

GOVERNANCE REPORT



20
23

GOVERNANCE REPORT

Beginning at the Board level, implementing governance best practices organization-wide remains a constant aim of AFPMBAI. With the guidance of the Insurance Commission (IC) and the Institute of Corporate Directors (ICD), AFPMBAI continues to adopt global governance standards in order to demonstrate to its members and stakeholders the value they hold for the Association.

To improve its governance practices, in 2023 the Board of Trustees approved the conduct of an external party assessment of Board performance by commissioning ICD to evaluate how the AFPMBAI Board performed its duties and responsibilities for the year. The external assessment of Board performance has now been established as a practice to be conducted every three years.

During the second quarter of the year, the Internal Audit Office also conducted a Board Governance Practices Review through controlled self-assessment under the oversight of the Audit Committee. The results were presented to the Board in order to point out key areas of improvement. These practices assure the members of an objective performance evaluation of the representatives they elected, as well as a comprehensive review of the Board's work processes. The results serve as a guide for the members of the Board to continue improving on areas that may further be strengthened. One of the areas for improvement referred to is the performance assessment of the Risk Officer and the Compliance Officer. Guidelines in performance evaluation of the Control Function heads has already been included in the AFPMBAI Manual of Corporate Governance. Another enhancement is the adherence to the required submission of meeting materials.

Heeding the call for greater independence at the Board level, the Board also restructured its committees to assure a majority of independent trustees in the Governance Committee and the Audit Committee, while the Risk Oversight and Related Party Transaction Committee continues to be composed of a majority of independent trustees. This re-composition assures that Board decisions will be made with impartiality and with greater balance of business and stakeholder interests.

In compliance with Insurance Commission Circular Letter No. 2020-71 on the Revised Code of Corporate Governance for Insurance Commission (IC) Regulated Companies, the Board elected as



Certification

ICD certifies that an independent Third-Party Board Evaluation for 2023 was conducted for

Armed Forces and Police Mutual Benefit Association, Inc.

The Third-Party Board evaluation was conducted through questionnaires answered by every Director. The scope includes structure and composition, responsibilities and duties, board processes, dynamics and relationships, and corporate governance practices related to the strategy, policy, oversight, and accountability functions giving insights on the effectiveness of the Board, the Committee, the Chairperson, and the Directors.

March 2024 at Makati City, Philippines

Engr. Valentin A. Reyes Executive Director



its Lead Independent Trustee in 2023 one of its most esteemed members, former Chief of Staff of the Armed Forces of the Philippines, as well as former Chairman of the AFPMBAI, Gen Ricardo A David Jr PA (Ret). Gen David chaired the Non-Executive Trustee (NET) Meeting of the Association for the first time on 5 September 2023 wherein the Board, without the President and CEO present, discussed matters elevated by the Audit Committee. Per the IC Circular, it is important to put in place proper mechanisms that ensures independent views and perspectives at the Board level: "More importantly, it avoids the abuse of power and authority, and potential conflict of interest. A suggested mechanism is the appointment of a Strong 'lead director' among the independent directors. This lead director has sufficient authority to lead the Board in cases where management has clear conflicts of interest. The functions of the lead director include, among others, the following:

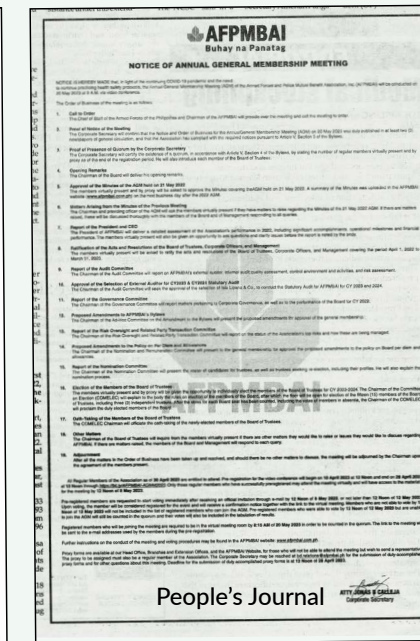
- a. Serves as an intermediary between the Chairman and the other directors when necessary;
b. Convenes and chairs meetings of the non-executive directors; and
c. Contributes to the performance evaluation of the Chairman, as required."

These improvements in AFPMBAI's governance best practices are geared toward increasing member confidence in the Association, in the Board and Management, and in our products and services. The Association has always emphasized that AFPMBAI members come first, and all governance efforts are conducted to bring to the members an assurance of Buhay na Panatag.

2023 ANNUAL GENERAL MEMBERSHIP MEETING (AGM)

PUBLICATION OF NOTICE OF MEETING

The Notice of Meeting for the 2023 AGM was published in two major dailies, The Manila Bulletin and People's Journal, on 3 April 2023, more than one month prior to the AGM. This was to give the Association's members enough time to prepare and participate in the meeting. However, another publication was subsequently issued changing the meeting time from 9 AM to 2:30 PM. The AGM was also posted in the AFPMBAI website, where members could pre-register for the event, and vote on matters to be taken up. The AGM was also widely-publicized using AFPMBAI's social media accounts, through radio messages, and through announcements made by the members of the Board of Trustees within their branches of service. All AFPMBAI Branches and Extension Offices nationwide also informed the members within their reach of the AGM scheduled on 20 May 2023.



MEMBERSHIP PARTICIPATION

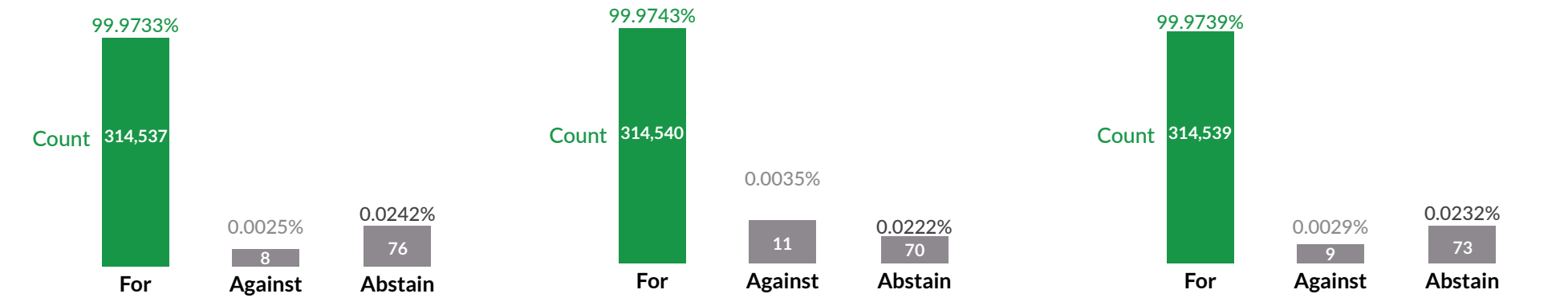
Membership participation in the AGM saw an increase in pre-registration of 292% in 2023 compared to 2022 data and 1,358% increase from 2021 figures. The Association continued to hold its AGM as a virtual meeting via Zoom to encourage more members nationwide to join and participate in all items presented in the Order of Business. The pre-registered members came from the following Branches of Service:

Branch of Service	%
Philippine Navy	50.13%
Philippine National Police	14.10%
Philippine Army	11.55%
Bureau of Protection	10.76%
Philippine Coast Guard	5.23%
Bureau of Jail Management and Penology	4.72%
Philippine Air Force	3.03%
Retired	0.48%
TOTAL	100%

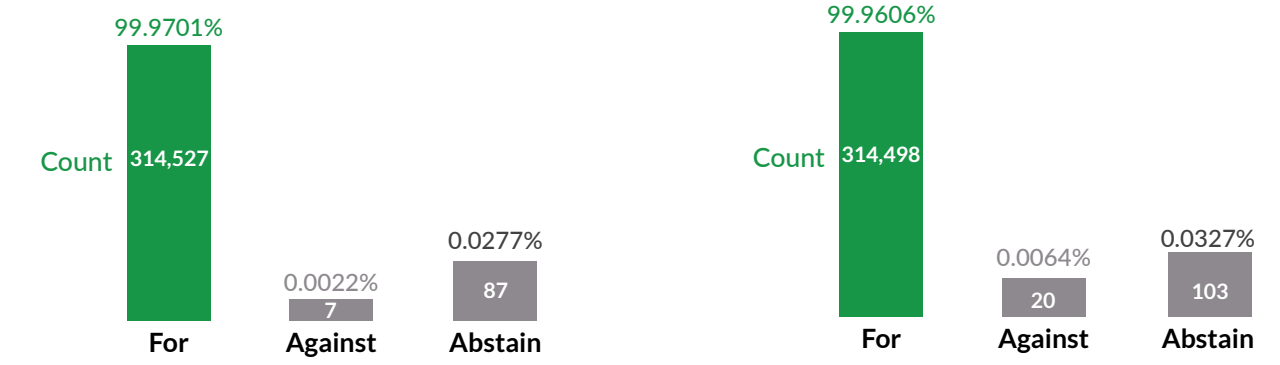
Validated pre-registered members were allowed to vote on all matters presented for their decision, and their votes were counted even when they were unable to attend the actual meeting on May 20 (Voting-in-Absentia). The members voted on the following matters, with tabulation results including the residual votes of the Chief of Staff AFP:



MATTERS FOR APPROVAL/RATIFICATION

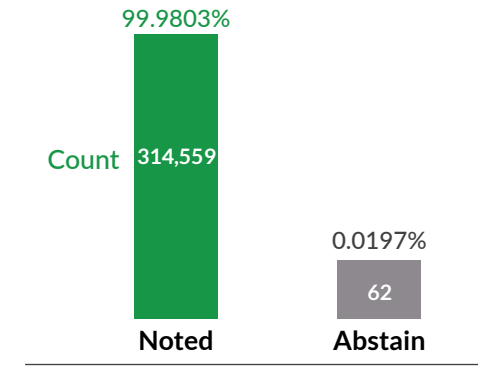


- The Minutes of the Annual General Membership Meeting held on 21 May 2022
- The Acts and Resolutions of the Board of Trustees, Corporate Officers, and Management covering the period April 1, 2022 to March 31, 2023
- The Selection of External Auditor for CY2023 & CY2024 Statutory Audit

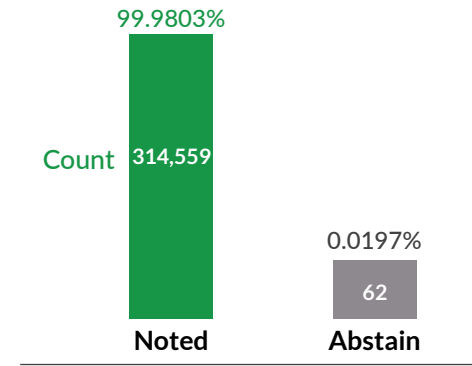


- The Proposed Amendments to AFPMBAI's Bylaws
- The Proposed Amendments to the Policy on Per Diem and Allowances

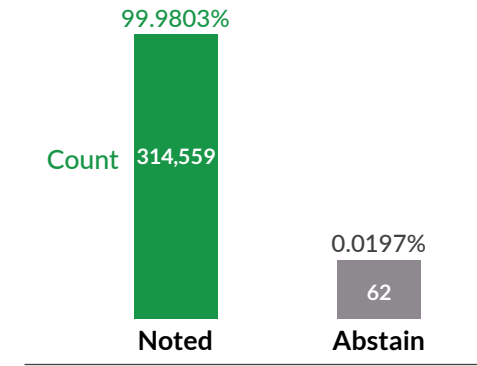
MATTERS FOR NOTATION



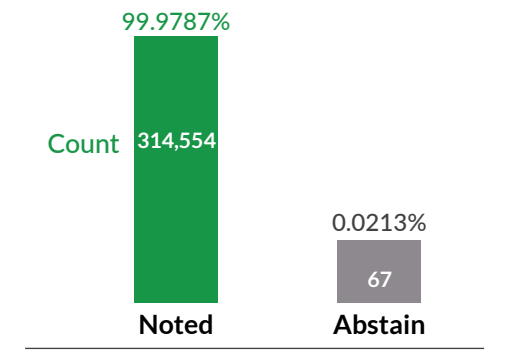
1. Report of the President and CEO



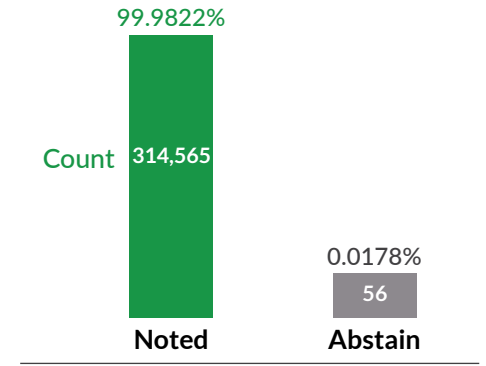
2. Report of the Audit Committee



2. Report of the Governance Committee



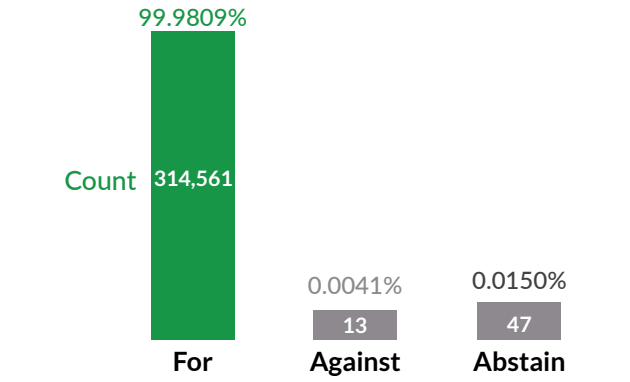
3. Report of the Risk Oversight and Related Party Transaction Committee



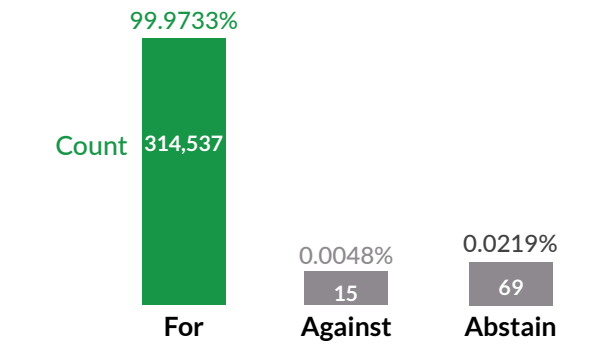
5. Report of the Nomination Committee

The general membership also elected the members of the Board of Trustees for CY 2023, as follows:

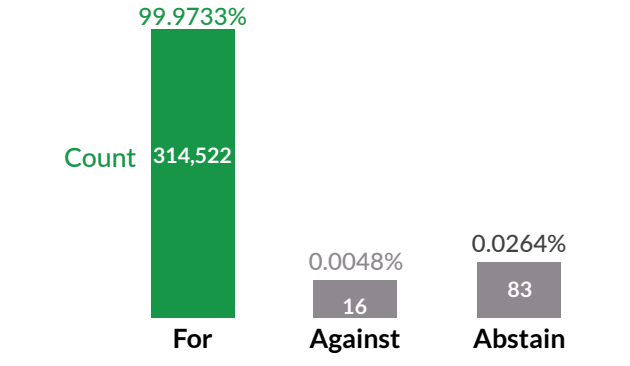
TRUSTEES ELECTED



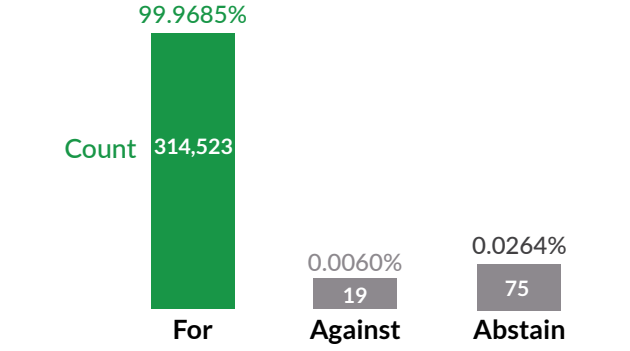
1. Gen Andres C Centino PA representing the Office of the the Chief of Staff, AFP



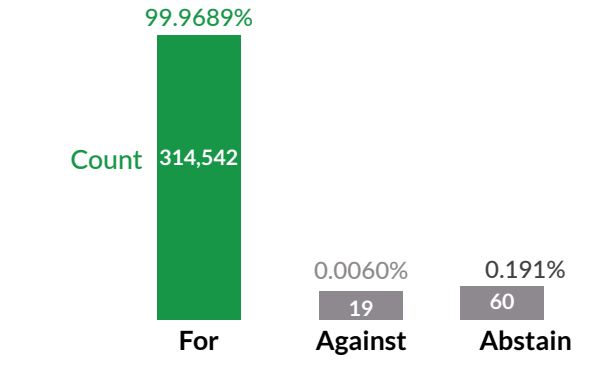
2. BGen Rommel P Roldan PAF, representing the Joint Staff of the Armed Forces of the Philippines



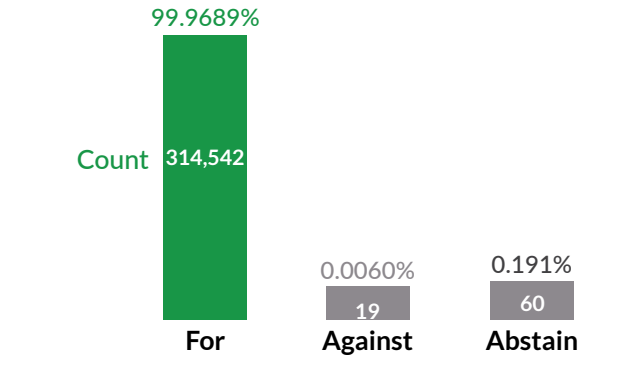
3. MGen Adonis R Bajao PA, representing the Philippine Army



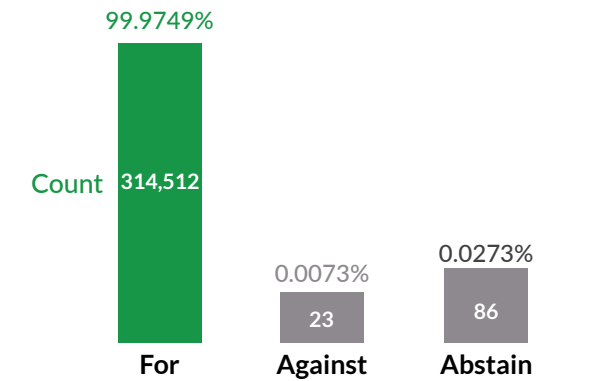
4. MGen Ramon J Guiang PAF, representing the Philippine Air Force



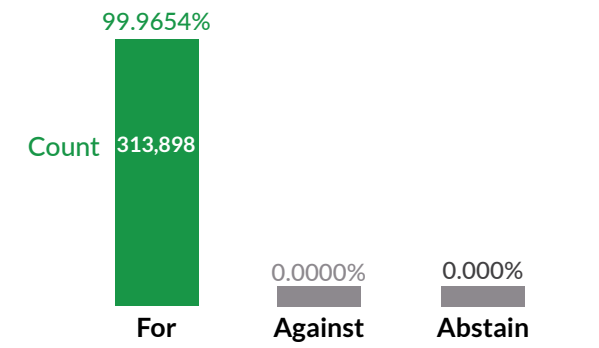
5. RAdm Caesar Bernard N Valencia PN, representing the Philippine Navy



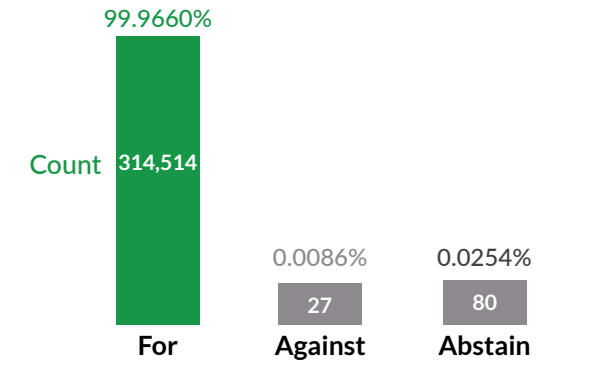
6. MCPO Joe Marie V Lucero PN, representing the office of the AFP Sergeant Major



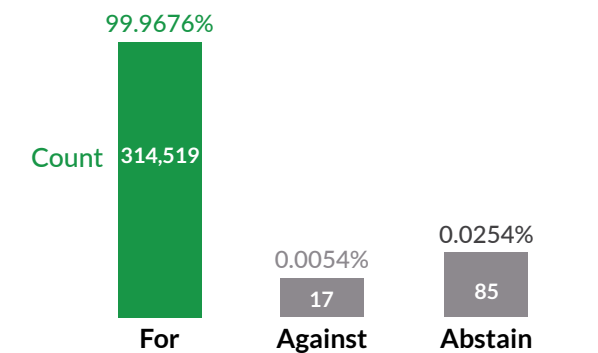
7. PGen Roderick Augustus B Alba, representing the Philippine National Police



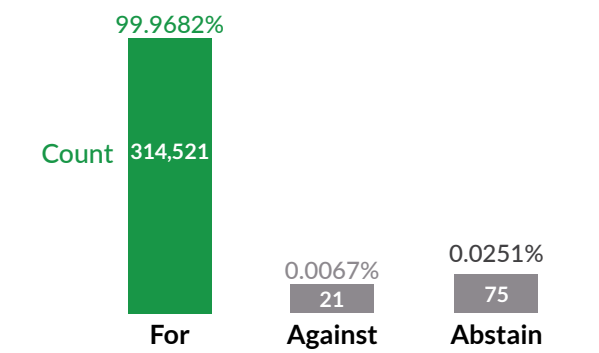
8. PCol Dindo R Reyes, representing the Philippine National Police



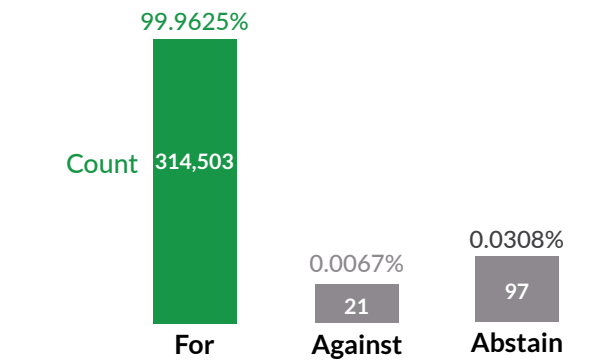
9. CG VAdm Rolando Lizor N Punzalan Jr, representing the Philippine Coast Guard



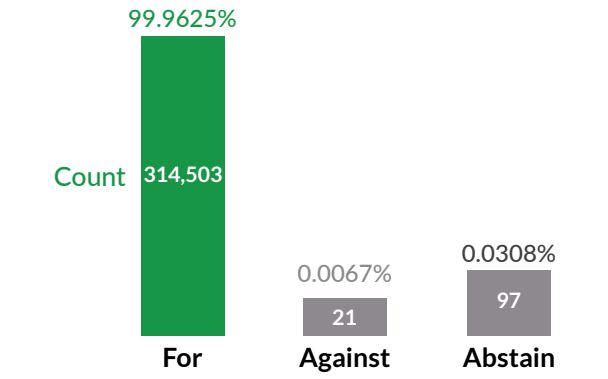
10. CSupt Rinco T Montaus BJMP, representing the Bureau of Jail Management and Penology



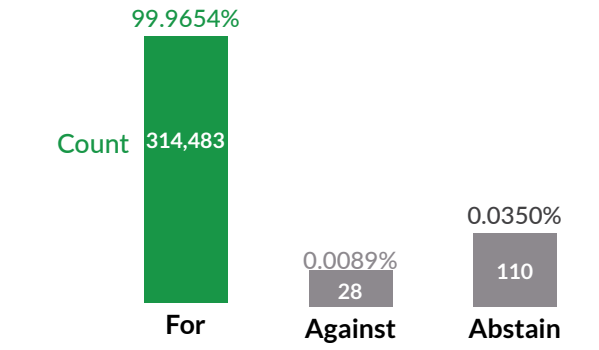
11. CSupt Jesus P Fernandez BFP, CESE, representing the Bureau of Fire Protection



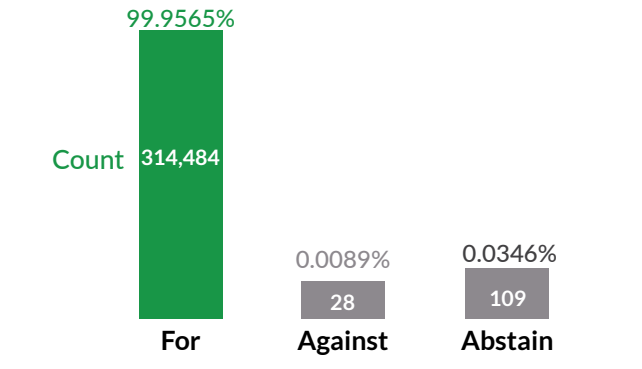
12. BGen Bienvenido Y Regondola Jr PA (Ret) representing the Membership at-Large



13. Gen Ricardo A David Jr PA (Ret) as Independent Trustee



14. BGen Rodel Mauro R Alarcon PA (Ret) as Independent Trustee

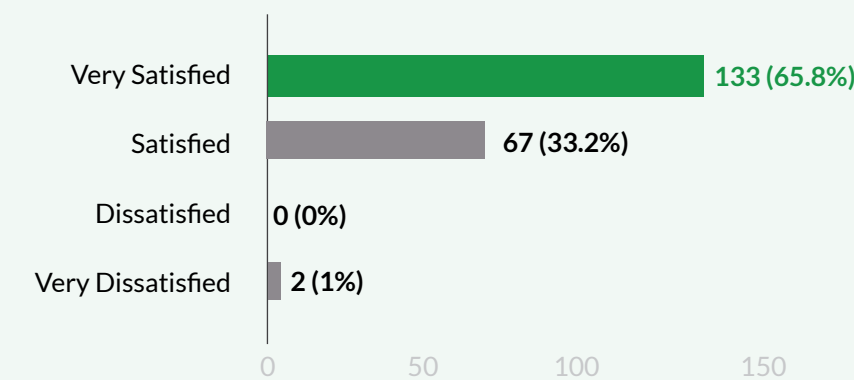


9. BGen Philip S Lapinid PA (Ret) representing the Philippine Coast Guard

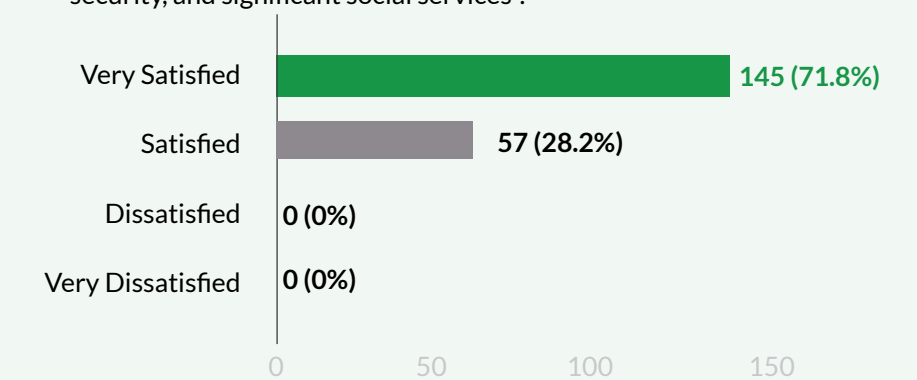
SURVEY ON BOARD PERFORMANCE

As part of the governance best practices instituted since 2022, a survey on Board Performance for CY 2023 was conducted to gain membership feedback. The results showed that majority of the members of the Association were very satisfied with the performance of their Board of Trustees, as illustrated below and in the succeeding page:

1. How would you evaluate performance of the AFPMBAI Board of Trustees in terms of its strategic thrust for Good Governance and Member Satisfaction for CY2022?



2. Do you believe that AFPMBAI, through the direction of its Board of Trustees, has so far accomplished its Mission to 'provide members and their families with comprehensive insurance, opportunity for lifetime security, and significant social services'?



BOARD INDEPENDENCE AND DIVERSITY

AFPMBAI acknowledges that diversity is a significant factor in ensuring that the Board operates with a wide range of perspectives, experience and expertise. As enunciated in the AFPMBAI By-Laws and the Manual of Corporate Governance, the Association also recognizes that diversity in the Board of AFPMBAI is derived from its composition, as provided in the Bylaws, of having a representation from the different branches in the uniformed services. Further diversity is provided by the presence of a representative from the enlisted personnel, as well as a representative of retired members.

In order to represent the full spectrum of the regular membership, BOT members were elected from the Philippine Army, Philippine Navy, and Philippine Air Force, as well as those representing the Armed Forces of the Philippines itself from its top officers, down to the enlisted men. Representatives from the Philippine National Police, Philippine Coast Guard, Bureau of Fire Protection, and Bureau of Jail Management and Penology also provided diversity from the military personnel in the Board. The independent trustees, although retired military officers, are already considered civilians. Although they represent the minority membership, their many years of handling high positions in government provide much needed expertise and wisdom in the course of the deliberations and decision-making in the Board.

All trustees performed their mandated duties with admirable independence and objectivity, considering not only the concerns of their respective branches of service when making decisions but also the overall impact of each project proposal on the Association's sustainability objectives.

Gender diversity at the Board level continues to be a goal of the Association, as communicated to each of the Branch of Service (BOS) Commanders when soliciting candidates for Board seats in accordance with the Rules on Nomination and Election. However, it remains a fact that there are more male officers in the military and uniformed services than female officers that could adequately represent their respective BOS. We continue to be hopeful that, in the coming years, more female candidates will be nominated for AFPMBAI Board seats.



CONTINUING EDUCATION PROGRAM

According to the provisions of the Association's Amended Manual of Corporate Governance, "within the month after election, or at the earliest possible time, a first-time trustee must undergo at least an 8-hour orientation program that covers the following topics:

1. Introduction to AFPMBAI

- Articles of Incorporation and By-Laws, Code of Ethics
- Roles and Responsibilities of Trustees
- Business Model, Operations, Products and Services
- Rules on Parliamentary Procedure

2. SEC and IC-mandated topics on corporate governance, such as, but not limited to:

- Revised Code of Corporate Governance for IC Regulated Companies;
- ACGS and IC Annual Corporate Governance Report;
- Board Responsibilities;
- Illegal activities of corporations/ directors/ officers;
- Protection of minority shareholders;
- Liabilities of directors;
- Confidentialities;
- Conflict of interest;
- Related Party Transactions;
- Enterprise Risk management;
- Case studies and Financial Reporting and Audit; and,
- Mandatory on-going AML/CFT training program for all directors, officers, and employees

When the course is available, the trustee must undergo a seminar on corporate governance principles offered by the Institute of Corporate Directors, or other SEC-accredited reputable training providers.

To ensure that the members of the Board remain qualified for their positions individually and collectively, and to enable them to fulfill their roles and responsibilities and respond to the needs of the Association in light of the evolving business environment and strategic direction, trustees should have an annual Continuing Education Program (CEP) where they are informed of the developments in the business and regulatory environments, including emerging risks relevant to the Association. The CEP involves courses or dialogues with industry leaders and resource persons on corporate governance matters, including audit, internal controls, risk management, sustainability and corporate strategy."

All new trustees of the Association thus underwent an orientation program on AFPMBAI Operations and their roles and responsibilities as members of the Board of Trustees. Those who had not yet previously attended such course also joined the Corporate Governance Orientation Program (CGOP) of the Institute of Corporate Directors (ICD).

On 21, 23, and 26 June 2023, the Continuing Education Program (CEP) for all Trustees, Corporate Officers, and Key Management Officers commenced with the following speakers and topics:



	Part 1	Part 2	Part 3
Date	21 June 2023, Wednesday	23 June 2023, Friday	26 June 2023, Monday
Time	1:30 PM onwards	1:30 PM onwards	1:30 PM onwards
Venue	Video Conference via Zoom	Video Conference via Zoom	Video Conference via Zoom
Topices	<ul style="list-style-type: none"> • Updates from the Insurance Commission (IC) • Economic Briefing/Market Outlook 	<ul style="list-style-type: none"> • Basics of Investing for Fixed- Income Securities and Equities & Managed Funds • The latest in Information Technology 	<ul style="list-style-type: none"> • Update on Military and Uniformed Personnel Pension Reform Bills • Influencing Legislation
Speakers	<ul style="list-style-type: none"> • Ms Carol Musngi, IC Senior Insurance Specialist, Statistics and Research Division • Mr Allan Abella and Ms Maricris Espinosa, IC Insurance Specialists, Life/MBA/Trust Division • Atty Alwyn Franz P Villaruel, IC Division Manager, Claims Adjudication, Legal Services Group and Media Relations Officer • Ms Alessandra Araullo, Chief Investment Officer, ATR Asset Management Trust Corporation 	<ul style="list-style-type: none"> • Ms Joahna P Go, Head, Active Investment, Investment Office, AFPMBAI • Ms Bonnaliza B Saxby, Head, Alternative Investment, Investment Office, AFPMBAI • Ms Annaly Lavarias, Head, IT Division, AFPMBAI • Mr John Luther Garcia, Vice President for Technology of EastWest Ageas Insurance 	<ul style="list-style-type: none"> • BGen Rommel P Roldan PAF, The Deputy Chief of Staff for Personnel, Armed Forces of the Philippines • Ms Malyn Molina, President & CEO, EON Manila • Mr Jose Escalante and Atty Simoun Salinas, also from EON Manila

Throughout the year, the Trustees and the Corporate Secretary also attended seminars separately to further equip them for their tasks in the Board of Trustees. These seminars were ICD's Professional Development Program and the Anti-Money Laundering Council's Anti-Money Laundering/Counter-Terrorism Financing Seminar.

BOARD OF TRUSTEES



Gen Romeo S Brawner Jr PA
Chief of Staff, AFP
AFPMBAI Chairman

Age: 55 years old
 Date of First Election: July 28, 2023
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Asian Institute of Management, Makati City
 Degree/Course: Strategic Human Resource Management
 Completed: January 2022

Asian Institute of Technology, Thailand
 MBA – Management of Technology
 August 1999

European School of Management, Oxford, UK
 European Business Management Course
 December 1998

Ateneo de Manila University
 Master of Science in Information Management
 February 1996

University of the Philippines
 Accounting for Non-Accountants
 June 1991

Relevant Training: Briefing on AFPMBAI Operations
 Inclusive Date: August 2023

Corporate Governance Orientation Program
 2023

Electronic Commerce
 August 2001

Financial Management
 October 2014

Project Management Seminar
 March 1997

Systems Engineering
 1995

Comprehensive Computer Programming
 June 1993



BGen Rodel Mauro R Alarcon PA (Ret), FICD
Vice Chairman and Independent Trustee

Age: 61 years old
 Date of First Election: May 21, 2022
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Philippine Christian University
 Degree/Course: Master in Management
 Completed: 2006

Relevant Training: Continuing Education Program (CEP)
 Topics/ Inclusive Date:

Part I - June 21, 2023

- a. Insurance Industry Updates
- b. Verification of the 2021 Annual Statement of AFPMBAI
- c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023

- a. Basics of Investing for Fixed-Income Securities
- b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023

- a. Update on the MUPPA Bill
- b. Lecture on Influencing Legislation

Relevant Training: Briefing on AFPMBAI Operations
 Inclusive Date: May 2022

Corporate Governance Orientation Program (CGOP)
 June 20, 2022

Professional Directors Program, ICD
 2012

EVP and General Manager, AFPSLAI
 May 2018-May 2021





Gen Ricardo A David Jr PA (Ret)
Lead Independent Trustee

Age: 68 years old
Date of First Election: May 21, 2022
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Ateneo de Cagayan (Xavier University)
Degree/Course: Master in Business Administration
Completed: 2005

Asian Institute of Management
Basic Management Course
1994

Professional Director's Program
November 14-15;21-22, 2023

Relevant Training: Continuing Education Program (CEP)
Topics/Inclusive Date:

- Part I - June 21, 2023
- a. Insurance Industry Updates
 - b. Verification of the 2021 Annual Statement of AFPMBAI
 - c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023

- a. Basics of Investing for Fixed-Income Securities
- b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023

- a. Update on the MUPPA Bill
- b. Lecture on Influencing Legislation

Briefing on AFPMBAI Operations
May 2022

Corporate Governance Orientation Program (CGOP)
June 29-30, 2022

Defense Management Course (Naval Post Graduate
School)
2000



BGen Philip S Lapinid PA (Ret)
Independent Trustee

Age: 57 years old
Date of First Election: May 21, 2022
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: United States Army War College
Degree/Course: Master in Strategic Studies
Completed: 2016

Philippine Christian University
Master in Public Administration
2007

University of San Jose Recoletos
Master in Management
1999

Relevant Training: Continuing Education Program (CEP)
Topics/Inclusive Dates:

- Part I - June 21, 2023
- a. Insurance Industry Updates
 - b. Verification of the 2021 Annual Statement of AFPMBAI
 - c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023

- a. Basics of Investing for Fixed-Income Securities
- b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023

- a. Update on the MUPPA Bill
- b. Lecture on Influencing Legislation

Briefing on AFPMBAI Operations
May 2022

Corporate Governance Orientation Program (CGOP)
June 30, 2022



BGen Bienvenido Y Regondola Jr PA (Ret)
Executive Trustee and President and CEO

Age: 59 years old
 Date of First Election: May 20, 2023
 Performance Rating for CY 2023: Outstanding (as Trustee)
 Outstanding (as President and CEO)

Relevant Academic Background and Training/Experience

Graduate School: Philippine Christian University
 Degree/Course: Master in Management
 Completed: March 1, 2009

Anti-Money Laundering-Counter (AMLC)
 February 22, 2022

Level Up Leadership Masterclass
 January 25-28, 2022

Business Model Design & Innovation
 November 3,5,8,10 & 12, 2021

Corporate Governance Orientation Program
 October 2022

Relevant Training: Continuing Education Program (CEP)
 Topics/Inclusive Dates:
 Part I - June 21, 2023
 a. Insurance Industry Updates
 b. Verification of the 2021 Annual Statement of AFPMBAI
 c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023
 a. Basics of Investing for Fixed-Income Securities
 b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023
 a. Update on the MUPPA Bill
 b. Lecture on Influencing Legislation

Relevant Training: Continuing Education Program (CEP)
 Topics/Inclusive Dates:

Part I - June 21, 2022
 IC Updates

Part II - June 22, 2022
 Economic Forecast

Part III - June 27, 2022
 SWOT Analysis/MUP
 Pension Reform Bill

Part IV - June 29-30; July 4, 2022
 Business Model Design and Innovation



MGen Rommel P Roldan PAF
Representative from the Joint Staff of the AFP

Age: 53 years old
 Date of First Election: May 20, 2022
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: University of Asia and the Pacific
 Degree/Course: Master in Applied Business Economics
 Completed: May 30, 2003

Briefing on AFPMBAI Operations
 May 25, 2023

Corporate Governance Orientation Program (CGOP)
 November 7-8, 2023

Continuing Education Program
 Update on the MUPPA Bill (June 26, 2023)
 Lecture on Influencing Legislation (June 26, 2023)

Relevant Training: Briefing on AFPMBAI Operations
 Inclusive Date: May 30, 2022

Yale School of Management
 Executive Education
 Human Capital Strategy
 September 27 - November 01, 2023

Assembly on Strategic Management
 in Theory and PRA
 December 9-15, 2015



MGen Leodevic B Guinid PA
Philippine Army Representative

Age: 55 years old
Date of First Election: October 09, 2023
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Development and Security
Degree/Course: Master in Public Management, Major in International Development and Security
Completed: June 2012

Development Academy of the Philippines
International Development and Security
August 2011

Philippine College of Criminology
Master in Criminology
March 2008

Training Institution: Institute for Solidarity in Asia
Degree/Course: Performance Governance System Boot Camp Master Class
Completed: September 2016

Briefing on AFPMBAI Operations
October 13, 2023

Corporate Governance Orientation Program
(Scheduled for April 2024)



RAdm Caesar Bernard N Valencia PN
Philippine Navy Representative

Age: 56 years old
Date of First Election: August 2, 2022
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: University of New South Wales (Australia)
Degree/Course: Master in Management
Completed: July 1, 2003

Briefing on AFPMBAI Operations
August 11, 2022

Corporate Governance Orientation Program (CGOP)
November 7-8, 2023

Relevant Training: Continuing Education Program (CEP)
Topics/Inclusive: Part I - June 21, 2023
Dates: a. Insurance Industry Updates
b. Verification of the 2021 Annual Statement of AFPMBAI
c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023
a. Basics of Investing for Fixed-Income Securities
b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023
a. Update on the MUPPA Bill
b. Lecture on Influencing Legislation

AMLC's Anti-Money Laundering /Counter-Terrorism Financing (AML-CTF)
July 25, 2023

Center for Policy and Administrative Management
August 24, 1998 - September 11, 1998



MGen Ramon J Guiang PAF
Philippine Air Force Representative

Age: 56 years old
Date of First Election: May 20, 2023
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Philippine Christian University
Degree/Course: Master in Management
Completed: June 1, 2008 – March 31, 2009

Briefing on AFPMBAI Operations
25 May 2023

Corporate Governance Orientation Program (CGOP)
November 7-8, 2023

Relevant Training: Continuing Education Program (CEP)
Topics/Inclusive dates: Part I - June 21, 2023
a. Insurance Industry Updates
b. Verification of the 2021 Annual Statement of AFPMBAI
c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023
a. Basics of Investing for Fixed-Income Securities
b. Basics of Investing for Equities & Managed Funds

Part III – June 26, 2023
a. Update on the MUPPA Bill
b. Lecture on Influencing Legislation

Briefing on AFPMBAI Operations
May 30, 2023

Strategic Planning Seminar Workshop
February 10, 2003 – February 14, 2004



PGen Roderick Augustus B Alba
Philippine National Police Representative

Age: 53 years old
Date of First Election: May 20, 2023
Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: University of San Agustin
Degree/Course: Master in Public Administration
Completed: 2005

PNPA
BS Public Safety
2002

Corporate Governance Orientation Program (CGOP)
June 6-7, 2023

Relevant Training: Continuing Education Program (CEP)
Topics/Inclusive Dates: Part I - June 21, 2023
a. Insurance Industry Updates
b. Verification of the 2021 Annual Statement of AFPMBAI
c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023
a. Basics of Investing for Fixed-Income Securities
b. Basics of Investing for Equities & Managed Funds

Part III – June 26, 2023
a. Update on the MUPPA Bill
b. Lecture on Influencing Legislation

Briefing on AFPMBAI Operations
May 25, 2023

Information and Communication Technology
Management Course
September 9, 2019 - October 22, 2019

2nd Leg of the Police Leadership and Good
Governance Lecture Series for 2019
October 3, 2019



PGen Dindo Regis Reyes
Philippine National Police Representative

Age: 52 years old
 Date of First Election: May 20, 2023
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Emilio Aguinaldo College
 Degree/Course: Master in Public Administration
 Completed: 2006

PNPA
 Bachelor of Science in Public Safety
 1995

De La Salle University Dasmariñas
 Bachelor of Science in Nursing
 1992

Corporate Governance Orientation
 Program (CGOP)
 November 7-8, 2023

Relevant Training: Continuing Education Program (CEP)
 Topics/Inclusive dates: Part I - June 21, 2023
 a. Insurance Industry Updates
 b. Verification of the 2021 Annual Statement of AFPMBAI
 c. Status of AFPMBAI's IT Systems
 Part II - June 23, 2023
 a. Basics of Investing for Fixed-Income Securities
 b. Basics of Investing for Equities & Managed Funds
 Part III - June 26, 2023
 a. Update on the MUPPA Bill
 b. Lecture on Influencing Legislation

cont. next page

Relevant Training: Association of Government Accountants of the Philippines (AGAP) Seminar 2021
 Inclusive date: October 20-22, 2021

Briefing on AFPMBAI Operations
 May 25, 2023

Operation Officer Management Course
 August 17, 2020 - September 29, 2020

Research and Development Course
 October 01, 2019 - October 30, 2019

Fundamentals of Networking & Data Communication Course
 January 30, 2013 - March 6, 2013

Logistics Management Course
 October 27, 2010 - December 16, 2010

Comptrollership Officers Course
 April 29, 2008 - June 04, 2008

Finance Officer Basic Course
 August 15, 1997 - December 03, 1997



CG VAdm Rolando Lazor N Punzalan Jr
Philippine Coast Guard Representative

Age: 54 years old
 Date of First Election: November 3, 2022
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: World Maritime University, Sweden
 Degree/Course: Master of Science in Maritime Affairs
 Completed: 2002

Briefing on AFPMBAI Operations
 November 2022

Corporate Governance Orientation Program
 2020

AMLC's Anti-Money Laundering /Counter-Terrorism Financing (AML-CTF)
 July 25, 2023

Appreciation Course on ISO 9001:2000 and Training Workshop on Quality System Documentation
 May 14-16, 2008



CSupt Rinco T Montaus BJMP
Representative from the Bureau of Jail Management and Penology

Age: 54 years old
 Date of First Election: May 21, 2022
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Ateneo de Cagayan (Xavier University)
 Degree/Course: Master in Business Administration
 Completed: 2002

Philippine Public Safety College
 Master in Public Safety Administration
 2018

Relevant Training: Continuing Education Program (CEP)
 Inclusive date: Part I - June 21, 2023
 a. Insurance Industry Updates
 b. Verification of the 2021 Annual Statement of AFPMBAI
 c. Status of AFPMBAI's IT Systems
 Part II - June 23, 2023
 a. Basics of Investing for Fixed-Income Securities
 b. Basics of Investing for Equities & Managed Funds
 Part III - June 26, 2023
 a. Update on the MUPPA Bill
 b. Lecture on Influencing Legislation

Relevant Training: Briefing on AFPMBAI Ops.
 Inclusive date: May 24, 2022

Corporate Governance Orientation Program
 June 29-30, 2022

Continuing Education Program (CEP)
 June 21, 24,27-30, 2022

AML Seminar
 October 18, 2012

Director for Comptrollership, BJMP
 General Manager, BJMP Multi-Purpose Cooperative (BJMP-MPC)

2017 to present (DC)
 2016 to present (BJMP-MPC)



CSupt Jesus P Fernandez BFP
Representative from the Bureau of Fire Protection

Age: 53 years old
 Date of First Election: February 1, 2023
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Saint Paul University
 Degree/Course: Master in Public Administration
 Completed: 1998

Briefing on AFPMBAI Operations
 February 9, 2023

Corporate Governance Orientation Program
 2021

Relevant Training: Continuing Education Program (CEP)
 Topics/Inclusive

Part I - June 21, 2023

- a. Insurance Industry Updates
- b. Verification of the 2021 Annual Statement of AFPMBAI
- c. Status of AFPMBAI's IT Systems

Part II - June 23, 2023

- a. Basics of Investing for Fixed-Income Securities
- b. Basics of Investing for Equities & Managed Funds

Part III - June 26, 2023

- a. Update on the MUPPA Bill
- b. Lecture on Influencing Legislation



FCMS Feliciano M Lazo PA
The AFP Sergeant Major and Representative from the Office of the AFP Sergeant Major

Age: 51 years old
 Date of First Election: October 9, 2023
 Performance Rating for CY 2023: Outstanding

Relevant Academic Background and Training/Experience

Graduate School: Araullo University
 Degree/Course: Master in Public Management
 Completed: April 2019

Araullo University
 BS Criminology
 November 2014

ISO:9001 2015 Orientation
 2019

Corporate Governance Orientation Program (CGOP)
 October 2023

Briefing on AFPMBAI Operations
 October 13, 2023

PERFORMANCE ASSESSMENT OF THE BOARD OF TRUSTEES

The Board of Trustees in previous years approved the performance assessment system of the Board to be conducted in three parts, as follows:

Part 1

Assessment of the Board's accomplishment of its role and responsibilities by the Board Committees (25%). This is an average of the performance of Board Committees, based on their oversight functions and the action plans they have prioritized for the subject period.

Part 2

Assessment of the Board's accomplishment of its role and responsibilities by the BOT Chairman (25%). This is an assessment of the Board's performance by the BOT Chairman, based on the average rating of the performance assessment of the Board Committees, among other factors

Part 3

Assessment of Board dynamics (30%), and of quality and timeliness of information provided to the Board (20%). This is an anonymous survey to be answered by all Board members.

The Corporate Secretary assessment rating is to be based on the same rating table approved by the Board for the performance rating of the individual trustees, the President & CEO, and the Corporate Secretary, as follows:

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

The Board of Trustees garnered a rating of 94.49%, or Outstanding, for its performance in CY 2023 of its roles and responsibilities, particularly regarding Business Strategy and Development, Recruitment and Development of the Executive Team, Oversight, and Risk Management. Board Dynamics and the Quality and Timeliness of information provided to the Board were also factored into the rating. The rating is broken down into in the succeeding page:

Performance Assessment of the Board of Trustees for 2023

		Weight	Rating	Full Rating
A	Assessment of BOT Performance by BOT Chairman	25%	100.00	25.00
B	Assessment of Performance of Board Committees	25%	97.16	24.29
	Audit Committee		100.00	
	Governance Committee		95.65	
	Investment Committee		98.50	
	Risk Oversight & Related Party Transaction Committee		98.00	
	Social Services Program Committee		93.00	
	Membership Committee		97.80	
C	Assessment of Board Dynamics	30%	88.00	26.40
D	Assessment of Quality and Timeliness	20%	94.00	18.80
	Rating		Outstanding	94.49

BOARD AND BOARD COMMITTEE MEETING ATTENDANCE AND ACCOMPLISHMENT

Board of Trustees

The Board of Trustees issued a total of 97 resolutions in CY2023 and conducted twelve (12) regular meetings, including the AGM, three (3) special meetings, one (1) organizational meeting, and one (1) meeting with no executive trustee present, totaling seventeen (17) meetings in all.

Of the matters approved by the Board, the most significant other than what is regularly approved on an annual basis were the Board Governance Practices Review, Capacitating the Regional Sales and Service Centers toward Member-Centricity, Liquidating Dividends from AFP General Insurance Corporation, its sole subsidiary, Risk Mitigation Strategies concerning the proposed Military and Uniformed Personnel Pension Reform Act (MUPPA), Policy Dividend for Members, Election of the Lead Independent Trustee, Design and Construction of AFPMBAI Headquarters, Re-Composition of Board Committees, the Third-Party Assessment of Board Performance, establishment of the Bureau of Corrections Extension Office, and the Daily Hospital Income Benefit Assistance Program for 2024.

All accomplishments aimed to strengthen governance practices and improve the Association's products and services for its members. These achievements covered the strategic objectives of the Association under the perspectives of the Balanced Scorecard on Social Impact, Customer, Finance, Internal Process, and Learning and Growth.

Position	Board Member	Tenure in 2023 from Date of First Election	Attendance 17 meetings for 2023 Average Quorum: 95%
Chairman	Gen Romeo S Brawner Jr PA	28 July '23-31 Dec 2023	100%
Chairman	Gen Andres C Centino PA	25 Nov '21-30 Aug '22; 1 Feb '23-28 Jul '23	78%
Vice Chairman - Independent	BGen Rodel Mauro R Alarcon PA (Ret)	21 May '22-31 Dec '23	100%
Member - Lead Independent	Gen Ricardo A David Jr PA (Ret)	21 May '22-31 Dec '23	100%
Member - Independent	BGen Philip S Lapinid PA (Ret)	21 May '22-31 Dec '23	94%
Exec Trustee/Pres and CEO	BGen Bienvenido Y Regondola Jr PA (Ret)	20 May '23-31 Dec '23	100%

Position	Board Member	Tenure in 2023 from Date of First Election	Attendance 17 meetings for 2023 Average Quorum: 95%
Exec Trustee/Pres and CEO	MGen Rizaldo B Limoso PA (Ret)	11 Jul '20-20 May '23	100%
Member- Rep from AFP JS	MGen Rommel P Roldan PAF	20 May '23-31 Dec '23	82%
Member - Rep from AFP JS	BGen Jose Maria R Cuerpo II PA	24 Nov '22-20 May '23	100%
Member - PA Rep	BGen Leodevic B Guinid PA	9 Oct '23-31 Dec '23	100%
Member - PA Rep	MGen Adonis R Bajao PA	24 Nov '22-9 Oct '23	93%
Member - PN Rep	RAAdm Caesar Bernard N Valencia PN	2 Aug '22-31 Dec '23	100%
Member - PAF Rep	MGen Ramon J Guiang PAF	20 May '23-31 Dec '23	91%
Member - PAF Rep	LtGen Arthur M Cordura PAF	1 Feb '22-20 May '23	83%
Member - PNP Rep	PBGen Roderick Augustus B Alba	20 May '23-31 Dec '23	100%
Member - PNP Rep	PBGen Dindo R Reyes	20 May '23-31 Dec '23	100%
Member - PNP Rep	PLtGen Rhoderick C Armamento	15 May '21-20 May '23	100%
Member - PNP Rep	PMGen Jonnel C Estomo	21 May '22-20 May '23	83%
Member - PCG Rep	CG VAdm Rolando Lazor N Punzalan Jr	3 Nov '22-31 Dec '23	100%
Member - BJMP Rep	CSupt Rinco T Montaus BJMP	21 May '22-31 Dec '23	100%
Member - BFP Rep	CSupt Jesus P Fernandez BFP	1 Feb '23-31 Dec '23	88%
Member - BFP Rep	CSupt Roel Jeremy G Diaz BFP	10 Jun '20-1 Feb '23	100%
Member - Sgt Major	FCMS Feliciano M Lazo (INF) PA	9 Oct '23-31 Dec '23	100%
Member - Sgt Major	MCPO Joe Marie V Lucero PN (M)	20 May '23-9 Oct '23	100%
Member - Sgt Major	2LT Rogelio O Obillo PN (M) (RET)	21 May '22 -20 May '23	100%



GOVERNANCE COMMITTEE

The Governance Committee spearheaded the improvements to the Association's governance best practices in 2023 by subjecting the Board of Trustees, for the first time, to the assessment of an external party. Realizing that insights provided by other advocates of good governance could further improve Board performance, the Governance Committee endorsed the engagement of the ICD to provide an objective review of its performance for CY 2023. The Committee also endorsed the reconstitution of Board Committees to ensure that Independent Trustees form the majority in the Audit Committee and the Governance Committee. It also created the Membership Committee to oversee the accomplishment of strategic objectives aimed at improving products and services and expanding the general membership in light of the pending MUPPA bills that could pose a threat to the Association. Overall, the Governance Committee carried out diligent oversight, careful direction, and consistent monitoring of the Association's progress in achieving its mission and vision.

The Committee is chaired by the Lead Independent Trustee, Gen Ricardo A David Jr PA (Ret) and is composed of five members, majority of whom are Independent Trustees. Gen David has taken ICD's Professional Directors' Program, among other governance training. The Committee is also assisted by the Corporate Secretary, Atty Jonas B Calleja, as resource person in all its meetings.

Position	Governance Committee Members	2023 Attendance Coverage	Attendance 12 meetings for 2023 Average Quorum: 97%
Chairman – Lead Ind Trustee	Gen Ricardo A David Jr PA (Ret)	Jan 2023 – Dec 2023	100%
Vice Chairman – Ind Trustee	BGen Rodel Mauro R Alarcon PA (Ret)	Oct 2023 - Dec 2023	100%
Vice Chairman – PA Rep	MGen Adonis R Bajao PA	May 2023 - Oct 2023	78%
Vice Chairman – PNP Rep	PLtGen Rhoderick C Armamento	Jan 2023 - May 2023	100%
Member-Ind Trustee	BGen Philip S Lapinid PA (Ret)	Jan 2023 - Dec 2023	100%
Member-Exec Trustee	BGen Bienvenido Y Regondola Jr PA (Ret)	May 2023 -Dec 2023	100%
Member-Exec Trustee	MGen Rinaldo B Limoso PA (Ret)	Jan 2023 - May 2023	100%
Member-Rep of AFP JS	MGen Rommel P Roldan PAF	Oct 2023 -Dec 2023	100%
Member-PNP Rep	PBGen Dindo R Reyes	May 2023 Dec 2023	100%
Member-BFP Rep	CSupt Jesus P Fernandez BFP	Feb 2023 -Dec 2023	100%
Member-BFP Rep	CSupt Roel Jeremy G Diaz BFP	Jan 2023	100%

AUDIT COMMITTEE

The Committee supported the Board in reviewing the Association's internal control systems and overseeing the operation of the internal audit function. Primary responsibilities of the Committee are as follows:

- Reviewing the Management Letter, the Interim and Annual Financial Statements, and the appropriateness of accounting policies and practices;
- Advising the Board Board on the presence of any material uncertainty that may impact the Association's ability to continue as a going concern or its long-term viability;
- Advising the Board on whether the Annual Report and Financial Statements, when taken as a whole are fair, balanced, and understandable;
- Assisting the Board in its responsibilities in regarding the assessment of internal control systems, including a review of effectiveness;
- Reviewing the operation and effectiveness of the Association's internal audit function;
- Recommending to the Board relative to the appointment, re-appointment, and removal of the Association's external auditor as well as monitoring their effectiveness and independence;

For CY 2023, the Committee discharged its responsibilities related to financial reporting, internal control, the internal audit function, interaction with the external auditors, and the overall assessment of the Association's internal control.



The Audit Committee is chaired by the Vice Chairman of the Board of Trustees and an Independent Trustee, BGen Rodel Mauro R Alarcon PA (Ret), a fellow of the Institute of Corporate Directors. The Committee is composed of five members, majority of whom are Independent Trustees. It is also assisted by the Corporate Secretary, Atty Jonas B Calleja, as Resource Person in all its meetings.

Position	Audit Committee Members	2023 Attendance Coverage	Attendance 13 meetings for 2023 Average Quorum: 94%
Chairman - Independent Trustee	BGen Rodel Mauro R Alarcon PA (Ret)	Jan 2023 - Dec 2023	100%
Vice Chairman (since Oct) – PN Rep	RAdm Caesar Bernard N Valencia PN	Oct 2023 -Dec 2023	100%
Vice Chairman – BJMP Rep	CSupt Rinco T Montaus BJMP	Jan 2023 - Oct 2023	100%
Member – Independent Trustee	Gen Ricardo A David Jr PA (Ret)	Oct 2023 - Dec 2023	67%
Member – Independent Trustee	BGen Philip S Lapinid PA (Ret)	Oct 2023 - Dec 2023	100%
Member – Rep of the AFP JS	MGen Rommel P Roldan PAF	May 2023 - Oct 2023	100%
Member – Rep of the AFP JS	BGen Jose Maria R Cuerpo II PA	Jan 2023 - May 2023	100%
Member - PNP Rep	PBGen Roderick Augustus B Alba	May 2023 - Dec 2023	100%
Member - PNP Rep	PMGen Jonnel C Estomo	Jan 2023 - May 2023	50%

RISK OVERSIGHT AND RELATED PARTY TRANSACTION COMMITTEE

The Risk Oversight and Related Party Transaction Committee (RORPTC) has played a pivotal role in advancing AFPMBAI's commitment to robust governance and proactive risk management. In 2023, the committee successfully monitored and facilitated key initiatives that enhanced our organizational framework and operational resilience:

- Top Risks & Mitigation Strategies: Safeguarding the Association's assets and member interests
- MUPPA Action Plans: Addressing potential impacts of the MUP Pension Reform Bills
- Ticketing and Customer Support Tool: Improving service delivery and enhancing member satisfaction
- Decentralization of the Servicing Structure: For Regional Sales and Service Centers
- ISO Certification Initiatives: Demonstrating our commitment to international standards
- Monitoring and Reporting: On material related party transactions
- Submission of Annual Conglomerate Map/Organization Structure: Enhancing transparency and stakeholder engagement

These efforts underscore the RORPTC's commitment to navigating complex risk management challenges and maintaining the highest standards of governance and accountability at AFPMBAI.

- The RORPTC and the Investment Committee jointly monitor and play a crucial role in overseeing investment-related financial risks. Key topics reviewed by the committees include:
 - Updates on Investment Management Agreements
 - Evaluation of old positions in Common Stock Holdings
 - Fund Performance Report of the Managed Funds
 - Status of AFPMBAI's sole subsidiary, AFP General Insurance Corporation



The RORPTC is chaired by an Independent Trustee, BGen Philip S Lapinid PA (Ret) and is composed of four other members, majority of whom are independent trustees, without the executive trustee.

Position	Risk Oversight and Related Party Transaction Committee Members	2023 Attendance Coverage	Attendance 12 meetings for 2023 Average Quorum: 88%
Chairman – Ind Trustee	BGen Philip S Lapinid PA (Ret)	Jan 2023 - Dec 2023	100%
Vice Chairman – Ind Trustee	BGen Rodel Mauro R Alarcon PA (Ret)	Jan 2023 - Dec 2023	100%
Member – Lead Ind Trustee	Gen Ricardo A David Jr PA (Ret)	Jan 2023 – Dec 2023	92%
Member – PAF Rep	MGen Ramon J Guiang PAF	May 2023 -Dec 2023	86%
Member – PAF Rep	LtGen Arthur M Cordura PAF	Jan 2023 -May 2023	40%
Member – BFP Rep	CSupt Jesus P Fernandez BFP	Feb 2023 -Dec 2023	82%
Member - BFP Rep	CSupt Roel Jeremy G Diaz BFP	Jan 2023	100%

INVESTMENT COMMITTEE

The Investment Committee (ICOM) was able to fulfill its mandate in ensuring that investment policies and guidelines are aligned, established, and executed in accordance with regulatory rules and requirements, with the AFPMBAI By-Laws, Mission, Vision, and the approved Annual Plans and Programs. ICOM was able to oversee, monitor, and evaluate the assigned strategic objectives, the monthly financial position and performance, as well as various investment initiatives.

Notable accomplishments for CY 2023 are the endorsement and approval of the BOT on the following:

- Strategic Asset Allocation (SAA) for CY2023;
- Head Office Architectural & Engineering Design;

- Renewal of Accredited of Banks and Investment Limits;
- Transfer of Fixed Income Investments from IMA to Investment Office = P222.86M;
- Updated ICOM Charter
- 5 Real Estate Mortgage Loans

The Investment Committee is composed of five members and is currently chaired by the Philippine Navy Representative, RAdm Caesar Bernard N Valencia PN.

Position	Investment Committee Members	2023 Attendance Coverage	Attendance 12 meetings for 2023 Average Quorum: 98%
Chairman – PN Rep	RAdm Caesar Bernard N Valencia PN	May 2023 - Dec 2023	92%
Chairman – PNP Rep	PLtGen Rhoderick C Armamento	Jan 2023 - May 2023	100%
Vice Chairman - BJMP Rep	CSupt Rinco T Montaus BJMP	Jan 2023 -Dec 2023	100%
Member – Exec Trustee	BGen Bienvenido Y Regondola Jr PA (Ret)	May 2023 -Dec 2023	100%
Member – Exec Trustee	MGen Rivaldo B Limoso PA (Ret)	Jan 2023 -May 2023	100%
Member – PA Rep	BGen Leodevic B Guinid PA	Oct 2023 - Dec 2023	100%
Member - PCG Rep	CG VAdm Rolando Lazor N Punzalan Jr	Jan 2023 - Oct 2023	100%
Member - PNP Rep	PBGen Dindo R Reyes	May 2023 - Dec 2023	100%



MEMBERSHIP COMMITTEE

In the 4th Quarter of CY 2023, the Board restructured various Board Committees leading to the establishment of a Membership Committee (MemCom) partly to address the need to focus the Board's oversight on membership and delivery of products and services. Since then, the MemCom has moved quickly, creating its charter and raising the target market penetration rate significantly for CY 2024. The Committee has also reviewed the Customer Satisfaction Study results and directed the Management to further increase member satisfaction. MemCom also secured Board approval for the following initiatives:

- Establishment of AFPMBAI Bureau of Corrections Extension Office
- Grant of Daily Hospital Income Benefit (DHIB) Assistance Program for the Year 2024

The MemCom is composed of seven members, all from the active service, and is chaired by the representative from the AFP Joint Staff, MGen Rommel P Roldan PAF.

Position	Membership Committee Members	2023 Attendance Coverage	Attendance 3 meetings for 2023 Average Quorum: 90%
Chairman – Rep of AFP JS	MGen Rommel P Roldan PAF	Oct 2023 – Dec 2023	67%
Vice Chairman – BJMP Rep	CSupt Rinco T Montaus BJMP	Oct 2023 – Dec 2023	100%
Member – PAF Rep	MGen Ramon J Guiang PAF	Oct 2023 – Dec 2023	100%
Member – PCG Rep	CG VAdm Rolando Lazor N Punzalan Jr	Oct 2023 – Dec 2023	100%
Member – PNP Rep	PBGen Dindo R Reyes	Oct 2023 – Dec 2023	100%
Member – BFP Rep	CSupt Jesus P Fernandez BFP	Oct 2023 – Dec 2023	67%
Member - AFP Sergeant Major Office Rep	FCMS Feliciano M Lazo (INF) PA	Oct 2023 – Dec 2023	100%

SOCIAL SERVICES PROGRAM COMMITTEE

2023 was a provenance for the Social Services Program Committee (SSPC), much akin to that of a well-oiled machine despite the post-pandemic “new normal” environment that most institutions were still adapting to at the time. Landing on the ground rolling, the SSPC went into full throttle to meet the most discerning needs of the members through the social services programs and projects as prioritized and endorsed by the major service representatives to the Board. With a batting average of an almost perfect rating for the efficient management of the Corporate Social Responsibility (CSR) Pro-Rated Programs, a near-perfect disbursement efficiency for the Other Donations program, and a perfect rating for the PARAMEDIC programs roll-out, the SSPC led the initiatives off to a good start.

Through its robust CSR programs and year-on-year achievements, the AFPMBAI maintains its steadfast course and mandate to be at the forefront of providing meaningful social services to its members. This is made possible through the prudent, efficient, and success-driven direction of the SSPC, its Technical Working Group, and the Management.

The Social Services Program Committee is composed of five members and chaired by the Philippine Coast Guard representative, CG VAdm Rolando Lazor N Punzalan Jr.

Position	Social Services Program Committee Members	2023 Attendance Coverage	Attendance 12 meetings for 2023 Average Quorum: 90%
Chairman - PCG Rep	CG VAdm Rolando Lazor N Punzalan Jr	Jan 2023 – Dec 2023	100%
Vice Chairman - PNP Rep	PBGen Roderick Augustus B Alba	Jun 2023 – Dec 2023	100%
Vice Chairman - PA Rep	MGen Adonis R Bajao PA	Jan 2023 – Jun 2023	100%
Member – Exec Trustee	BGen Bienvenido Y Regondola Jr PA (Ret)	May 2023 – Dec 2023	100%
Member – Exec Trustee	MGen Rizaldo B Limoso PA (Ret)	Jan 2023 – May 2023	100%
Member - PA Rep	BGen Leodevic B Guinid PA	Oct 2023 – Dec 2023	67%
Member - PNP Rep	PMGen Jonnel C Estomo	Jan 2023 – May 2023	60%
Member – AFP Sgt Major	FCMS Feliciano M Lazo (INF) PA	Oct 2023 – Dec 2023	67%
Member – AFP Sgt Major	MCPO Joe Marie V Lucero PN	May 2023 – Oct 2023	100%
Member – AFP Sgt Major	CMS Rogelio O Obillo PN (M)	Jan 2023 – May 2023	100%



NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is tasked to ensure that there is a Board succession plan and that the Board has a complete set of Regular and Independent Trustees based on defined competency requirements. The Committee also oversees the accomplishment of strategic objectives under the Learning and Growth Perspective of the Balanced Scorecard.

In 2023, as a result of the restructuring of Board Committees, the NRC was dissolved and its functions were transferred back to the Governance Committee. However, up to the third quarter of the year, the NRC diligently delivered its oversight targets and thoroughly screened all eligible candidate for Board seats as part of its task as the Nomination Committee during the election by the general members in the AGM 2023.

It has successfully endorsed to the Board of Trustees and to the General Membership during the AGM of 2023 the following initiatives:

- Opening of AFPMBAI Bureau of Corrections Extension Office
- Capacitating the Regional Sales and Service Centers towards Member-Centricity
- List of Nominees for the CY 2023 AGM
- Proposed Amendment to the Policy on Per Diem and Allowances (AGM)
- Collective Bargaining Agreement (CBA) for 2024-2028

The NRC was composed of five members and chaired by the representatives from the AFP Joint Staff, BGen Jose Maria R Cuerpo II PA, for the first half of the year, and by MGen Rommel P Roldan PAF after the May 2023 AGM until September 2023.

Position	Nomination and Remuneration Committee Members	2023 Attendance Coverage	Attendance 8 meetings for 2023 Average Quorum: 90%
Chairman-AFP JS Rep	MGen Rommel P Roldan PAF	May 2023 – Oct 2023	100%
Chairman-AFP JS Rep	BGen Jose Maria R Cuerpo II PA	Jan 2023 – May 2023	100%
Vice Chairman - PAF Rep	MGen Ramon J Guiang PAF	May 2023 – Oct 2023	50%
Vice Chairman - PAF Rep	LtGen Arthur M Cordura PAF	Jan 2023 – May 2023	50%
Member – Exec Trustee	BGen Bienvenido Y Regondola Jr PA (Ret)	May 2023 – Oct 2023	100%
Member – Exec Trustee	MGen Rizaldo B Limoso PA (Ret)	Jan 2023 – May 2023	100%
Member – Ind Trustee	BGen Philip S Lapinid PA (Ret)	Jan 2023 – Oct 2023	100%
Member – AFP Sgt Major	MCPO Joe Marie V Lucero PN	May 2023 – Oct 2023	100%
Member – AFP Sgt Major	CMS Rogelio O Obillo PN (M)	Jan 2023 – May 2023	100%

Henceforth, a Nomination Committee shall be created for the purpose of screening candidates for the Annual General Membership Meetings of the Association.



PERFORMANCE ASSESSMENT CRITERIA OF TRUSTEES AND CORPORATE OFFICERS

The following are the performance assessment criteria of the individual Trustees and Corporate officers, which are based on the AFPMBAI Manual of Corporate Governance:

The performance ratings of the individual members of the Board of Trustees may be found in their profiles on pages 14-29. Based on the above criteria and evaluation process, the Corporate Secretary, Atty Jonas B Calleja, received a rating of Outstanding for CY 2023. Corporate Treasurers for the period, BGen Bienvenido Y Regondola Jr PA (Ret) from January to May 2023, and MGen Henry M Doyaoen PA (Ret) from May 2023 to the present, likewise both received a performance rating of Outstanding.

For the President and CEO, the criteria for the evaluation of his performance is based on the Company Performance Rating of the Association, and the following Qualitative Factors: Implementation of Board Resolutions, Transparency and Ethical Standards, and Effective Relationship with the Board. The AFPMBAI Performance Rating is based on the attainment of strategic objectives covering the five perspectives of its balanced scorecard: Social Impact, Customer, Financial, Internal Process and Learning & Growth. For CY 2023, the Company Performance Rating was registered at 93.8%, or Exceeds Expectation. The Rater of the President and CEO is the Chairman and the Members of the Board of Trustees. MGen Rizaldo B Limoso PA (Ret), as President and CEO for the first half of CY 2023 received a performance rating of Outstanding, based on the above criteria; likewise, BGen Bienvenido Y Regondola Jr PA (Ret), President and CEO for the second half of 2023, also received a performance rating of Outstanding.

	Trustee	Corporate Secretary	Treasurer
Criteria	Ethics / Professionalism Initiative Service Representation Communication Effectiveness Meeting Participation Effectiveness	Ethics / Professionalism Initiative Legal Expertise Communication Effectiveness Meeting Participation Effectiveness	Ethics / Professionalism Initiative Financial Expertise Communication Effectiveness Meeting Participation Effectiveness
Rater	BOT Chairman Governance Committee Chairman	BOT Chairman Governance Committee Chairman	BOT Chairman Investment Committee Chairman

PERFORMANCE ASSESSMENT OF CONTROL FUNCTION HEADS

In order to ensure the sustainability of the Association through sound internal control system, the Board has designated Control Function Heads following the Three Lines Model. While the frontline and support offices are directly involved in the delivery of products and services to the clients, the control functions of compliance and risk provide the assistance in monitoring and managing risks, while the internal audit renders independent assurance and advice on the adequacy and effectiveness of the Association's risk management, governance and internal control processes.

With these roles, "fit and proper standards" are applied on the selection of key personnel observing the highest level of integrity, standards of technical expertise, and vast experience in the Association's business.

Control Function Heads undergo an annual performance assessment based on the approved guidelines and criteria by the Board. The performance evaluation is a self-assessment of established key result areas for the period, for review or concurrence by the Governance Committee (for the Compliance Officer), the Audit Committee (for the Internal Auditor), and the Risk Oversight and Related Party Transaction Committee (for the Risk Officer). These assessments are reviewed and endorsed by the respective Board Committees, for approval of the Board of Trustees.

The Association's Control Function Heads for CY 2023 are the following, with their corresponding performance rating for the year:

Officer	Control Function Head	Performance Rating for 2023
Ms Jocelyn T Miranda	Internal Auditor	Exceeds Expectation
MGen Nathaniel Y Casem PN (M) (Ret)	Compliance Officer	Outstanding
MGen Henry M Doyaoen PA (Ret)	Risk Officer	Outstanding



REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF TRUSTEES

Being a non-stock, non-profit corporation, the members of Board of Trustees do not receive any compensation or remuneration (Section Ten of the Amended Articles of Incorporation dated 6 February 2019), except for reasonable allowance and per diem (Amended Bylaws dated 6 February 2019, Article VI on Board of Trustees, Section 12 on Remuneration). For CY 2023, the Board of Trustees received allowances and per diem equivalent to P8.8M in total.

RISK MANAGEMENT

Risk management is the cornerstone of AFPMBAI's commitment to good corporate governance, aligning with its mission, strategic goals, and objectives. Embracing inherent risks, the Association ensures a value-driven approach to delivering excellence to members and stakeholders. The risk management framework focuses on:

- Proper identification, assessment, management, monitoring, and reporting of risks
- Clear communication and ownership of risks
- Efficient allocation of resources for risk management
- Effective handling of risks impacting the Association, members, employees, and stakeholders
- Compliance with regulatory and legal requirements

Risk Management Framework and Culture

AFPMBAI's approach integrates a robust Risk Management Framework, outlined in the Board-approved Corporate Risk Management Plan (CRMP). This framework permeates the organization, ensuring visibility and utilization of risk information in decision-making processes. The Association fosters a culture of integrity, high ethical standards, and continuous risk awareness. Constructive discussions and questioning are encouraged, promoting a dynamic environment for sound risk-taking and decision-making.

Aligned with the rules and regulations of the Insurance Commission, AFPMBAI manages strategic, financial, operational, and external risks. This compliance emphasizes its commitment to well-defined corporate strategy, sound investment policies, strategic business plans, and a defined risk appetite.

Risk Appetite

Board Resolution No. 90, Series of 2022 formalized the AFPMBAI Risk Appetite Framework providing guidance on acceptable risk levels for all organizational objectives. The framework aligns with five overarching risk management objectives:

- Upholding ethical standards
- Preserving long-term financial resilience
- Avoiding losses in member investments
- Ensuring legal and regulatory compliance
- Maintaining a robust internal control environment

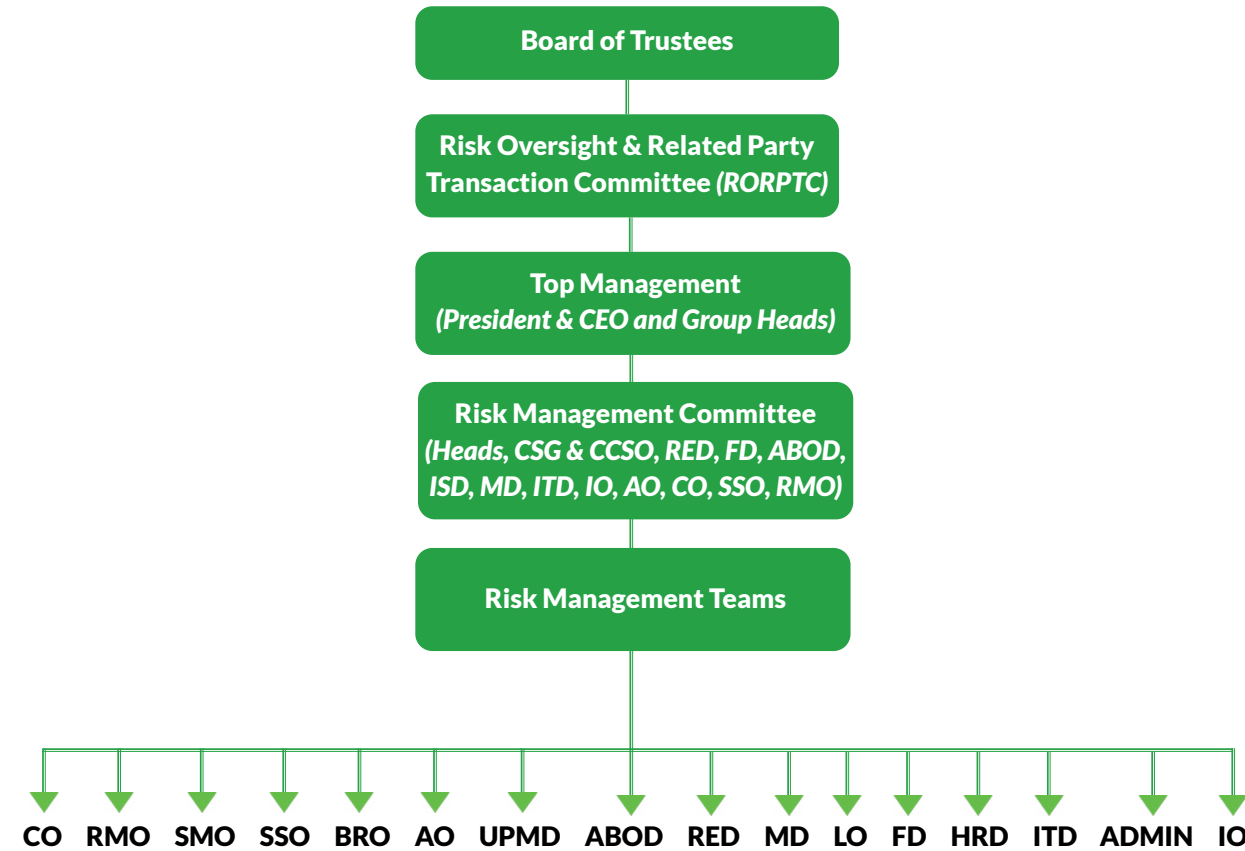
Risk appetite is calculated based on established criteria, ensuring a comprehensive approach to market, credit, liquidity, investment, and operational risks. AFPMBAI seeks to minimize exposure, thoroughly understanding potential benefits and threats, and implementing proportionate risk mitigation measures.

RISK MANAGEMENT STRUCTURE

The foundation of AFPMBAI's risk management structure lies in the governance provided by our esteemed Board of Trustees. Through the Risk Oversight and Related Party Transaction Committee (RORPTC), the Board ensures that the Association's risk management process is not only effective but also aligned with its strategic goals. Additionally, Top Management oversees the implementation of risk management plans, while the Risk Management Committee (RMC) and Risk Management Teams contribute to the day-to-day supervision and execution of risk management efforts.

The Risk Management Office serves as the hub, facilitating the identification, monitoring, measurement, and mitigation of enterprise-wide key risks. Every office within the organization plays a crucial role in monitoring risk events, policy compliance, and the identification of emerging risks within their respective domains.

Risk management-related authorities, responsibilities, and accountabilities across the Association are clearly established in AFPMBAI's Enterprise Risk Management (ERM) Framework. *(see structure flowchart on next page)*



CSG & CCSO (Corporate Services Group and Chief, Corporate Services Officer), RED (Real Estate Division), FD (Finance Division), ABOD (Area Branch Operations Division), ISD (Insurance Sales Division), MD (Marketing Division), ITD (Information Technology Division), IO (Investment Office), AO (Actuarial Office), CO (Compliance Office), SSO (Social Services Office), RMO (Risk Management Office)

KEY RISKS AND MITIGATION STRATEGIES

The Board and Management recognized the following top risk exposures inherent to the regular course of business of the Association in CY2023 and have implemented several mitigation strategies to address the said risks.

Information Integrity Risk

Ensuring the integrity of data is paramount. Through stringent compliance, personnel accountability, and technological enhancements, the Association fortifies its systems, guarantees accurate reporting, and maintains the highest standards in information management.

Execution, Delivery, and Process Management Risk

The Association’s commitment to efficiency and streamlined processes is evident in its digitization initiatives, policy adherence, and workforce management. AFPMBAI prioritizes performance, compliance, and meticulous documentation for effective execution, delivery, and process management.

Information Technology Risk

Navigating the dynamic landscape of technology, the Association has ongoing efforts to synchronize data, enhance systems, and fortify digital infrastructure. AFPMBAI’s commitment to governance, standards, and continuous improvement ensures robust Information Technology (IT) risk management.

Customer Satisfaction Risk

Dedicated to exceeding expectations, the Association invests in training, digital solutions, and proactive account management. By resolving customer pain points and staying attuned to market needs, the AFPMBAI fosters customer delight and loyalty.

Legal and Regulatory Risk

In an ever-evolving legal landscape, the Association expands memberships, forges strategic partnerships, and diligently monitors legislative changes. Its commitment to compliance, financial management, and legal record preservation mitigates legal and regulatory risks.

Credit Risk

Maintaining prudence, the AFPMBAI strengthens credit evaluation, enhances collection channels, and improves payment recording processes. Its rigorous approach ensures prudent financial management and minimizes credit-related uncertainties.

Human Resource Risk

Human capital is central to the Association's success. Through robust staff development, strategic succession planning, and efficient task management, it navigates the complexities of human resource risk, ensuring a resilient and motivated workforce.

Information Security Risk

In an era of cyber threats, AFPMBAI proactively addresses information security risks. Through regular assessment, access control, and IT policy enhancements, the Association safeguards its systems, data, and operations from potential breaches.

Business Strategy Risk

Strategic adaptability is the Association's forte. AFPMBAI enhances market intelligence, implements comprehensive marketing plans, and ensures business continuity. The Association's dynamic approach to sales strategies and environmental monitoring mitigates business strategy risks.

Product and Service Risk

Driven by innovation, the Association continuously develops products and services. By fostering partnerships, maintaining brand awareness, and monitoring market trends, AFPMBAI ensures its offerings align with customer expectations, minimizing risks associated with product and service delivery.

Investment-Related Financial Risks

Navigating financial markets requires vigilance. Through continuous monitoring, skills development, and policy enhancement, the AFPMBAI optimizes its investment strategies. The Association's commitment to compliance and risk management ensures financial stability and resilience.

AFPMBAI remains steadfast in its commitment to proactive risk management and dedicates efforts to continuously monitor and review the implementation of established plans to mitigate the impact of key risks for the assurance of its members and other stakeholders.

**AUDIT COMMITTEE CY 2023 ANNUAL REPORT****FINANCIAL REPORTING**

The Committee reviewed and approved the independent auditor's plan for the audit of the Association's 2023 Financial Statements. The Committee also assisted the Board in determining that the Financial Statement, when taken as a whole, is fair, balanced, understandable and provides the information necessary for the stakeholders to assess the Association's position and financial performance. The Committee likewise reviewed the Company's annual audited financial statements and related disclosures, including (a) the quality as well as acceptability of the accounting principles applied in the financial statements and (b) accounting standards, significant estimates, judgments, uncertainties, and accounting policies relating to significant financial statement items, and discussed them with the independent auditors and with management, which has the primary responsibility for the financial statements. The Company's independent auditor is responsible for expressing an opinion on the conformity of the Company's audited financial statements with Philippine Financial Reporting Standards. The audit was completed as scheduled and was presented to the Board of Trustees on 08 April 2024 with **Unqualified Opinion**. *An unqualified opinion means that the AFPMBAI's financial statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles.*

INTERNAL CONTROL

The Committee continued its work to strengthen non-financial controls and governance arrangements which included oversight of the Association's implementation of Information Technology Road Map to further improve services to members and uphold the Association's commitment to the highest standards of integrity and ethical behavior. Every regular meeting included the review and monitoring of risks, internal controls, and compliance activities on management actions related to financials and various business processes.

After assessment of the above information, it is thereby concluded that:

- The internal control system of the Association is effective, efficient, and transparent
- The internal audit function operated effectively and is satisfied that the quality, experience, and expertise of the function are appropriate for the Association.
- Issues noted were adequately mitigated

INTERNAL AUDIT

The Audit Committee is responsible for monitoring and reviewing the operation and effectiveness of the Association's Internal Audit function including its focus, plans, activities, and resources. To fulfill these duties the Committee:

- reviewed and approved the Internal Audit Office Charter, operations manual, strategy and annual plan;
- considered and were satisfied that the competencies, experience, and level of resources within the Internal Audit team were adequate to achieve the proposed plan;
- received regular updates from the Head of Internal Audit on the delivery of the 2023 plan and on the principal findings from the work of Internal Audit and management's actions to remediate issues identified;
- ensured that the Head of Internal Audit had regular meetings with the Chairman of the Audit Committee and the Committee met with the Head of Internal Audit without the presence of Executive Management;
- ensured that the Head of Internal Audit had access to the Chairman of the Board if required; and
- ensured coordination between the Association's Internal Audit and the external auditor to maximize the benefits of clear communication and coordinated activities.

Further, to comply with the Auditing Standards requirement, an External Quality Assessment (EQA) by an independent external assessor is conducted at least every five years to confirm conformance with the International Professional Practice Framework (IPPF) of the Institute of Internal Auditors. Hence, the engagement of Isla Lipana, PwC Philippines for the conduct of the 2nd EQA of the Association's Internal Audit function with target reporting of its result to the BOT in its June 2024 meeting. The first EQA was completed in 2019.

Furthermore, the internal Quality Assurance and Improvement Program (QAIP) periodic assessment for the Internal Audit function has started this year, 2023. Based on its result, the Internal Audit function has generally conformed with the definition of internal auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards) promulgated by the Institute of Internal Auditors (IIA). Way forward, such activity will be done on an annual basis to ensure ongoing compliance with the IPPF.

EXTERNAL AUDITOR

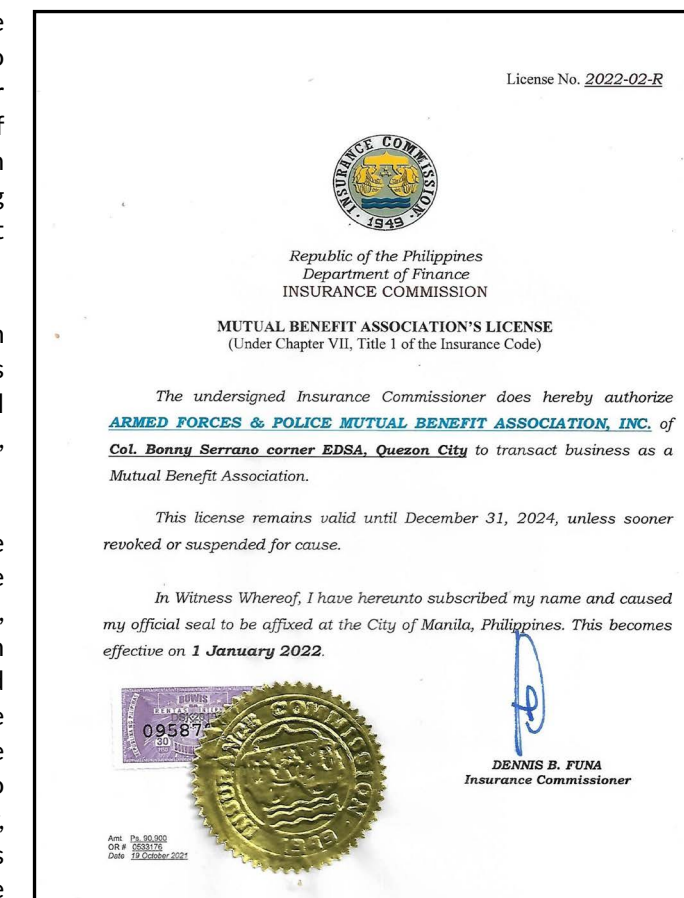
On behalf of the Board, the Audit Committee has primary responsibility for overseeing the relationship with, and performance of, the external auditor. This includes making recommendations to the Board and the General Membership on the appointment, re-appointment, and removal of the external auditor, assessing their independence and effectiveness, and approving the audit fee. As recommended by the Committee and endorsed by the Board of Trustees, the engagement of Isla Lipana and Company, the Philippine member firm of the PricewaterhouseCoopers (PwC) for the conduct of the Association's CYs 2023 and 2024 Statutory Audit, with a yearly professional fee of P1,464,960.00 was approved by General Membership in May 2023 Annual General Membership Meeting. As such, for this year, there is no need to choose a new external auditor to conduct a statutory audit since it is done biannually.

COMPLIANCE TO REGULATORY BODIES

As a mutual benefit association regulated by the Insurance Commission (IC), the AFPMBAI was issued a License to Operate with number 2022-02-R, valid until December 31, 2024. The Association likewise has a perpetual term of existence issued by the Securities and Exchange Commission (SEC). Its registration with the Anti-Money Laundering Council (AMLC) is renewed regularly, and is valid until August 07, 2025.

Aligned with the company Compliance Policy, the Association observes the laws, rules and regulations, as well as circulars and memoranda issued by the IC, SEC, Bureau of Internal Revenue (BIR), AMLC, National Privacy Commission (NPC), and Credit Information Corporation (CIC).

The AFPMBAI Board of Trustees has appointed a Compliance Officer, MGen Nathaniel Y Casem PN (M) (Ret), and Alternate Compliance Officer, Atty Elizabeth A del Fonso-Hidalgo, to monitor the Association's compliance activities with regulators. At the same time, the latter was also appointed as Data Protection Officer (DPO), duly registered with the NPC (PIC-004-059-2023) until November 09, 2024. The DPO is tasked to ensure the adherence of the Association to the rights of data subjects under the pillars of accountability, compliance and ethics. The Compliance Team reports regularly to the Board, thru the Audit Committee, the Governance Committee, and the Risk Oversight and Related Party Transaction Committee (RORPTC).



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.

Consent in processing the personal information of the data subject is important. Since this is one of the mandatory requirements in processing data, the Privacy Statement is always included in the forms and documents being signed by the subject, as well as published on the company website. Providing one's personal and sensitive personal information at the time of insurance, or loan, or real estate loan application, or engaging AFPMBAI for any business transaction, signifies one's consent to the processing, sharing, and/or transferring of one's personal data relating to one's account/s with 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.

DPO Contact details: Data Protection Officer
 AFPMBAI Bldg, Col Bonny Serrano
 Road Corner EDSA, Quezon City
 dataprotection@afpmbai.ph
 (0942)845-3425



COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE

Good governance must be inculcated in the AFPMBAI culture. This is now the battle cry of everyone within the Association. Envisioned to become the undisputed leader and industry standard, the AFPMBAI continuously institutes, reforms company policies and procedures that will improve the way the Association deals with members, handling their concerns, and providing the needs of other stakeholders. Such improvements are always anchored on the principles of equitable treatment of the members, transparency and accountability, and timely disclosure of material information to the stakeholders. Together with regular monitoring by the Board of Trustees on key strategic objectives, the Association is conducting business operations towards the good of its membership.

GREATER DISCLOSURE AND TRANSPARENCY ON AFPMBAI OPERATIONS

The Association espouses the values of integrity, professionalism, commitment, service, and innovation, and the culture of transparency and accountability. With these as the foundation, and in compliance with the provisions of the Revised Corporation Code, the mandates of the SEC, and charter statements, the AFPMBAI holds an Annual General Membership Meeting (AGMM) to apprise the members on how the company fared for the past year.

The AGMM gives the members a chance to vote for Board members, to participate in the governance process, to ratify actions of the Board and Management, to have an opportunity to ask questions, and to be updated with the current undertakings of the Association.

The Annual Report containing the operational highlights, financial statements, governance reports, and social responsibility reports is also posted and published on the company website within 120 days from yearend, for a more detailed disclosure and better appreciation by the general membership. Aside from the Annual Report, the Association will also be issuing the first Sustainability Report with focus on Environmental-Economic-Social-Governance.



CORPORATE OBJECTIVES

In reaching its vision of being the industry leader while fulfilling its mission, the Association maintains its commitment to continually assess its relevance to its members and stakeholders. The objectives and strategies are directed towards fostering Good Governance, prioritizing Member Centricity, and driving Digital Transformation.

Good Governance



The Association acknowledges the pivotal role of sound good governance in cultivating trust, transparency, and accountability across all its operations for effective decision-making. This commitment also encompasses key pillars such as advocating member financial literacy, granting Corporate Social Responsibility programs, and securing financial sustainability. Placing good governance at the forefront, the AFPMBAI's key strategies including the proactive pursuit of increased revenue, the implementation of effective cost management, and the optimization of investments, actively contribute to the realization of its overarching mission and vision. This approach not only ensures financial sustainability, but also enriches the AFPMBAI's engagement with members and stakeholders.

Member Centricity



Dedicated to prioritizing the distinct needs and preferences of its members and stakeholders, the Association unwaveringly provides responsive and innovative products and services along with comprehensive benefits. Going beyond immediate objectives, this involves a determined pursuit of long-term expansion and retention strategies for membership. The Association aims to foster enduring engagement, satisfaction, and delight within its community by consistently aligning products and services with the specific requirements and expectations of its valued members. Moreover, the AFPMBAI is dedicated to continuously enhancing customer service and providing innovative solutions to further elevate member experience.

Digital Transformation



The Association is enhancing its operational capabilities by strategically allocating resources to essential infrastructure, technology solutions, and talent development. This deliberate initiative includes a dedicated focus on advancing products and services closer to its members through mobile technologies. Additionally, the AFPMBAI is implementing a suitable and agile enterprise technology system to effectively support operations and workflows. Furthermore, the Association aims to develop and execute a technology-driven Human Capital Strategy, ensuring that its workforce is equipped with the necessary skills and tools to thrive in the digital era. This comprehensive approach is aimed at ensuring the successful and seamless implementation of its digital transformation initiatives complementing both the AFPMBAI's focus on good governance and member-centricity.

The Board reaffirmed the Governance Charter on 27 July 2023, concurrently reevaluating its corporate objectives and strategies.



POLICY DIVIDEND

AFPMBAI provides an additional benefit in the form of dividends on the policy contracts that contain the discretionary participating feature. While not guaranteed, the Association has been consistently giving out annual policy dividends to members who have in-force participating Permanent or Optional Insurance for at least three years. In 2023, AFPMBAI declared dividends amounting to P189M for 2022, benefiting 193,661 eligible policyholders of participating permanent plans.

These dividends shall be released on the plan's policy anniversary and payment of dividends can be made over-the-counter through all AFPMBAI offices nationwide or through the banks for members who have updated bank account records.

REPORT ON MATERIAL RELATED PARTY TRANSACTIONS (RPT)


The Board Risk Oversight and Related Party Transaction Committee (members are all non-executive trustees, with the majority, chairman and independent trustees) reviews and oversees all material transactions with related parties (directors, officers, and their close family members, shareholders/members, and related interests). This task ensures that transactions are entered into on an arms' length basis, without conflict of interest, and that the rights of all members are protected. The Association submits the required Sworn Statement quarterly to the IC, duly signed by the Compliance Officer, as well as the Annual Conglomerate Structure. Investments with AFPSLAI, having the same Chairman of the Board of Trustees, with significant interest, are likewise being reported to IC as related party transactions, and Investments Made and Sold.

Report on Material Related Party Transactions
ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INC. (AFPMBAI)
For CY2023

Parent / Subsidiary / Affiliate	Related Counterparty	Relationship between the Parties	Transaction Date	Type of Transactions	Amount (Php)	Terms	Relationship for entering into the Transaction
1. Subsidiary							
A. DOSRI	AFPGEN	Wholly owned Subsidiary		Board Meeting / Gen Affairs	For AFPGEN		Winding UP
MGen Rizaldo B Limoso PA (Ret)		President and CEO of AFPMBAI (Parent)	Jan - Jun 2023	Attendance to Board Meetings		Bi-monthly	Board of Liquidators
BGen Bienvenido Y Regondola Jr PA (Ret)		President and CEO of AFPMBAI (Parent)	Jul - Dec 2023	Attendance to Board Meetings		Bi-monthly	Board of Liquidators
MGen Nathaniel Y Casem PN (M) (Ret)		Head, SOG and COO (Parent)	Jan - Dec 2023	Attendance to Board Meetings		Bi-monthly	Board of Liquidators
Atty Maricarr Mirabel		Head, Legal Office (Parent)	Jan - Dec 2023	Attendance to Board Meetings		Bi-monthly	Corporate Secretary
Flordeliza Ocbania		Head, Finance (Parent)	Jan - Dec 2023	AFPGen affairs		Monthly	Liquidating Team
Atty Lynell Sese		Head, Litigation (Parent)	Jan - Dec 2023	AFPGen affairs		Monthly	Liquidating Team
B. Financial Transaction	AFPGEN	Wholly owned Subsidiary	31-Dec-23	AFPGEN Return of Capital Investment	P10,000,000.00	1 Monthly	AFPGEN Return of Capital Investment
	AFPSLAI	Entity with common significant interest	Various transactions from 17 Jan - 11 Jul '23	Rental Expense Jan-June 2023	P126,315.78	Monthly	Rental of Parking Lot
			Various transactions from 06 Feb - 18 Apr '23	Rental Income Jan-Apr 2023	P1,120,836.84	Monthly	Rental Office
			Various transactions from 31 Jan - 31 Oct '23	Dividend (4Q 2022 - 3Q 2023)	P487,500.00		Dividend of Capital Contribution
			Balance as of 31-Dec-2023	Accrued Interest of Long Term Investment	P3,526,666.67		Accrued Interest of Long Term Investment
			29-Dec-23	Roll-over of Investment from Short Term Investment	P56,881.30		Roll-Over of Investment
			27-Dec-23	Roll-over of Investment from Short Term Investment	P9,200,000.00		Roll-Over of Investment
			Various transactions from 22 Feb - 09 May '23	Withdrawal of Investments	P366,286,500.00		Board Resolution No 23-2020



ARMED FORCES AND POLICE MUTUAL BENEFIT ASSOCIATION, INCORPORATED

 +63.8822.MBAI (6224)
  mail@afpmbai.ph
  AFPMBAIOfficial
  www.afpmbai.com.ph