Emergency Loan package to better address the financial requirements of its members during this crisis. The Association likewise granted valuable Medical Assistance Benefits and Special COVID-19 Insurance Benefits to members who were diagnosed with or who succumbed to the disease. These efforts were complemented with the Association's significant medical equipment donations through its Social Services Program to address the most urgent necessities of various medical facilities of the uniformed services.

With the said milestones and challenges it has weathered, AFPMBAI continues to march on as a well-founded and dependable partner in financial wellness and holistic welfare of the members. Let us continue to carry on and provide "Buhay na Panatag" to our most valued members. May we remain focused and true to our standards with resilience and blazing commitment to serve as we face the different challenges at hand.

Mabuhay ang Armed Forces and Police Mutual Benefit Association, Inc.!

"The Leader and industry standard for all mutual benefit associations."— THIS, is our VISION.

Since its birth 54 years ago, AFPMBAI has transformed into a top-of-mind financial solutions provider of the uniformed services, the retirees, and their families. We think fast to be wherever our members are-- whether in the mountains and valleys, over the seas, up in the air, or within the confines of the concrete jungles of cities, it is our primary duty to ensure that we make the presence of AFPMBAI accessible to them, ANYTIME, ANYWHERE.

The Year-end Report of the Association for 2019 highlights the unprecedented financial performance with all monetary ratios for profitability, liquidity, growth, and sustainability, reaching a record high from years past.

Though we continue to weather the challenges brought about by the current pandemic, we are poised and geared to adapt to the "new normal." With the way we managed as a team in this crisis, I can truly say that for years to come, come hell or high water, the Association will always stand strong, not only by being the first and the largest mutual benefit association in the country, but also as a financial institution that continues to live up to the standard for others to emulate from its humble ways – to be relevant and responsive to the challenges of a dynamic world we live in.

I also take pride and honor in working with our employees throughout the pandemic, along with the Chairman and members of the Board of Trustees, as well as members of the Executive Committee. These are the same people with such dedication to duty and so much concern for the welfare of our members for a service that is expected of us, to say the least.

We also salute the dedication and sacrifices of our members at the frontlines, both in the battlefield and in our fight against COVID-19. Your deeds not only give victories but also make our country more secure and safer for generations to come.

As we proudly say: "AFPMBAI is defined by the greatness and valor of the uniformed men and women whom we call heroes and who put their lives and limbs in the line for the service, for flag and freedom.

Panatag na buhay sa ating lahat!

## MESSAGE FROM THE PRESIDENT AND CEO



**MGEN ROBERT M AREVALO AFP (RET)**  
AFPMBAI President & CEO

# REPORT OF THE PRESIDENT AND CEO

## FINANCIAL HIGHLIGHTS

Despite the setbacks brought about by the current pandemic, I am extremely pleased to report that AFPMBAI's Performance highlights the unprecedented financial accomplishment for year-end 2019 with Net Income breaching the billion mark at P1.03B, a 33% increase from 2018's earnings. Gross revenue also reached a record high at P5.7B from P5.0B in 2018.

Based on the Insurance Commission Report for Year-end 2018, AFPMBAI still ranks as Number ONE from among the 35 licensed mutual benefit associations (MBA) in the country in terms of total assets that grew from P24B in 2018 to P27B in 2019. This translates to an increase of almost P3B for a year, capturing 28% of the market share.

Total investments rose from P12.4B in 2018 to P15.9B in 2019, while premiums which stood at P3.2B in 2018 jumped to P3.7B in 2019, both capturing one-third of the industry share.

The Association's Legal Policy Reserves are currently at P13B, which shows our financial safeguards to be strong and secure. This ensures sufficient assets for AFPMBAI to fulfill ANY of its obligations.

Going beyond the basic expected benefits, the Association proudly continues with its value-added and most generous Comprehensive Financial Assistance Benefit (CFAB) program. This means that on top of the regular insurance coverages provided to the members, the Association is giving additional cash benefits for the families of our fallen members at no additional cost.

For claims extended to beneficiaries for the untimely passing of about 1,400 of our members, a total of P216M was released. Under living claims, a total of P1.3 billion was likewise received by 22,900 members for their matured policies, termination, and disability benefits.

On the subject of real estate, the Association granted P355.5 million for mortgage loans and P45.5 million for housing loans.

Likewise, the Association has declared policy dividends amounting to P220.1M, which benefited 183,063 policyholders. This effort was augmented by undertaking a nationwide series of releases for unclaimed mature benefits, refunds, and dividends.

In keeping with its mandate and recognition of the patronage, as well as to further ease on the pressing needs and financial worries of the members, we, as the Management, have implemented yet another series of reduction in interest rates for real estate, salary, educational, and emergency loans.

The Association's outstanding performance for 2019 did not just happen overnight. This is a product of more than five decades of selfless service and sacrifice for our members. This is a testament to the Association's long-years of stability, reliability, dependability, and trustworthiness.

What started as a simple act of kindness in 1949 called "abuluyan" or "passing of the hat" to provide financial assistance to the family of fellow soldiers who got killed-in-action, developed and grew into the present AFPMBAI that continues to serve the members and their families in the spirit of professionalism, dedication, and compassion.

## THE CORPORATE STRATEGY

The crafting of the corporate strategy took center stage in last year's undertakings, which included a series of strategic planning workshops, attended by the board of trustees together with the management team. These workshops reviewed the corporate strategies, objectives, targets and initiatives, to arrive at the new corporate strategy made more resilient and responsive to the challenges of the times. Our strategy is our blueprint towards the attainment of our four strategic perspectives on Customer, Finance, Internal Process, and Learning and Growth.

The result of this key initiative on the one hand, brought about the marching order that we breathe and rationalize every single day of our lives to be, "The Leader and industry standard for all mutual benefit associations."—This, is our VISION.

With that, we aim to rise above other Mutual Benefit Associations in terms of customer relationship management excellence; by providing effective customer service, comprehensive benefits coverage, best value for money, innovative, and custom-fit products and services delivered through fast and efficient systems and processes. Our revitalized MISSION, on the other hand, provides for our members and their families with the most comprehensive insurance and lifetime financial security from womb to tomb.





And as commitment, integrity, professionalism, and innovation continue to define our values and character, our service to members and their welfare are always at the forefront of our service delivery. These are our impetus to sustain our growth and to further improve the services and the benefits to our members.

Critical during the review of the strategy is the plight of our retirees who, despite having been members for more than 30 years, have lost their membership upon retirement because they were unable to convert their insurance into any permanent insurance plan. We should remember that the retirees built the Association through the years. With that realization, we recognize that we owe them our institutional growth and success. We must provide solutions and come up with initiatives that best serve their needs.

Looking at all angles, it is also ironic that although the majority of the members of our Association belong to the security sector, many of them failed to secure the welfare of their own families. Hence, the Management has also initiated a program, to insure our members' families. This initiative has taken flight and is currently being reviewed by the Insurance Commission.

All these, coupled with the volatile internal and external conditions in the industry, is our wake up call to continuously rethink our strategy and reinvent our brand of service to remain responsive to the changing times.

As Albert Einstein had said: "If you keep on doing what you always did, you will keep on getting what you've always got."

## REALIZING THE VISION

In order to meet our vision, we have to adapt to the dynamic changes around us with respect to the needs of our members. We need to think fast to be

wherever our members are—mobile as they are, whether in the mountains and valleys, over the seas, up in the air, or within the confines of the concrete jungles of cities, it is our primary duty to ensure that we make the presence of AFPMBAI accessible to them, ANYTIME, ANYWHERE.

While it is true that several insurance companies have joined in the competition, the fact remains that AFPMBAI pioneered the business of insuring the uniformed personnel and their families. AFPMBAI will continue to be a partner in providing financial security for their families while they perform their duty to the country and the people.

These are not empty words. We commit to making this our perpetual vow – not to be broken, but one that is put into action through our continuous revisits on our strategies fine-tuned by the out-of-the-box idea pooling sessions, endless deliberations, and assessments grounded on the fact that we always put YOU, our members, at the forefront of our decisions and actions.

### Digital Transformation

To further realize our vision, we will continue our transformation through digital innovations to be at par with the industry's standards in terms of systems applications, usage, processes, and delivery of services to members.

Our new information system, "ACCEDATA," launched in April last year, took over our legacy systems to improve systems and digital business processes. Although we still encounter occasional glitches in the system, we are earnestly resolving these issues in order to fulfill our vision of turning all AFPMBAI branches and extension offices into one-stop-shops for all transactions.

### Document Management System (DMS)

Part of our Digital Transformation efforts is the digitization of all AFPMBAI records using the Data Management System (DMS), which completed its Phase One last October and is now on its second phase. The digitization of the voluminous member records takes precedence in valuing the time of our members by retrieving members' information in less than a minute.

### Capacity Building of Workforce

As the undertakings and deliberation of strategies are made possible by the men and women of this Association, it is only through the commitment and competence of the workforce, along with the guidance of the Board of Trustees, that all of AFPMBAI's accomplishments are made possible. Capacity-building using the excess free and unassigned surplus funds are undertaken through the upgrading of our branches and extension offices to be fully capable of providing services and benefits similar to that of Head Office operations. To date, the mandate intends to make all branches nationwide as one-stop-shops, replicating all the functions of the main branch for a more seamless customer experience for our members wherever they may be.

### New Products

Aside from continuously providing benefits and claims to our members, we also constantly review our product offering through our Product Development Committee (PDC), to craft new products for our member-retirees who can re-apply and renew their membership with the Association through "MBAI-iProtek." This product honors former members to whom we owe our humble beginnings. The product is also meant for dependents of our member-retirees, as well as other associate members of the Association.

### Added Services

Also last year, the Board approved the inclusion of memorial services for our members with upgraded insurance coverage. This is on top of their death benefits at no additional cost. Currently, the implementing guidelines are still being reviewed and the selection of a chosen funeral service-provider is under study as it would require the Insurance Commission's approval.

### Building Partnerships and Collaboration

We will improve the turnaround time of our services in insurance applications, claims, and loans processing by working out our integrated system and resources. We will push through the next phases of Accedata, and work on the necessary requirements for improvement. Adopting these technologies using digital platforms and digital business solutions propel us toward the future.

To facilitate doing business, we pursued partnerships with major banks and other accredited commercial institutions to disburse benefit proceeds and at the same time accept payment transactions. We collaborated with BDO, Metrobank, and Palawan Express as additional payment and disbursement facilities, in response to requests of members in far-flung areas for a more seamless customer experience. This is in addition to already existing partnerships of the Association with Landbank, UCPB, LBC, and SM Payment Centers.

### Reaching out to Members on Social Media Platforms

In the midst of all these undertakings and efforts, we have also remained visible through social media platforms like Facebook, Instagram, and Twitter, making AFPMBAI easier to reach. Through these modern means of communication, we are able to learn more, and there is still so much that we need to do for our members, our stakeholders. We are humbled by the comments of gratitude for the services we have rendered them and

## THE NEW NORMAL



Acrylic dividers were installed in every counter to protect our frontliners and help prevent COVID-19 transmission.



Face shields and face masks were given to our skeletal workforce for extra protection.

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use these as fuel to motivate ourselves to greater resolve to make light of critiques and matters that affect the members' satisfaction concerns. We perceive them as challenges and opportunities to do more and consider them as the core of our strategies in keeping our commitment towards utmost service excellence.

### Responding to the Challenges during the Pandemic

Upon the declaration of COVID-19 as pandemic and the nationwide lockdown implemented last March 2020, the management did not waste time to implement its contingency measures by activating a Business Continuity Plan (BCP) and quickly adopted a skeleton force at major worksite areas, and most of the employees were shifted to work-from-home mode to continuously provide back-end process support.

Immediately, the BCP protocols were revisited, tweaked, and amended as required to come up with solutions on how operations will be maintained. Starting off with the policy of making regional branches capable of receiving transient documents from members who are in dire need of financial services given the crisis, the regional branches that were not affected by the pandemic were tasked as process centers. The NCR Area Office, as the main branch in Manila, was made operational as well throughout the period.

The Emergency Equity Loan Program was launched thereafter, to assist members with their financial challenges during these difficult times. This was coupled with an all-time industry low-interest rate that intended to provide much-needed assistance without centering on revenue generation. Likewise, all loan product requirements were negotiated with the respective finance centers of the various branches of service (BOS) to provide a seamless process of the compliance-to-need solution given the exigency of the situation.

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Meantime, a moratorium on payment of monthly loans was issued, and extension periods granted for insurance policies that were in danger of lapsing, to ensure that our members are still covered, especially during the COVID-19 pandemic.

The management also used online means to meet almost every day and coordinated efforts to fund and support offices and branches in Luzon and elsewhere. This measure enabled us to provide financial services, from the provision of loans to the releasing of claims benefits to the members.

Amidst all these, our AFPMBAI employees, sensitive to the risks of the members assigned as frontliners during the COVID-19 pandemic, gave a part of their salaries that was used in the procurement of much-needed medical equipment such as autoclave and steam sanitizing machines for the AFP Medical Center. This was in congruence to the AFP Chief of Staff General Felimon T Santos' call for a heroic initiative for the AFP, to donate a portion of their salaries to take part in the Bayanihan Heal as One Act as support for the communities affected by the pandemic. The amount raised through this effort, in consolidation with the Corporate Social Responsibility (CSR) savings of the Association, was P1 million pesos.

Keeping in mind the health considerations of our members who serve as frontliners, the Comprehensive Financial Assistance Benefit (CFAB) was revitalized to provide immediate assistance to members who may contract the COVID-19 virus during the pandemic. No less than P200,000 was earmarked for COVID-19 related deaths over and above their coverage, in addition to the inclusion of a medical assistance initiative for members diagnosed as positive for COVID-19, even for asymptomatic cases.

The Association, likewise, was the only financial institution that continued with its regular Management Committee (MANCOM) and Board Meetings through virtual sessions. Through these efforts, the continuance and actions of the Association were made more responsive as they are practical and sustainable.

Unrelenting in our mandate to assist the various services and fight against the dreaded disease, the AFPMBAI Board approved an additional CSR Program budget of P100M. Without delay, the Association procured 13 ICU-grade ventilators, donated to the different service hospitals right before the need heightened to a global scarcity.

Corollary to the above, we foresaw the expected rise in COVID-19 cases in the country and likewise provided Personal Protective Equipment (PPE) suits, surgical masks, face shields, gloves, infrared thermometers, shoe covers, and disinfectant solutions, to the different BOS.

Valuing not just the active and regular members but likewise paying homage to the services of retired uniformed personnel of the country, the Association also extended donations to the Veterans Memorial Medical Center in the form of equipment such as anesthesia machine, lung ultrasound machine, and PPE kits.

Apart from extending a magnanimous gesture of assistance to the BOS in the forms of operational equipment for the hospital wards such as CGEASH, Army General Hospital, the PNP Health Services, and the AFP Medical Center, the Association pulled out all stops to provide customized face masks and face shields for the checkpoint frontliners.

These programs may be viewed as iterations of the usual business, but it is enlivening the pronounced value that the Association holds prime in its



core — service above self. Overcoming challenges during the quarantine period as well as risks to the health of some of our employees was meticulously planned by taking stock of the IATF guidelines on allowing work and movement for essential services provided to the public and likewise to our frontliners and members. The business process bulk was also spread across other provincial branches and offices who are not under strict community quarantine classifications and thus, allowed us to comply with the members' requirements at a time when they need it most.

I take pride and honor to find myself working with all our employees through the pandemic along with the Chairman and members of the Board, Executives, and Management. These are the same people with such dedication to duty and so much concern for the welfare of our members that I honor today for a service that is expected of us, to say the least.

With the way we managed as a team in this crisis, I can truly say that for many years to go by, come hell or high water, the Association will always stand strong, not only by being the first, the largest, and number one mutual benefit association in the country, it is also a financial institution that continues to live up to the highest standard for others to emulate from its humble ways — to be relevant and responsive to the challenges of a dynamic world we live in.

### CLOSING

While so much has been done for 2019, we will continue to explore and put into action all that we have laid down for implementation.

In the pipeline of our to-do's, we will launch the MBAL-iProtek to fulfill our promise of providing lifetime insurance to our retired members and

their families as well. We will diligently pursue our collaboration plans with real estate firms, thru joint-venture in developing our existing investment properties, to provide housing for our members because we believe that the members can only secure their families by providing a roof over their heads.

All these, among other undertakings, we vow to perform to the best of our abilities and fulfill our commitment to providing excellent service to our members and their families.

For 2019, AFPMBAI surpassed again another year of uncertainties and challenges. Nothing, however, could compare to the COVID-19 pandemic experience of the Association as we entered the first quarter of 2020.

To this day, as we continue to welcome this so-called “new normal” in delivering our commitment to serving our members, we realize that we are able to go beyond what is expected of us and continue to remain operational, making our services accessible to the members. As we welcome the challenges of the coming days and months of the new normal in 2020, we commit to outlast this crisis, to come out even stronger, more willing to do better and give more delight to our members.

## CORPORATE GOVERNANCE REPORT

The year 2019 has been another milestone for AFPMBAI in its adherence to good governance standards established for the ASEAN region. The year saw the Association amend its Manual of Corporate Governance to align with the Code established by the Securities and Exchange Commission (SEC) under Memorandum Circular No. 19 Series of 2016. Although this Code applies only for publicly-listed corporations, the Association tried its best to apply the Code's principles to AFPMBAI, where these were applicable. The Association also aligned the Manual with Republic Act No. 11232 or the Revised Corporation Code of the Philippines, and the Association's New By-laws as approved by SEC on 6 February 2019.

Through already established practices, the Association continued to uphold the pillars of good corporate governance from the top of the organization to the front lines in its branches and offices nationwide, with the end-in-view of always putting AFPMBAI members' needs and rights at the forefront of its priorities, and as the very purpose for its existence. For all these efforts, the Association registered a significant improvement in the ASEAN Corporate Governance Scorecard as evaluated by the Institute of Corporate Directors.

### SAFEGUARDING THE RIGHTS OF AFPMBAI'S MEMBERS THROUGH EQUITABLE TREATMENT

#### The Annual General Membership Meeting (AGM)

The AGM of the Association is the best time for the AFPMBAI Board of Trustees and Management Team to meet the members in person, to hear them express their thoughts on how the Association is being or should be managed. It is also at this time that the members are given the chance to comment on and validate the decisions of the Board and Management rendered during year-long operations. Most importantly, during the AGM, the members are given the opportunity to elect the members of the Board of Trustees, one of whom shall become the President and CEO of the organization.

The AFPMBAI AGM was held on 18 May 2019 at the Social Hall of the Head Office at Bonny Serrano Road corner EDSA, Quezon City. Notice for the meeting, containing an explanation of each agenda item, was published as early as 15 April 2019 in two major dailies and also posted in the AFPMBAI website, along with the Proxy Form for those members who would not be able to attend the meeting. All members of the Board were in attendance during the AGM, including the corporate officers of the Association and key management personnel. A profile of each Board Member and Management Executive was presented and was introduced before the body, so that the members may be apprised of their qualifications for the position each was occupying. In his welcome remarks, then AFPMBAI Chairman, Gen Benjamin R Madrigal Jr AFP, informed the 207 regular members physically present that the AGM is the opportunity for them to interact with Management, to view the annual report that contains the organization's performance, to be aware of the corporate strategy, and exercise their rights on current issues surrounding the Association. He urged the members to help the Board and the Management to strengthen and improve the services offered by

the organization, by giving comments and suggestions to further improve transparency and accountability.

Then President and CEO, MGen Romeo N Dela Cruz AFP (RET), rendered a detailed report on the accomplishments of AFPMBAI for the previous year, as well as the Association's targets for CY2019. The Chairman of the Governance Committee, MGen Romeo de Vera Poquiz AFP (Ret), informed the members that the proposed amendments to the Association's Articles of Incorporation, as well as the proposed New By-laws, were approved by SEC on 6 February 2019. The Chairman of the Audit Committee, BGen Florentino P Manalastas Jr AFP (Ret), also reported on the screening process employed in the selection of the external auditor (Reyes, Tacandong & Co) for CY2019-2020, including their audit fees. The members freely asked questions during these reports and made suggestions on how to further improve the Association's By-laws and AFPMBAI processes, products and services. All member comments were well taken and the Chairman committed to study these proposals and update the members of the developments in the next AGM.

The members present were also given the opportunity to nominate and elect their candidates for the fifteen (15) Board seats of the Association. Each year, a Nomination Committee is created to screen the nominees for the Board seats of the Association. Careful screening is undertaken to ensure that the nominees' qualifications are aligned with the strategic direction of the Association. A Committee on Election (COMELEC), composed of members from the Judge Advocate General Service (JAGS) and chaired by the Judge Advocate General, independent of the Board and Management, is also created to preside over the nomination and election proceedings.

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During the 2019 AGM, the COMELEC Chairman, BGen Ser-Me L Ayuyao AFP, informed the regular members present, of the voting and vote tabulation procedures to be used prior to the start of the proceedings. The members were then asked to nominate their candidates by stating their full name and the full name of the regular members being nominated. After the proceedings, the duly-elected members of the Board of Trustees for CY 2019 to 2020 were declared by the COMELEC Chairman as follows, with each member having received no less than 268,475 votes:

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Board of Trustees	Representing	Age	Qualifications and Background	Date of First Appointment
Gen Benjamin R Madrigal Jr AFP	Office of the Chief of Staff, AFP	55	Master in Public Administration, Philippine Christian University; Master in Management Studies, University of New South Wales	17 December, 2018
MGen Rizaldo B Limoso AFP	Philippine Army	55	Masters of Applied Finance, University of Melbourne; Master in Business Administration, Ateneo Graduate School of Business; Corporate Governance Orientation Program; Strategic Human Resource Management Course	11 April, 2019
RAdm Jande S Francisco AFP	Philippine Navy	55	Master in Public Administration, Philippine Christian University; Master in Economics, De la Salle University; Corporate Governance Orientation Program; Strategic Thinking - Creating Competitive Advantage; Leading Strategic Execution	29 April, 2017
MGen Nicolas C Parilla AFP	Philippine Air Force	55	Master in Public Administration- Public Management, Cebu State College of Science and Technology; Master in Management –Public Administration, Western Mindanao State University; Corporate Governance Orientation Program	27 March, 2019
VAdm Rolando D Legaspi PCG	Philippine Coast Guard	55	Strategic and Critical Thinking; Corporate Governance Orientation Program	08 October, 2016
CSupt Leonides P Perez BFP	Bureau of Fire Protection	55	Master of Business Administration; Corporate Governance Orientation Program; Seminar on Personnel Management	15 September, 2016
CSupt Ruel S Rivera BJMP	Bureau of Jail Management and Penology	49	Master in Public Administration , Batangas State University; Corporate Governance Orientation Program; Exec Course on Money Laundering and Terrorism Financing; Seminar on Financial Resources, Ethics and Accountability	18 May, 2019



MGen Erickson R Gloria AFP	Joint Staff of GHQ, AFP	53	Corporate Governance Orientation Program	03 October, 2018
FCMS Lito A Tompayogan (INF) PA	Office of the AFP Sergeant Major	55	Corporate Governance Orientation Program	17 November, 2017
PBGen Alfred S Corpus	Philippine National Police	54	Master of Arts in Management, Philippine Christian University; Corporate Governance Orientation Program	25 January, 2018
PCol Jose Melencio C Nartatez Jr	Philippine National Police	48	Master in Public Administration, Polytechnic University of the Philippines; Corporate Governance Orientation Program	07 November, 2018
MGen Robert M Arevalo AFP (Ret)	At Large	56	Master in Business Management, AIM; Master in Management, Philippine Christian University; ICD Corporate Governance Orientation Program; ICD Professional Directors Program	30 September, 2016
MGen Romeo D Poquiz AFP (Ret)	Independent Trustee	61	Master of Science in Management (Finance), Naval Post Graduate School, USA; Bloomberg Training; Technology Governance Seminar; Corporate Governance Orientation Program; Corporate Governance Professional Development Program	09 June, 2018
MGen Ernesto D Boac AFP (Ret)	Independent Trustee	67	Professional Management Program, Ateneo Graduate School for Business; Master of Strategic Studies, US Army War College, Carlisle, Pennsylvania; Corporate Governance Orientation Program; How to Negotiate: Strategy and Process	18 May, 2019
RAAdm Raul R Ubando AFP (Ret)	Independent Trustee	58	Masters in Management, Philippine Christian University; Corporate Governance Orientation Program; Seminar Workshop on Improvement of Financial System	18 May, 2019

## ENSURING DISCLOSURE AND TRANSPARENCY

AFPMBAI has continuously tried to reach all its members by using various media. In 2019 the Association successfully reached out to no less than 71,870 members through the AFPMBAI Facebook account, with a rise in its following at 194.1% from 2018. Important announcements such as distribution of dividends, schedules of Annual General Meetings, new promos and product launchings were disseminated through this platform, as well as the AFPMBAI website, thus ensuring a wider audience reach. Through digital media like Facebook, Members' inquiries and issues were quickly addressed via direct messaging, most of them in real-time by the Customer Service Team.

In addition, newspaper ads were still utilized as another form of medium for disseminating important announcements. The Mutual, a quarterly newsletter for the Members, is also regularly published to update Members on AFPMBAI's projects and donations.

## FULFILLING THE RESPONSIBILITIES OF THE BOARD

Good governance at AFPMBAI is essentially the responsibility of its Board of Trustees. The Board has so structured itself to perform with a degree of independence, to promote diversity of opinions, such that the best decisions are formed from its deliberations., The Board's tasks of business strategy development, recruitment and development of the executive team, oversight, and risk management are broken down through Board Committees for a thorough and focused approach in overseeing specific strategic areas. Final decisions, however, rest with the Board.

## BOARD INDEPENDENCE

Independence refers to the state wherein Board members are free from any business or other relationships which could materially interfere with the exercise of independent judgment in carrying out their responsibilities as a trustee. AFPMBAI trustees receive no remuneration from the Association, apart from a reasonable per diem and allowance, that could affect their sound judgment. The AFPMBAI Board also has three (3) independent trustees, representing twenty percent (20%) of the 15-member Board, who ensure an independent mindset at the Board level. Although governance standards recommend that at least fifty percent (50%) of Board members be independent trustees, none of Association's trustees actually have a stake in the company other than their membership through the availment of an insurance policy.

## BOARD DIVERSITY

Diversity is a big factor in ensuring that the Board operates through a wide range of perspectives and that differing views may be freely aired during deliberations. Although the AFPMBAI Board is an all-male Board, there are varying opinions coming from each member who represents a different set of constituency. Viewpoints from the various uniformed services - the Philippine Army, Philippine Navy, Philippine Air Force, Philippine National Police, Philippine Coast Guard, Bureau of Fire Protection, and Bureau of Jail Management and Penology - are all represented in the Board. A more strategic view on matters affecting the nation and government is provided through the representatives from the Office of the AFP Chief of Staff and the AFP Joint Staff. Finally, the viewpoint of the enlisted men, or those from the lower ranks who are usually assigned in the field or frontlines, are provided by the AFP Sergeant Major. There are also diversities in terms of

expertise. Although the trustees are all uniformed servicemen and have limited experience in the corporate setting, over the years they have been assigned to head areas of administration, personnel, finance and operations. There is also diversity in age, with the youngest trustee being 49 years old while the oldest is 76. These are the diversities in the AFPMBAI Board that effectively influence decisions,translating into how AFPMBAI will fuel its strategic growth and improve the delivery of products and services to its members.

CONTINUING EDUCATION PROGRAM

Upon their election as members of the Board, the Association's Trustees are given an orientation on the operations of AFPMBAI. One-on-one orientations are also scheduled, facilitated by the Strategic Management Office, to enable each Trustee to have an in-depth knowledge of day-to-day operations as well as processes at the strategic level. A Continuing Education Program (CEP) is also part of the continuing professional education of trustees. All trustees who come on board undergo the Corporate Governance Orientation Program (CGOP) of the Institute of Corporate Directors (ICD). Other training is also provided for trustees with specific focus areas, such as governance, audit, and investment.

In 2019, aside from the individual courses taken by the trustees, the Association conducted its CEP with topics on Strategic Planning, Business Model Innovation, Financial Statements Analysis, and the Value of the Audit Function. A representative from the Insurance Commission (IC) also came to update the Board and Management Team on recent developments in the Insurance and Mutual Benefit Association Industry, and on relevant IC issuances.

On 29 July 2019, Mr Robert L del Rosario Jr, professional trainer and business consultant, refreshed the Board and Management Team's knowledge on Strategy Formulation, Analysis and Choice, Implementation and Evaluation. On 9 August 2019, Mr Josiah Go, Marketing Industry expert, also gave a most informative and inspiring talk on Business Model Innovation that could change the way AFPMBAI positions itself in a digitized world. His talk was followed by the Analysis of AFPMBAI Financial Statements as given by former Trustee and Chairman of the Audit Committee, Ms Perlita Marcelo-Skaar. Ms Helen T de Guzman, ICD fellow and former Chief Audit Executive of MERALCO, also gave a very informative talk on the value of the audit function within the governance framework, and shared her experiences and wisdom gained during her illustrious career in the field.

The insights gained from the 2019 CEP enhanced the knowledge of the AFPMBAI leadership further, empowering trustees to steer the Association to the accomplishment of strategic plans and initiatives for the years to come.

BOARD ACCOMPLISHMENTS AND ATTENDANCE FOR CY 2019

For 2019, the Board of Trustees conducted sixteen (16) meetings and passed one hundred (100) resolutions, which are enumerated in the Matters for Ratification for the 2020 AGM. The attendance of the trustees to the meetings of the Board of Trustees for 2019 are listed below.

Meetings of the Board of Trustees for 2019		
Position	Members	Attendance 16 meetings for 2019 Average Quorum: 86%
Chairman	Gen Benjamin R Madrigal Jr AFP	85%
Chairman*(Sept 2019)	Gen Noel S Clement AFP	100%
Vice Chairman	MGen Robert M Arevalo AFP	100%
Vice Chairman* (April 2019)	MGen Rizaldo B Limoso AFP	80%
Vice Chairman *(July 2019)	LtGen Erickson R Gloria AFP	94%
Member/President	MGen Romeo N Dela Cruz AFP (Ret)	100%
Member/President *(May 2019)	MGen Robert M Arevalo AFP (Ret)	100%
Member (started July 2019)	MGen Reynaldo M Aquino AFP	67%
Member	RAdm Jande S Francisco AFP	100%
Member*(Oct 2019)	MGen Dante M Hidalgo AFP	100%
Member	MGen Jose P Tanjuan Jr AFP	100%
Member* (April 2019)	MGen Nicolas C Parilla AFP	86%
Member* (Oct 2019)	MGen Pelagio R Valenzuela	0%**
Member	PBGen Alfred S Corpus	94%
Member	PCol Jose Melencio C Nartatez Jr	75%

Member	VAdm Rolando D Legaspi PCG	91%
Member* (Oct 2019)	VAdm Leopoldo V Laroya PCG	100%
Member	CSupt Alan S Iral BJMP	75%
Member* (May 2019)	CSupt Ruel S Rivera BJMP	78%
Member	CSupt Leonides P Perez BFP	92%
Member* (Sept 2019)	CSupt Domingo V Tambalo BFP	75%
Member-Independent	LtGen Raul S Urgello AFP (Ret)	88%
Member-Independent* (May 2019)	MGen Ernesto D Boac AFP (Ret)	100%
Member-Independent	BGen Florentino P Manalastas Jr AFP (Ret)	88%
Member-Independent* (May 2019)	RAdm Raul R Ubando AFP (Ret)	100%
Member-Independent	MGen Romeo D Poquiz AFP (Ret)	94%
Member	FCMS Lito A Tompayogan (INF) PA	100%
Member	FCMS Engracio S Gabo Jr (INF) PA	100%

\*Replaced the member in the previous row on the month indicated.  
\*\*Trustee Valenzuela began his term as Board member in October 2019 but was unavailable for the Board meetings due to active duty requirements in the Philippine Air Force.

On 15 August 2019, the Board of Trustees had their annual Board Retreat to review the Association’s Mission, Vision, and Corporate Objectives, and set the short-term, medium-term, and long-term strategic direction of the AFPMBAI.

BOARD COMMITTEES ACCOMPLISHMENTS AND ATTENDANCE FOR CY 2019

The Board of Trustees is assisted by six (6) Board Committees that ensure that all matters to be raised for approval or notation of the Board are already pre-evaluated according to prescribed standards. These Committees focus on the areas of governance, audit, investment, risk management, nomination and remuneration, and corporate social responsibility.

Governance Committee

- For 2019, the Governance Committee accomplished the following:
1. Exercised its oversight over Management’s accomplishments of the Association’s major action plans for the year;
  2. Ensured the successful conduct of the 2019 AGM through the resolution of all matters in the agenda and the election of the members of the Board of Trustees;
  3. Implemented improvements in the Association’s corporate governance practices, which resulted in a significant improvement in its ASEAN Corporate Governance Scorecard assessment;
  4. Ensured a quarterly reporting to the Board of Trustees of the Association’s compliance with the requirements of regulatory agencies, and
  5. Spearheaded the conduct of the annual Board Planning activity and Continuing Education Program.

Its most significant achievement for 2019 is the amendment to the Manual of Corporate Governance, which followed the principles of the Code of Corporate Governance for Publicly-Listed Companies, when these principles were applicable to the Association.

Governance Committee		
Position	Members	Attendance 13 meetings for 2019 Average Quorum: 81.5%
Chairman (Ind Tr)	MGen Romeo D Poquiz AFP (Ret)	100%
Vice Chairman	MGen Robert M Arevalo AFP	50%
Vice Chairman*	PBGen Alfred S Corpus	69%
Member/President	MGen Romeo N Dela Cruz AFP (Ret)	100%
Member/President*	MGen Robert M Arevalo AFP (Ret)	90%
Member	MGen Rizaldo B Limoso AFP	33%
Member*	MGen Reynaldo M Aquino AFP	80%
Member	CSupt Leonides P Perez BFP	89%
Member*	CSupt Domingo V Tambalo BFP	100%

\*Replaced the Trustee in the previous row.

Ad-Hoc Committee on Amendment to the Manual of Corporate Governance		
Position	Members	Attendance 8 meetings for 2019 Average Quorum: 87.5%
Chairman	PBGen Alfred S Corpus	100%
Vice Chairman	Atty Renato A David	100%
Member	CSupt Leonides P Perez BFP	60%
Member*	CSupt Domingo V Tambalo BFP	100%
Member	Atty Maricarr Martinez-Mirabel	88%
Member	Atty Elizabeth Del Fonso-Hidalgo	75%

Audit Committee

The Audit Committee (AudCom) exercised its oversight over the Internal Audit Office (IAO) by ensuring that all engagement activities were accomplished, including the review of the Association’s Statutory Audit of Financial Statements for CY2018. AudCom It also closely monitored the accomplishment of Accedata, the information system project of the Association.

Independent Trustee BGen Florentino P Manalastas Jr. AFP (Ret), the former Chairman of the Audit Committee, had training in the ISO 9000-2000 Series Lead Auditor Course, PERA Neville Clark in 2006. Aside from being a lawyer, he also had an MBA from UP Diliman. The Chairman who succeeded him, MGen Ernesto D Boac AFP, has extensive experience as Comptroller in the Armed Forces of the Philippines. He also completed the Professional Managers Program at the Ateneo Graduate School of Business

Audit Committee		
Position	Members	Attendance 11 meetings for 2019 Average Quorum: 92%
Chairman (Ind Tr)	BGen Florentino P Manalastas Jr AFP (Ret)	80%
Chairman (Ind Tr)*	MGen Ernesto D Boac AFP (Ret)	100%
Vice Chairman	RAdm Jande S Francisco AFP	90%
Vice Chairman*	MGen Dante M Hidalgo AFP	100%
Member	LtGen Erickson R Gloria AFP	64%
Member	PCol Jose Melencio C Nartatez Jr	36%

Member	CSupt Allan S Iral BJMP	60%
Member*	CSupt Ruel S Rivera BJMP	100%

\*Replaced the Trustee in the previous row.

Investment Committee

For 2019, the Investment Committee oversaw the performance of the Association’s short-term, fixed income, equity investments and lending portfolio. The committee also regularly monitored the Association’s investments under Investment Management Agreements with trusted banks, ensured optimum investment yield and surplus margins, and evaluated other potential investments of the Association.

Investment Committee		
Position	Members	Attendance 4 meetings for 2019 Average Quorum: 85%
Chairman	VAdm Rolando D Legaspi PCG	50%
Chairman*	PBGen Alfred S Corpus	100%
Vice Chairman	RAdm Jande S Francisco AFP	100%
Vice Chairman*	CSupt Ruel S Rivera BJMP	100%
Member/President	MGen Romeo N Dela Cruz AFP (Ret)	100%
Member/President*	MGen Robert M Arevalo AFP (Ret)	100%
Member	CSupt Allan S Iral BJMP	50%

\*Replaced the Trustee in the previous row

Risk Management and Related Party Transaction Committee

The Risk Management and Related Party Transactions Committee (RMRPTC) exercised its oversight over Management’s efforts in integrating risk management in all business decisions and processes, identifying top risk exposures of the Association, establishing risk appetite, implementing risk mitigation and management, as well as assuring AFPMBAI’s compliance with laws, rules and regulations.

Risk Management and Related Party Transaction Committee		
Position	Members	Attendance 9 meetings for 2019 Average Quorum: 84.4%
Chairman (Ind Tr)	LtGen Raul S Urgello AFP (Ret)	100%
Chairman (Ind Tr)*	RAdm Raul R Ubando AFP (Ret)	100%
Vice Chairman (Ind Tr)	MGen Romeo D Poquiz AFP (Ret)	100%
Vice Chairman (Ind Tr)*	MGen Ernesto D Boac AFP (Ret)	100%
Member	BGen Florentino P Manalastas Jr AFP (Ret)	100%
Member	MGen Jose P Tanjuan Jr AFP	100%
Member*	MGen Nicolas C Parilla AFP	60%
Member*	MGen Pelagio R Valenzuela AFP	50%
Member	CSupt Leonides P Perez BFP	57%
Member*	CSupt Domingo V Tambalo BFP	100%

\*Replaced the Trustee in the previous row

Throughout 2019, the RMRPTC was also tasked to join with other Board Committees in the deliberation of matters for approval of the Board. Joint meetings were held with the Governance Committee (2 meetings, average 62.5% quorum), Audit Committee (2 meetings, average 83% quorum), Investment Committee (10 meetings, average 80% quorum), and the Nomination and Remuneration Committee (2 meetings, 79% quorum).



Nomination and Remuneration Committee

For 2019, the Nomination and Remuneration Committee (NRC) ensured the Association had a succession planning program for its personnel. NRC also thoroughly screened all candidates for Board seats and senior management positions, prior to endorsement to the BOT, to identify their eligibility based on established qualifications as embodied in the By-Laws, the Manual of Corporate Governance, internal policies and external regulations. NRC endorsed only candidates with a track record of demonstrating the Association’s core values, namely, customer-centeredness, integrity, social responsibility, prudence, and professionalism. The Committee also evaluated all recommendations to the BOT regarding personnel welfare, compensation, performance assessment, code of conduct, and other human resource related matters, using legality, equity, morale, and sustainability as guidelines prior to endorsement to the Board of Trustees.

Nomination and Remuneration Committee		
Position	Members	Attendance 11 meetings for 2019 Average Quorum: 92.7%
Chairman	MGen Jose P Tanjuan Jr AFP	100%
Chairman*	LtGen Erickson R Gloria AFP	100%
Vice Chairman (Ind Tr)	LtGen Raul S Urgello AFP (Ret)	100%
Vice Chairman (Ind Tr)	RAdm Raul S Ubando AFP (Ret)	100%
Member/President	MGen Romeo N Dela Cruz AFP (Ret)	100%
Member/President*	MGen Robert M Arevalo AFP (Ret)	100%
Member**	MGen Nicolas C Parilla AFP	83%
Member*	MGen Pelagio R Valenzuela AFP	50%
Member	FCMS Lito A Tompayogan (INF) PA	100%
Member	FCMS Engracio S Gabo Jr (INF) PA	75%

\*Replaced the Trustee in the previous row  
\*\*Replaced Trustee Tanjuan as PAF Representative

Social Services Program Committee (SSPC)

For CY 2019, the Social Services Program Committee (SSPC) achieved over 100% of its targets in the maximization of its Corporate Social Responsibility Programs. Due to the numerous activities conducted under its oversight, AFPMBAI achieved its target to extend further assistance to its members through donations and social welfare programs.

Social Services Program Committee		
Position	Members	Attendance 11 meetings for 2019 Average Quorum: 80%
Chairman	VAdm Rolando D Legaspi PCG	75%
Chairman*	VAdm Leopoldo V Laroya PCG	100%
Vice Chairman	PCol Jose Melencio C Nartatez Jr	73%
Member/President	MGen Romeo N Dela Cruz AFP (Ret)	100%
Member/President*	MGen Robert M Arevalo AFP (Ret)	100%
Member**	MGen Rizaldo B Limoso AFP	0%
Member*	MGen Reynaldo M Aquino AFP	75%
Member	FCMS Lito A Tompayogan (INF) PA	100%
Member*	FCMS Engracio S Gabo Jr (INF) PA	100%

\*Replaced the Trustee in the previous row  
\*\*Trustee Limoso was only required to attend two (2) meetings of the SSPC but was unable to do so due to active duty.

PERFORMANCE ASSESSMENT

The performance assessment of the Board of Trustees is an appraisal system that includes the performance not only of the Board but also of the Board Committees, and includes other factors such as Board Dynamics and Resources. The criteria for assessment of the Board’s performance is based on the accomplishment of its role and responsibilities as assessed by the Board Committees (25%), as assessed by the Board Chairman (25%), the Board dynamics (30%), and the quality and timeliness of information provided to the Board (20%).

Categories	Weight
Board Committee Performance Assessment by the Board Chairman	25%
Board Committee Performance Assessment by the Board Committees	25%
To be assessed by all Board members:	
Board Dynamics	30%
Quality and Timeliness of Information Provided to the BOT	20%

The performance assessment of AFPMBAI’s Board Committees is based on the accomplishment of their oversight functions on the implementation of the Association’s corporate objectives and major action plans. A specific weight is assigned to priority targets that the Board Committees have agreed to focus on for the subject year, as approved by the Board of Trustees. The targets were approved by the Board in the early part of 2019, and each Board Committee conducted a self-assessment on how they fared in performing these targets by December 2019 to January 2020. For 2019, the Board’s performance was rated Outstanding, as shown below:

		Weight	Rating	Final Rating
A	Assessment of BOT Performance by BOT Chairman	25%	97.50	24.38
B	Assessment of Performance by BOT Committees	25%	98.07	24.52
	Audit Committee		100.00	
	Governance Committee		96.75	
	Investment Committee		92.08	
	Risk Mangement & Related Party Transaction Committee		94.00	
	Social Services Program Committee		110.60	
	Nomination and Remuneration Committee		95.00	
C	Assessment of Board Dynamics	30%	97.43	29.23
D	Assessment of Quality and Timeliness	20%	92.80	18.56
	RATING	OUTSTANDING		96.68

Rating Description	Percentage Ranges for Final Rating
Outstanding (O): Consistently far exceeds expectations	91 to 100
Above Expectation (AE): Consistently performs above expectation	81 to 90
Meets Expectation (ME): Meets all expectations	71 to 80
Below Expectations (BE): Does not meet all expections	70 and below

INDIVIDUAL TRUSTEES AND CORPORATE SECRETARY

The performance of the individual members of the Board is assessed using the following criteria: Ethics/Professionalism, Initiative, Service Representation, Communication Effectiveness, and Meeting Participation Effectiveness. Each criterion receives a maximum rating of 100%, with the final score being the average rating. Each Board member is evaluated by the Board Chairman and the Chairman of the Governance Committee. The Corporate Secretary is rated in a similar manner, but instead of Service Representation the criteria used is Legal Expertise.

PRESIDENT AND CEO

The performance assessment of the President and only Executive Trustee is based on the corporate score of the Association, a score which effectively rates the performance of the Association with respect to the five (5) perspectives of its Balanced Scorecard, namely: Financial, Customer/Social Responsibility, Internal Business Process, and Learning and Growth. This portion of the President’s assessment receives a maximum of 60 points. Part B of his assessment pertains to his rating on qualitative measures

such as: Implementation of Board Resolutions, Effective Relationship with the Board, and Transparency and High Ethical Standards. Part B of the assessment receives a maximum of 40 points. The points are then added to come up with the final rating. The President is rated by all the members of the Board of Trustees, including the Chairman.

COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE

The Association, thru the ASEAN Corporate Governance Scorecard (ACGS), adheres to the corporate governance principles of sustainability, accountability, disclosure and transparency in its policies and activities intended for the members, employees, and other stakeholders. We maintained increasing scores every year. For 2019, we scored 71.4 points in the ACGS.

We even participated and showed our full support to the revision of the Code of Corporate Governance for IC-covered corporations (show photo) together with representatives from other sectors/industries under the Insurance Commission. The revised version of the Code aims to uplift governance best practices among all insurance industries.

2019 has been another milestone year for AFPMBAI in its adherence to good governance standards established for the ASEAN region. The year saw the Association amend its Manual of Corporate Governance to align with the Code established by the Securities and Exchange Commission (SEC) under Memorandum Circular No. 19 Series of 2016. Although this Code applies only for publicly-listed corporations, the Association tried its best to apply the Code’s principles to AFPMBAI where these were applicable. The Association also aligned the Manual with Republic Act No. 11232 or the Revised Corporation Code of the Philippines, and the Association’s New By-laws as approved by SEC on 6 February 2019.

Through already established practices, the Association continued to uphold the pillars of good corporate governance from the top of the organization to the front lines in its branches and offices nationwide, with the end-in-view of always putting AFPMBAI members’ needs and rights at the forefront of its priorities, and as the very purpose for its existence. For all these efforts, the Association registered a significant improvement in the ASEAN Corporate Governance Scorecard as evaluated by the Institute of Corporate Directors.

CORPORATE OBJECTIVES

A Strategic Planning Retreat was held last Aug. 15, 2019 where Members of the Board and management reviewed and discussed the company’s Vision, Mission, Critical Issues, Financial Goals and Strategic Intents. It was then followed by a series of management strategic planning meetings and deliberation to the Board where the new Charter Statement and Corporate Strategies were approved. Following are the approved Strategic Objectives for CY2020:

- 1. Provide efficient customer service
- 2. Provide comprehensive benefits
- 3. Offer innovative products and services

- 4. Strengthen Corporate Image and Social Responsibility
- 5. Ensure Financial Sustainability
- 6. Manage cost effectively
- 7. Promote innovation and digital transformation
- 8. Streamline business processes
- 9. Advocate Good Governance
- 10. Foster productivity and service excellence
- 11. Establish an agile organization

NON-FINANCIAL PERFORMANCE INDICATORS

Contact Center Management

We endeavor to improve overall customer experience by providing members with various communication portals to reach us, at the same time for the company to give immediate response to their inquiries/needs/concerns. Replies were sent within the day for easy verifications and/or when info is already available from concerned offices.

Following are the number of inquiries received for the period:

	2019	2018	Increase/ Decrease
Personal and Phone Verification	7,415	8,304	-11%
Email Inquiries	3,565	2,739	30%
Info Text Replies	13,371	36,921	-64%
Info Text Blast Program	17,511	128,975	-86%

Note: The decline in phone and email inquiries in 2019 may be attributed to the preference of Members to use Facebook since it is free and more convenient to use, as opposed to using SMS, which requires them to spend on cellphone load.

Brand Awareness Thru Digital Marketing

We believe Brand Awareness helps promote our products and services (e.g. Insurance Plans, Insurance Loans, MBAI Protek, Real Estate Loans) to boost sales. Hence, we use the following Facebook and Google analytics to strengthen Brand Awareness:

	2019	2018	Increase/ Decrease
Facebook Followers (Likes)	71,870	24,438	194.1%
Facebook Reach	7,672,226	2,552,717	201%
Website New Users	53,635	68,174	-21%
Website Sessions	77,404	101,248	-24%

Note: Facebook Likes and Reach increased more than Website statistics, since it is the main medium used by members to communicate with the Association.

Engagement Rate

Website New Users’ sessions and Engagement Rate declined (although still above the target) due to less new content uploaded to the website during the 2nd semester. To address this decline, Marketing Division is currently revamping the website to add new features that will increase members’ awareness of the Association’s products, services and benefits.

Target Engagement Rate	2019	2018
2.00%	4.83%	8.19%

Note: Measures the number of comments, likes and shares made by Members divided by the Total Reach. This also boost brand awareness and possible source of Sales Qualified Leads.

Response Rate on Facebook Inbox

For CY2019, 93% of our Members’ inquiries on Facebook were responded to higher than the 90% response rate target. The 7% variance (versus 100% rating) may be attributed to other replies of Members like “Thank you”, which Facebook counts as another comment/inquiry. The said discrepancy however, may be addressed by the CRM tool that will be used in CY2020.

Update/Creation of Company Policies

The Policy Review Committee was strengthened to ensure that concerned offices document, standardize, and implement the guidelines and business processes of the company. This is to ensure smooth flow of operations and delivery of services/benefits to Members are carried out in a fast, correct, and efficient manner.

For CY2019, 13 policies were reviewed and 11 policies were updated/created and approved.

Competency Building

We believe our human resources is our greatest asset, hence, we provide continuous training and empowerment to our employees and sales personnel. The following is a tally of total training provided to AFPMBAI employees from January to December 2019:

	No. of Seminars	No. of Employees in Attendance
Internal/External Seminar	10	779
Off-house Seminar	56	131

COMPLIANCE TO REGULATORY BODIES

The Association observes the laws, implementing rules and regulations, as well as Circulars and Memoranda of the Insurance Commission (IC), the Securities and Exchange Commission (SEC), the Anti-Money Laundering Council (AMLC), the National Privacy Commission (NPC), and the Credit Information Corporation (CIC). The Association has an active license with the Insurance Commission until December 31, 2021 for continued business operations. The AFPMBAI Board of Trustees has appointed a Compliance Officer and Alternate Compliance Officer to monitor and oversee the Association’s compliance activities with government regulators. Regular reports are made to the Board. At the same time, the appointed Data Protection Officer, Lt Col Jefferson C Almazan PA (Ret), having passed the Level 1 ACE Program of the NPC, ensures that the Association observes and upholds the rights of data subjects/members under the pillars of accountability, compliance, and ethics.

PRIVACY STATEMENT

AFPMBAI upholds an individual’s data privacy rights and observes that all personal information and sensitive personal information, collected and to be collected, are processed or recorded, managed, organized, stored, updated, retrieved, consolidated, used, blocked, and erased according to the Data Privacy Act of 2012 (RA 10173), its Implementing Rules and Regulations (IRR), and various Circulars under the principles of Transparency, Legitimate Purpose, and Proportionality.

Securing the member’s consent is important. Providing his/her personal and sensitive personal information at the time of insurance, loan, real estate application, or engaging AFPMBAI for any business transaction signifies his consent to the processing, sharing, and/or transferring of his personal

data relating to his account/s to AFPMBAI, its service providers or third parties/entities having authority or right to such disclosure of information as in the case of regulatory agencies, governmental or otherwise, which have required such disclosure from AFPMBAI; as well as delivering all existing features and future enhancements thereto, and availing other AFPMBAI products, services, facilities, and channels as the AFPMBAI deems necessary; and agreeing to hold AFPMBAI, its affiliates, subsidiaries, and third party service providers free and harmless from any liability arising from or in connection with the consent given.

KEY RISKS

AFPMBAI’s ERM Framework considers the following broad categories of risks:

Strategic Risks

Risks arising in the choice of a set of strategies and the risks to the successful execution of the programs. This risk category covers risks inherent to our industry, target markets, products and services offerings, business model, competitiveness as well as potential risks to the long-term sustainability of the Association.

Financial Risks

Risks arising out of adverse movements in financial markets, changes in the financial condition of counterparties and inability to generate cash inflows as anticipated. This risk category covers risks of default on loan payments, default and changes in the market interest rate, impairment of/changes in value of financial asset, as well as potential inadequacy of fund to pay obligations to members/policyholders.

Operational Risks

Risks arising from internal factors affecting policies, procedures, people and systems in our support functions thereby impacting products and services delivery, compromising our core values, codes of conduct or organizational prescribed practices or contractual compliances, as well as those resulting in violations or non-conformance with laws and regulations posing threats to our financial, organizational, or reputational standing. This risk category covers risks of business activity disruptions due to telecommunications, system failures, virus attacks or breach of cyber security, potential litigations, breach of contractual agreement, and non-compliance to regulations.

Environmental Risks

Risks arising from external factors affecting the Association’s delivery of its products and services. This risk category covers risks of business activity disruptions due to natural calamities, man-made disasters, as well as potential risks arising out of major regulatory/political changes and threats to public health.

RISK MANAGEMENT

For 2019, our risk management activities primarily focused on the effectiveness of strategic programs towards digital transformation as well as in addressing incidents that may cause business disruption to our physical and technological infrastructure and automated system. These programs aim at improving our competitive position and differentiation with regard to giving of services/benefits to our members, strengthening our internal controls, monitoring of investments while assessing the possible impact of regulatory changes/impositions, as well as the impact of the institution of new initiatives to achieve our long-term business aspirations.

We performed the following risk management activities during the CY 2019:

- Regular assessment on the implementation of Accedata, the Association’s internally developed (homegrown) information system that caters to its core business – insurance policy administration, policy loans and other loans. Assessment also includes the implementation of strategic programs, specifically the integration of all systems, impact of automation, succession planning and operating cost optimization.
- Regular assessment in the implementation of investment strategies to ensure growth of the Association’s entire investment portfolio to include its investment on its wholly-owned subsidiary, Armed Forces and Police General Insurance Corporation (AFPGEN).
- Regular assessment also covers the monitoring of developments in the regulatory/environment, particularly those issuances coming from the Insurance Commission.

REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT)

The Risk Management and Related Party Transactions Committee (RMRPTC), majority of whom are independent trustees, reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). Review and reporting of Related Party Transactions (RPTs) are aligned with the appropriate IC Circular and company policies to ensure that there is no conflict of interest and that transactions are conducted fairly and on arms’ length basis. The Association submits the required quarterly RPT reports to the Insurance Commission, as well as the Annual Conglomerate Structure with the subsidiary, AFPGEN.



Further, investments with AFPSLAI, sharing the same Chairman of the Board, are also being reported to the Insurance Commission under Investments Made and Sold

Parent/ Subsidiary/ Affiliate	Related Counterparty	Relationship between the parties	Transaction date	Type of Transaction	Total Amount	Terms	Rationale for entering into the Transaction
A. SUBSIDIARY							
	AFPGEN	Wholly Owned Subsidiary	Various transactions from 10-Jan-19 to 08-Nov-19	Office Space Rentals	1,806,925.75	Different terms from 1 month to 1 year	N/A
B. OTHERS							
	AFPSLAI	Same Chairman	Various transactions from 09-May-19 to 01-Oct-19	Short term investments	999,997,413.33	Different terms from 182 days to 360 days	Approved per Board Resolution No.32 Series 2019
				<b>TOTAL</b>	<b>1,001,804,339.08</b>		

ADHERENCE TO AFPMBAI CODE OF ETHICS AND CODE OF CONDUCT

The rollout of the new corporate values resulted in employees adhering to ethical standards set by the Management under the Code of Ethics and the Code of Conduct booklet. Copies of the booklet were provided and duly acknowledged by the employees. As such, no employee, member of the Management or corporate officer has violated either of the Codes. The Association takes pride in reporting the Negative List to the Insurance Commission on a regular basis.

Anti-Corruption Programs

The Association abhors corruption of any form. Stricter controls are instituted in business processes and spot audit activities are conducted to ensure that there is no corruption even in its slightest degree, or has taken place in any of the Association’s transactions.

Whistle-Blowing Policy

The Management maintains an open-door policy for employees as one of the avenues for reporting corruption and other illegal activities or transactions entered into by fellow employees, regardless of rank. Any reports, supported by facts and documents, are handled with strict confidentiality.

Rewards Policy

The Association believes that quality performance, when recognized and rewarded, are repeated and duplicated. Thus, the Association has instituted a rewards system in keeping with its desire to attract and retain highly competent employees, as embodied in the HR Philosophy and Compensation Philosophy.

The system is aimed at recognizing excellent performance, commendable customer commitment, loyalty in service to the Association, and dedication displayed through employee engagement. Outstanding Employees from the Operations and Support Groups are selected using quantitative and qualitative criteria for their meritorious performances, and are recognized during the Association’s Anniversary Celebration and National Sales Convention.

Likewise, loyal service is acknowledged and rewarded on the anniversary of employment. Deserving employees receive both monetary and non-monetary rewards for their excellent performance. This translates eventually to an improved company performance in general.

POLICY DIVIDENDS

AFPMBAI declared policy dividends amounting to P220.1M for 2019, benefiting the 183,063 policyholders of participating permanent plans. Members with participating plans may claim their dividends from the AFPMBAI Head Office or from any of its branch offices nationwide. Release of the 2019 policy dividends is based on one’s policy anniversary month. Starting May 2020 though, policies with anniversary months June to December can claim their dividends in May. Furthermore, Members with updated bank account records in the AFPMBAI system may opt to claim their dividends directly from their respective accounts.

ON ENVIRONMENT

AFPMBAI contributed to the environment by installing 380 units of solar panels at 260 watts each, generating a capacity of 98.8 KWP at its Main Building and another 128 units of solar panels at 275 watts each, generating 35.20 KWP at its Records Building. These solar panels contributed to the conservation of the environment in reducing the use of fossil fuels as well as reducing the carbon footprints/emission of the Association, a simple gesture of AFPMBAI’s love and concern for Mother Earth.

SAFEGUARDING THE RIGHTS/INTERESTS OF SUPPLIERS/ CREDITORS

AFPMBAI has an established Memorandum Circular (MC) on Procurement of Goods and Materials that contains implementing guidelines on handling purchasing transactions. Stipulated in the MC is the creation of a Purchase Order (PO), a binding contract between AFPMBAI as the buyer and the supplier/vendor, which details the types, quantities and agreed prices for procured products and services. A duly-approved PO is issued by the Association through Administration Division to a chosen supplier/contractor, that will serve as a contract for procurement transactions. Meanwhile, for major purchases/projects that will require labor/service, a contract from the Legal Division is necessary, in addition to a PO.

HEALTH, SAFETY, WELFARE, TRAINING AND DEVELOPMENT

Human resource is the greatest asset of any organization. With this as the bedrock of the Association’s HR Philosophy, AFPMBAI continuously provides its employees with a competitive compensation package, a balanced work and family life, and opportunities for career and personal advancement. The Association conducts holistic activities to enrich the well-being of its employees.

As such, 2019 kicked off with a company-wide team building activity that aimed to revisit its corporate values and align the employees’ personal

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values with the Association's. This activity laid the foundation for building a strong culture of high performing individuals and corporate values that will drive employees on how to do things within the organization.

To keep up with the volatile, uncertain, complex and ambiguous (VUCA) environment, the Association has continuously revisited its corporate values to update them when necessary. Thus, a new set of core values was crafted, namely; Service, Commitment, Integrity, Professionalism and Innovation, replacing former core values; Customer Commitment, Integrity, Professionalism, Innovation and Teamwork.

As part of professional and personal development, employees are given the opportunity to be high-potential members of the organization through the continuous learning and development initiatives, such as but not limited to, institutional and individual training, crafted from results of a competency assessment. The workforce is sent to both in-house and off-site seminars and courses to enhance their soft and technical skills. This initiative prepares them for bigger responsibilities and assuming leadership in the future.

The Association also recognizes its role in ensuring that employees are working in a safe and healthy workplace. Hence, the Occupational Safety and Health (OSH) Committee was formally created to institutionalize the programs and measures, as well as oversee the implementation of OSH regulations in the organization. Coordination with the OSH Center, one of the attached agencies of the Department of Labor and Employment (DOLE), has also been done by the Association. Moreover, a Wellness Program through Zumba sessions is in place to strike a balance between the employees' work and the other aspects of their well-being. The workforce is encouraged to participate in such activities to promote physical, social, mental and even spiritual health.

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#### CHANGING OF THE GUARD

PCol Jose Melencio Nartatez PNP, Social Services Program Committee (SSPC) Vice Chairman; swears in VAdm Leopoldo V Laroya PCG after the untimely passing of the late VAdm Rolando D Legaspi PCG.



#### PASSION TO SERVE

MGen Robert M Arevalo AFP (ret), President and CEO; hands over a ceremonial key during one of the many handover events that sets the standard in the bar of corporate social responsibility programs.

**"A YEAR IN  
THE LIFE OF  
SERVICE TO  
OUR MEMBERS"**

## CORPORATE SOCIAL RESPONSIBILITY REPORT

The year that was 2019 was both challenging as it was dynamic. Events rife with dissidence and disasters marred what for most, would have been an upended year best rewound rather than it be relived. For AFPMBAI however, the year that went was simply another reason to raise its bar of service to greater heights by ensuring its corporate social responsibility (CSR) fundamentals were at the right place. Through the years, the Association's raison d'être scores service above self as its heart and core. And that is all it needs to maintain its position and status.

### RIISING UP TO THE CHALLENGE

At the start of the year, the Social Services Program Committee (SSPC) reviewed the previous year's performance and proffered improvements from which CSR should continuously take off from as base. Though it may be unwarranted, CSR measurement is often an afterthought. For many

years, CSR was believed to simply be a fodder for a company's rising costs of doing business. Through the SSPC, the need for a holistic social services metrics was sought, gauging impact as well as sustainability of its programs. To carry this out, the Social Services Office rolled out an analyses culled from post-event surveys. The results were good for its pilot run, attaining a grade point average of 1.50 (Highly Exceeds Expectations) for this initiative. The considerable rating coupled with the engagement of the sales business units (SBU) through the CSR events simply fuel the adage that integrating corporate social responsibility into business operations is a strategy that makes good business sense.



#### SAFETY FIRST

Company-wide Earthquake Drill held on August 9, 2019.



#### TEAM BUILDING ACTIVITIES

Group activities are a great way to build employee trust. Held during the Association's Team Building on March 3, 2019 at Lima Park Hotel in Batangas City.



#### BUILDING A STRONGER TEAM

The HR Division is on an endless pursuit to strengthen the camaraderie and communication among AFPMBAI employees.



**FÊTÉD FEET.**

Resting their weary feet and hands, the employees had their nails treated lady-like during the event.

**FACE THINGS FIRST.**

Employees receive topnotch facial pampering from skin specialists during the event "Empowered," in observance of Women's Month.

**INVESTMENTS FOR A LIFETIME.**

During the Livelihood Education and Development (LEAD) project, post-event surveys are carried out to gauge the impact of the various CSR programs and its perceived benefits and takeaways from the attendees.

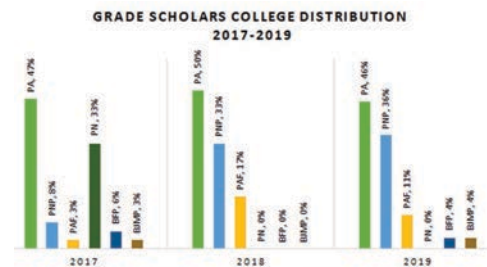
**PLYING CSR BOTH WAYS**

Once confined to the norm of extending CSR outward or externally, 2019 became a banner year for AFPMBAI's internal CSR efforts. This meant that employees of the Association were recognized as integral catalysts as well as beneficiaries of where all good to great initiatives of serving our members ripple from. An internal CSR event was approved by the SSPC during the first quarter of the year. Dubbed "Empowered!," the occasion was synchronized with the international observance of Women's Month. During this day, female employees of AFPMBAI were pampered through an assortment of services; hair coloring, facials, nail treatments, massage, bone density scanning, and medical check-ups related to feminine health. Speakers were also invited to discuss women's health issues and do make-up tutorials. Gift packs were also given to attendees.

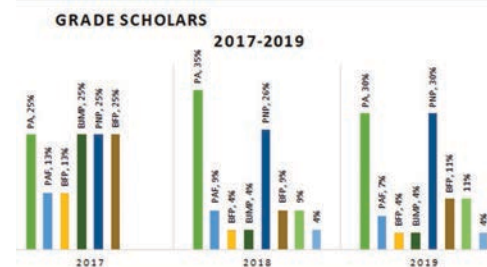
**INVESTING IN EDUCATION**

Under the Education flagship program of the Association, the GRANTS for DEpendents (GRADE) scholars continued their quest to complete an investment of a lifetime through the AFPMBAI's scholarship program. Supporting both secondary and tertiary levels, the GRADE program has adapted itself to remain responsive given the varying academic periods of each institution. With its amended implementing guidelines, the

SSPC expanded its support to the dependents of fallen and disability-discharged AFPMBAI members, from initially intending for a normal school year curriculum period of four years, to now include tri-semester, quad- semester and even two-year vocational technology aspirants, in deference to the K-12 program Tech-VOC strand.



For the past three years, the chart above shows the profile of the scholars for College. Within the periods covered, the GRADE College Scholarship has produced 27 graduates.



For the GRADE-Secondary level, 16 have graduated and are in College. Currently, 19 are still continuing their secondary education through the GRADE scholarship program.

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**THE LEAD-TRADE PROGRAM**

The Livelihood Education and Development (LEAD) program for regular, active members and the Training Advocacy for Dependents (TRADE) have been the Association's trailblazing CSR projects under the General Welfare program, by pioneering Financial Literacy among the major services. The projects empower members and their dependents to look forward to a brighter future by tooling them with a sense of entrepreneurial and business acumen. After the Association championed financial literacy region after region, other financial institutions have followed suit in the mission to help our members be attuned to managing their finances early on in their careers.

To date, the LEADTRADE team continues to bring this defining brand of CSR nationwide. This year, the team chartered Mindanao, staging the program in Basilan and Jolo provinces. The team likewise played host to the community of about 400 children at Camp Teodulfo Bautista in Jolo, Sulu for the Pamaskong Handog ng AFPMBAI.

LEAD SEMINAR SERIES		TRADE SEMINAR SERIES	
AREAS VISITED			
MINDANAO		NORTHERN LUZON	
* EASTMINCOM, Camp Panacan	*PRO11	*PRO 1	PRO1
* TOG 11		*NAVAL FORCES NORTHERN LUZON	
* 101ST INFANTRY BRIGADE		SOUTHERN LUZON	
* 102nd Brigade		*SOUTHERN LUZON COMMAND	SOLCOM
VISAYAS		NATIONAL CAPITAL REGION	
*PRO 6	*3ID, CAMP GEN MACARIO PERALTA	PHILIPPINE ARMY HEADQUARTERS	PHILIPPINE ARMY HEADQUARTERS
*3RD INFANTRY DIVISION	PRO6		
*303RD INFANTRY BRIGADE			

For 2019, the LEAD project surpassed its target of seven areas, by capping the year with a total of 11 areas for LEAD and six for TRADE.

**SOLIDARITY IN DARK TIMES**

"Charity begins at home." This line was the perfect embodiment of the AFPMBAI initiative. As 2019 was drawing to a close, a magnitude-6.6 earthquake struck in Mindanao. Acting on this, the Association's employees, in true "bayanihan" spirit, donated a portion of their salaries to help in the cause. Likewise, the Association's CSR savings and Christmas party budget were also pooled in to be donated and these provided assistance to the communities affected in Mindanao. The total amount raised was used to buy water tanks donated to the affected communities in Mindanao who faced difficulty in securing clean sources of potable water. Head for Area Branch Operations (ABOD) MGen Rizaldo B Limoso AFP (Ret) led this initiative along with the personnel of the Mindanao Branch Operations.

**TIES THAT BIND.**

The LEAD Program not only advocates financial wellness, it also bridges the members and their requirements for financial services to the Association's SBUs who are in attendance.

**ALL HANDS ON DECK.**

Under the TRADE project, the dependent spouses and children are taught cottage industries (food processing and crafts) they can do at home and potentially grow as a business.

**SERVICE ABOVE SELF.**

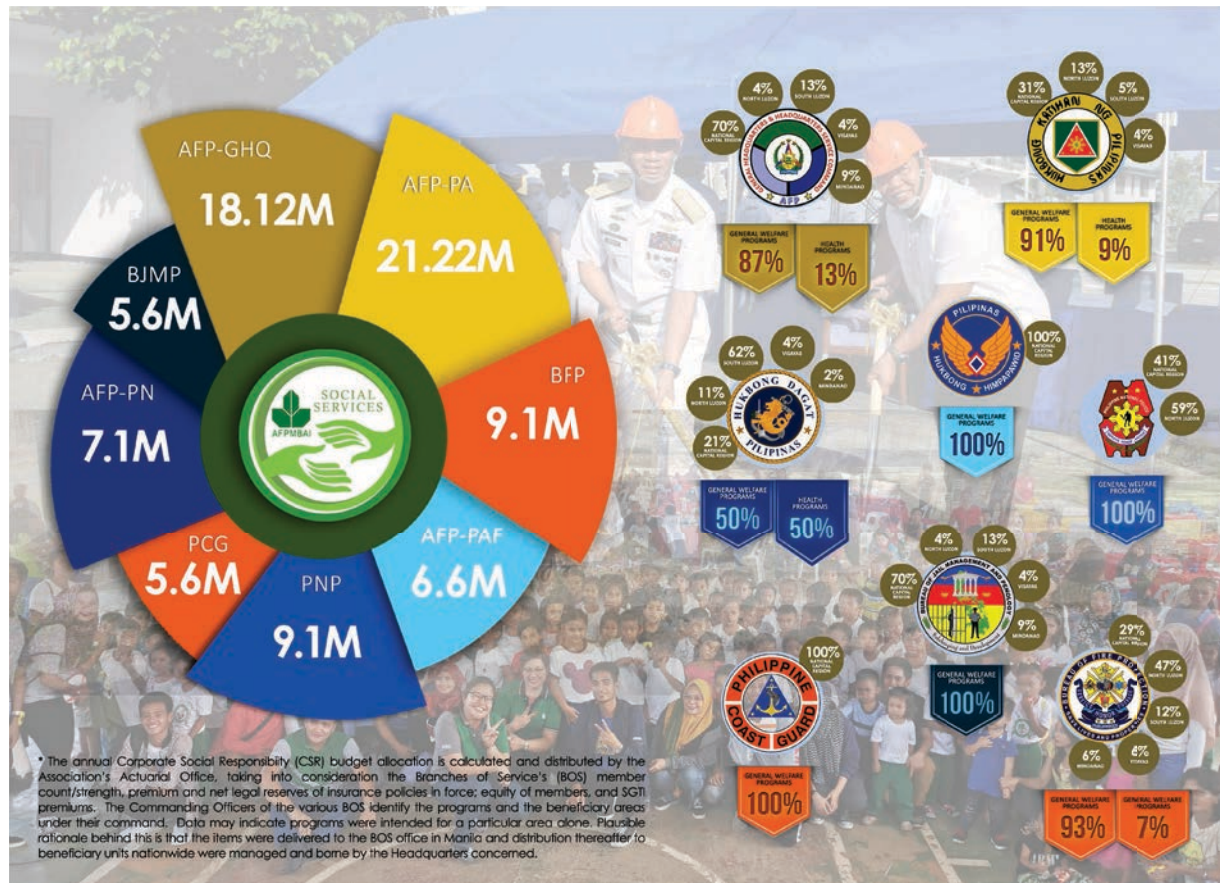
Personnel from AFPMBAI led by MGen Rizaldo B Limoso AFP (Ret), during the handover of water tanks to Vice Mayor Ryan David Tabanay, from the Municipality of Makilala, Cotabato.

Municipal Vice Mayor Donnabel Joy F. Mejia of Magsaysay Davao Del Sur, also an Army Reservist Officer, discusses the extent of the damage with MGen Rizaldo B Limoso AFP (Ret), ABOD Head, during the water tanks handover.



## THE AFPMBAI CSR BUDGET ALLOCATION, UTILIZATION, AND REGIONAL BENEFICIARY DISTRIBUTION CHART

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## BOARD OF TRUSTEES



**GEN FELIMON T SANTOS JR AFP**

Chief of Staff, Armed Forces of the Philippines  
Chairman of the Board, AFPMBAI

January 4, 2020 - Present



**MGEN ROBERT M AREVALO AFP (RET)**

President and CEO, AFPMBAI  
Executive Trustee

May 18, 2019 - Present



**LTGEN ERICKSON R GLORIA AFP**

Vice Chairman  
 AFP Joint Staff Representative  
 October 3, 2018 - Present

**MGEN REYNALDO M AQUINO AFP**

Philippine Army Representative  
 July 29, 2019 - Present

**MGEN PELAGIO R VALENZUELA AFP**

Philippine Air Force Representative  
 September 27, 2019 - Present

**CSUPT DOMINGO V TAMBALO BFP**

Bureau of Fire Protection Representative  
 September 2, 2019 - June 5, 2020

**MGEN ROMEO D POQUIZ AFP (RET)**

Independent Trustee  
 June 9, 2018 - Present

**MGEN ERNESTO D BOAC AFP (RET)**

Independent Trustee  
 May 18, 2019 - Present

**MGEN DANTE E HIDALGO (RET)**

Philippine Navy Representative  
 October 29, 2019 - May 4, 2020

**PBGEN ALFRED S CORPUS**

Philippine National Police Representative  
 January 25, 2018 - Present

**PCOL JOSE MELENCIO C  
NARTATEZ JR**

Philippine National Police Representative  
 November 7, 2018 - Present

**VADM LEOPOLDO V LAROYA PCG**

Philippine Coast Guard Representative  
 September 27, 2019 - Present

**RADM RAUL R UBANDO (RET) AFP**

Independent Trustee  
 May 18, 2019 - Present

**FCMS ENGRACIO S GABO JR (INF) PA**

Representative from  
 the Office of the AFP Sergeant Major  
 July 29, 2019 - Present

**ATTY RENATO A DAVID**

Corporate Secretary  
 July 3, 2013 - Present

**CSUPT RUEL S RIVERA BJMP**

Bureau of Jail Management and Penology  
 Representative  
 May 18, 2019 - Present

# AFPMBAI MANAGEMENT

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**COMMO RAMON S OCHOCO AFP (RET)**  
Head, Corporate Services Group & CCSO



**MGEN ROBERT M AREVALO AFP (RET)**  
President & CEO



**BGEN CESAR M IDIO AFP (RET)**  
Head, Sales & Operations Group & COO



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**ANNIE D ARCE**  
Head, Insurance Sales Division



**REGINA B FAJOTINA**  
Head, Finance Division



**FE E GERONA**  
Head, Real Estate Division



**ATTY MARICAR MARTINEZ-MIRABEL**  
Head, Legal Office



**LTCOL JEFFERSON C ALMAZAN PA (RET)**  
Head, Executive Services Division



**BGEN MARCIAL O CONSTANTE JR AFP (RET)**  
Head, Administration Division



**GIUSEPPE LAURO E MORTA**  
Head, Marketing Division



**MGEN RIZALDO B LIMOSO AFP (RET)**  
Head, Area & Branch Operations Division



**ANTONIO A HORNILLA**  
Head, Information Technology Division



**JOCELYN T MIRANDA**  
Head, Internal Audit Office



**LEA A MALIGASO**  
Head, Human Resources Division



**ATTY ELIZABETH D HIDALGO**  
Head, Compliance Office



**JEFFREY RICHARD NIXON MATTHEW L UY**  
Head, Social Services Office



**MYLENE P ORCULLO**  
Head, Accounting Department



**ANGELINA S JUTIE**  
Head, National Capital Region Area  
Area & Branch Operation Division



**GERALDSAM A AGBAY**  
Head, Strategic Management Office



**ATTY LYNEL L SESE**  
Head, Litigation and Prosecution Unit  
Legal Office



**LORPHINE G JUNIO**  
Head, Investment Office



**MARIO C SERIOSA**  
Head, Northern Luzon Area  
Area & Branch Operations Division



**DEONESIO B CORONG II**  
Head, Mindanao Area  
Area & Branch Operations Division



**ATTY AL-MAY SAIR F PATANGAN**  
Head, Documentation and Compliance  
Legal Office





**LEAH Y JOYA**  
Head, Northern Luzon & Southern Luzon Area  
Insurance Sales Division



**ENGR FERDINAND D DE LEON**  
Head, Safety, Security & Building  
Administration Department



**COL WENCESLAO M ROMERO JR PAF (RET)**  
Manager, Office of the Head Admin Division



**ALPHA GRACE F VENTANILLA**  
Head, Underwriting, Policy and  
Membership Department



**FLORDELIZA D OCBANIA**  
Head, Billing & Collection Department



**FELISA T LINGAN**  
Head, Cash Management Department



**MARIETTA O ALEJO**  
Head, Visayas and Mindanao Area  
Insurance Sales Division



**EMELITO E LOPEZ**  
Head, National Capital Region Area  
Insurance Sales Division



**JESUS A LAGUNA**  
Head, Accounts Monitoring Department



**ENGR ANNALY A LAVARIAS**  
Head, Business Technology Solutions Office



**ARCH EDGAR A CLARIZ**  
Head, Planning, Design, Construction  
Department



**JOYCE ANNE T BONAGUA**  
Head, Strategic Marketing Department



**MARY ANN VICTORIA M RECINTO**  
Head, Marketing Services Department



**JASMIN M DAMO**  
Head, Risk Management Office



**MA. JOCELYN N JUNSAY**  
Head, Visayas Area  
Area & Branch Operations Division



**CELSO M ROBLES**  
Head, General Services Department



**GEMMA A SILVESTRE**  
Head, Alternative Investment Office



**RAMONA JOSEFA M PANIS**  
Head, Board Relations Office



**MICHELLE A ESPULGAR**  
Head, Real Estate Sales Department



**LORRAINE MARIE L DE VILLA**  
Head, Southern Luzon Area  
Area & Branch Operations Division



**MARK GERARD L BUMATAY**  
Head, Actuarial Office

## BRANCH AND EXTENSION OFFICES

### NATIONAL CAPITAL REGION

Head: Angelina S. Jutie

#### **Camp Aguinaldo Branch**

Supervisor: Imelda L Jamandron  
Col Bonny Serrano Rd  
Cor Edsa, Cubao Q.C  
(02) 8822-MBAI (6224)

#### **Fort Bonifacio Branch**

IOC, Supervisor: Shailla Tumbaga  
B 36 L 21 & 29 LBO Bldg  
AFPOVAI Bayani Road  
Western Bicutan, Taguig City  
09338695686 / 0955-453-7042

#### **Tanay Extension Office**

In-charge: Maribel M Manalo  
Camp Gen Capinpin  
Tanay, Rizal  
09338695667

#### **Villamor Extension Office**

In-Charge: Jay Javison  
3rd Floor PAF Airmen's Mall  
CJVAB, Pasay City

### NORTHERN LUZON AREA

Head: Mario C Seriosa

#### **Baguio Branch**

Supervisor: Edna P Ramos  
AFPSLAI Bldg., Camp Henry Allen Baguio City  
0933-869-5733 / 0927-982-9859  
(074)443-5883

#### **San Fernando La Union Extension office**

In-Charge:  
Unit C, National Road, Pagdalagan Norte  
City of San Fernando, La Union  
0921-454-9621 (072) 607-8120 / 0933-8695676

#### **Dagupan Extension Office**

In-Charge: Joel Molina  
Room 203 2nd floor, Siapno Bldg., corner  
Rivera St. and Zamora St. Dagupan City  
0933-869-5684/ 0930-9664762

#### **Laoag Extension Office**

In-charge: Marie Cris S Camagon  
Unit 202 VL & SONS Bldg.  
P. Gomez St., Laoag City  
0933-869-5676 / 0929-691-5944  
(077)677-1715

#### **Isabela Branch**

Supervisor: Restituto M Duran III  
3/F Alamoana Bldg, Maharlika Highway  
Villasis, Santiago City, Isabela  
0907-8227859 / 0933-869-5734  
(078)682-0935

#### **Bayombong Extension Office**

In-Charge: Grazelle Mayanggao  
Room D, F & V Delos Santos  
Commercial Bldg. 146 National Road,  
District IV, Bayombong Nueva Vizcaya  
0933-869-5652

#### **Upi Extension Office**

In-Charge: Melanie Nabanalan  
Camp Melchor F Dela Cruz  
Upi, Gamu, Isabela  
0933-8695668

#### **Tuguegarao Branch**

Supervisor: Grandee P Dumlao  
2/F Rios Bldg Cor. College Ave and Taft St.  
Centeo 8,  
Tuguegarao City, Cagayan

0916-167-6224/ 09338695712  
(078)844-6728

#### **Tabuk Extension Office**

In-charge:  
2F Kalinga Bazaar Bldg, Bulanao  
Tabuk City, Kalinga  
09338695665

#### **Cabanatuan Branch**

Acting Supervisor: Sally Santos  
Unit A Abesamis Bldg., Melencio St  
Brgy San Roque Norte, Cabanatuan City

0933-8695732/ (044)464-3908

#### **Fort Magsaysay Extension Office**

In-charge: Julius Villas  
7th Infantry Division, Philippine Army  
Fort Magsaysay, Palayan City, Nueva Ecija  
0933-869-5728

#### **Clark Extension Office**

In-charge:  
600th Air Base Wing, Clark Air Base  
Pampanga  
0933-869-5727

#### **Olongapo Extension Office**

In-Charge: Ellen G Importado  
1869 Rizal Ave., West Bajac-Bajac  
Olongapo City  
0933-869-5726  
Tarlac Extension Office  
In-charge: Catherine Allag  
2/F AJ-AS Building, Brgy. Maligaya  
Tarlac City  
0933-869-5714



**Capas Extension Office**

In-charge:  
G/F 2R Bldg, Sta. Lucia, Capas Tarlac  
0933-869-5713

**Camp Olivas Extension Office**

In-charge: John Carlo Manalac  
Camp Olivas, City of San Fernando  
Pampanga  
0933-8695729

**SOUTHERN LUZON AREA**

Head: Lorraine Marie L. De Villa

**Cavite Branch**

Supervisor: Maria Nimfa Recaido  
2ND Floor Unit-D 685 R.Basa st  
Brgy. Labanos, San Roque  
Cavite City  
0949-3403639 / 0933-869-5681  
(046) - 4358992

**Palawan Extension Office**

In-Charge: Maria Clarissa A. Barroma  
Unit 204, 2/F, SJD Green Bldg  
132 National Highway, Brgy. San Pedro  
Puerto Princesa, Palawan  
(048)434-7012 / 09338695663  
0949-3364100

**Lucena Branch**

Supervisor: Estrellita O Querimit  
SOLCOM, Camp Guillermo Nakar  
Lucena City  
0942-802-6224 / 0933-869-5660  
(042)373-1091

**Daet Extension Office**

In-charge: Roxette G. Daluraya  
No. 2 Blk 6 Lot 1 Bel-Air Subdivision  
Lag-on Daet, Camarines Norte  
0943-7088627/ 09338695651

**Batangas Branch**

Supervisor: Edna Isita  
2/F N & A Bldg B1-L2 Commercial Area,  
Base View Homes, Brgy Sico,  
Lipa City, Batangas  
(043) 702-4352/ 0933-869-5687

**Canlubang Extension Office**

In-charge: Geneca Subion  
Camp Vicente Lim, Canlubang Laguna  
(049)531-4234 / 0933-869-5678

**Calapan Extension Office**

In-charge: Kathlyn Grace Alzate  
2/F San Agustin Bldg., Bonifacio  
Cor Osmena St., Brgy Ilaya,  
Calapan City, Oriental Mindoro  
0933-869-5655/ 0947-3861320

**Legaspi Branch**

Supervisor: Jecris Sagragao  
ANST Bldg., Washington Drive  
Legazpi City  
0933-8695659/ 0916-7879077  
(052)732-7980/ 0999-4809566

**Pili Extension Office**

In-charge: Faye Morada Barajas  
2/F REMC New San Roque,  
Pili Camarines Sur  
0935-930-7236 / 0933-869-5664

**Masbate Extension Office**

In-Charge:  
2F Pecson Manalo Bldg, Ibanez St  
Masbate City  
0933-869-5662/ 0935-039-1931

**VISAYAS AREA**

Head: Jocelyn N. Junsay

**Iloilo Branch**

Supervisor: Mary Joy Locsin  
Arthur Suite General Luna st.  
Iloilo City  
0920-2651471 / 0933-869-5762  
(033) 337-8416 / 230-7993

**Bacolod Extension Office**

In-charge:  
Door 5 Elcourt Bldg., 1st Street,  
Lacson, Bacolod City  
0933-869-5764/ (034) 434-6044

**Jamindan Extension Office**

In-charge:  
Sitio Agbalagon, Jaena Norte  
Jamindan, Capiz  
09338695689

**Kalibo Extension Office**

In-Charge:  
Door# 206 2nd Flr Waldolf Garcia Bldg  
Osmeña Avenue, Kalibo Aklan  
0933-869-5650 (036) 268-3903

**Cebu Branch**

Supervisor: Vembe Magalso  
CENTCOM, AFP, Camp Lapu-Lapu  
Lahug, Cebu City  
0920-5001827 /09338695682  
(032) 234-1028/ 230-7989

**Dumaguete Extension Office**

In-charge: Geoviliza Z Tayag  
Door no. 4 Canlas Bldg.,  
Cervantes St., Dumaguete City  
0919-6661048 / 09338695685  
(035) 226-3527

**Bohol Extension Office**

In-charge: Sheryl A Paeste  
Unit 3, 2F Vennore Commercial Bldg  
JA Clarin St., Tagbilaran City Bohol  
(038) 412-7282/0933-8695654

**BOGO Extension Office**

In- charge: May Anne Astillo  
Brgy. Taytayan, Bogo City  
0933-869-5653

**Tacloban Branch**

Acting, Sup: Barbara Jane A Nuyte  
Aqua Glass Bldg cor. P. Gomez & Real st.  
Tacloban City  
0921-4354529 / 0933-869-5666  
(053) 325-6552 / 230-7997

**Catbalogan Extension Office**

In-charge: Benjie Saron  
Camp Lukban, Maulong  
Catbalogan, Samar  
0999-831-0200/ 0933-869-5680  
(055) 251-5351

**Catarman Extension Office**

In-charge: Novelin J Mahinay  
Bonifacio St., Corner Roxas St  
Brgy Casoy Catarman Northern Samar  
(055) 251-8555/0933-8695679

**Maasin Extension Office**

In- charge:  
Capt. Iyano St. Brgy. Tagnipa,  
Maasin City, Southern Leyte  
0933-869-5661

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**MINDANAO AREA**

Head: Deonesio B Corong II

**Zamboanga Branch**

Supervisor: Sharina Deriza  
Western Mindanao Command  
Camp Basilio Navarro, Lower  
Calarian, Zamboanga City  
/ 0933-869-5786  
/(062)991-1053

**Pagadian Extension Office**

In-charge: Marie Lei Pamittan  
Kuta Dao, Pagadian City  
0933-869-5790  
(062) 215-3907

**Dipolog Extension Office**

In-charge: Krystal Lyne Duran  
Jucit Bess Bajamunde Sanico Bldg.  
Gonzales cor., Malvar St.  
Dipolog City  
0933-869-5717

**Agayan De Oro Branch**

Supervisor: Conchita Ma Concepcion L Salazar  
Nuñez Bldg, Zone 1, Bulua  
Agayan De Oro City  
0999-4697000 / 0933-8695787  
(08822) 735-695

**Iligan Extension Office**

In-charge: Jefliamae Silao  
Jariol Bldg.,  
Del Pilar St., Iligan City  
(063) 222-3718 / 0933-869-5719

**Bukidnon Extension Office**

In-charge:  
Fortich Street.,  
Malaybalay City, Bukidnon  
0933-869-5720

**Butuan Branch**

Supervisor: Mary Ann Malunhao  
Door 1 Apata Bldg  
Brgy. Bancasi, Butuan City  
0928-3687565 / 0933-869-5721  
(085) 8153764

**Surigao Extension Office**

In-charge:  
1208-C Diez St, Brgy Taft  
Surigao City  
0933-869-5722

**Davao Branch**

Supervisor: Menchie C Makilang  
4/F AFPMBAI Bldg, Maya Street,  
Ecoland, Matina, Davao City  
0933-8695788 / (082) 297-5482

**Mati Extension Office**

In-charge: Paullyn Grace P Gamayon  
Manongas Bldg. Limotoc St.  
Mati City  
0933-8695723/ (082)8117425

**General Santos Extension Office**

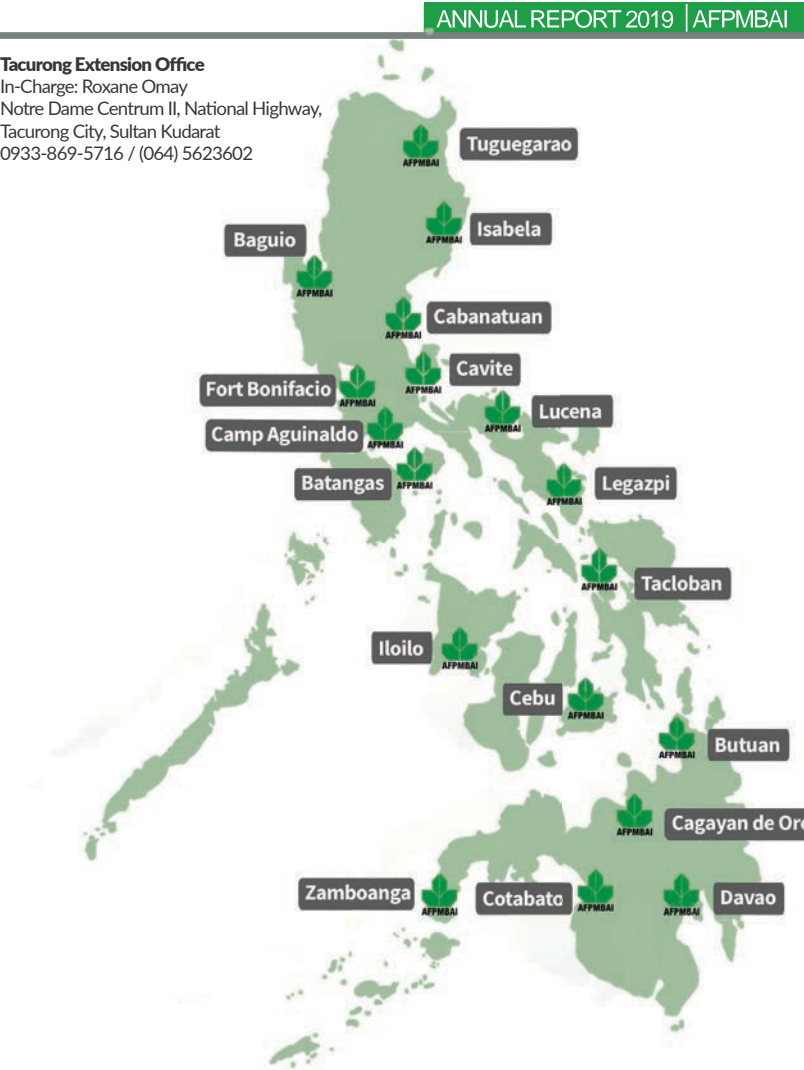
In-charge:Janet M Jaudian  
3/F SAFI Bldg., 2, Mansanitas St. Cor.  
Nuñez Bldg, Zone 1, Bulua  
Magsaysay Ave., General Santos City  
0933-8695724  
(083) 553-1454

**Cotabato Branch**

Supervisor: Annaliza B Lim  
2/F Herrera Bldg., 154 Quezon Ave,  
Cotabato City  
09338695785  
421-4004

**Kidapawan Extension Office**

In-Charge: Janelyn Soliza  
2/F ZEPOL Bldg. Quezon Blvd.  
Kidapawan City  
(064) 2480139 / 0933-8695725





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[mail@afpmbai.com.ph](mailto:mail@afpmbai.com.ph)



(02) 8822-MBAI (6224)