



BENEFICIAL LIFE INSURANCE COMPANY, INC.

BOARD SCREENING, NOMINATION & ELECTION, AND DIVERSITY POLICY

This Board Screening, Nomination & Election, and Diversity Policy (“Policy”) was approved and adopted by the Board of Directors of Beneficial Life Insurance Company, Inc. (“BenLife” or the “Company”) pursuant to the Company’s Revised Manual on Corporate Governance and in alignment with the relevant provisions of the Revised Code of Corporate Governance for Insurance Companies issued by the Insurance Commission.

PURPOSE:

This Policy sets out the processes, procedures, and qualification standards for the Members of Board to facilitate the selection of potential nominees for board seats, and to serve as a benchmark for the evaluation of its performance.

PRINCIPLES:

The Company believes that a Board with the necessary knowledge, experience and expertise can properly perform its task of overseeing management and governance of the entire organization, formulating the Company's vision, mission, strategic objectives, policies and procedures that would guide its activities, effectively monitoring management's performance and supervising the proper implementation of the same.

Diversity on the Board contributes to the enhancement of the quality of the Board’s performance as this ensures that optimal decision-making is achieved. An optimally performing diverse Board is an essential element in attaining the Company’s strategic objectives and sustainable development that promotes the best interests of all its stakeholders.

IMPLEMENTATION:

The Corporate Governance Committee (“CorCom) shall observe the following process and criteria for receiving and evaluating nominations to the Board in line with the Company’s strategic directions and in accordance with the Company’s Amended By-Laws, Revised Manual on Corporate Governance, Board Diversity Policy, rules provided for by the regulators (IC and SEC) as well as the Revised Corporation Code. It shall promulgate the guidelines or criteria to govern the conduct of the nomination process. The same shall be properly disclosed in the BenLife’s information or proxy statement or such other reports required to be submitted to the SEC:

Nomination and Screening Process

- (1) All Shareholders, regardless of their shareholdings, shall have the right to nominate, elect, remove and replace directors and vote on certain corporate acts in accordance with the Revised Corporation Code.
- (2) The CorCom itself may likewise identify and recommend qualified individuals for nomination and election to the Board. For this purpose, the CorCom may make use of professional search firms or other external sources of candidates to search for qualified candidates to the Board.
- (3) All written nominations for election of Directors by the stockholders are to be received by the CorCom not later than the date prescribed by law, rules and regulations or at such earlier or later date as the Board of Directors may fix before the date of the next annual meeting of the stockholders. All recommendations shall be signed by the nominating stockholders together with the written acceptance and conformity of the would-be nominees. No nominee shall qualify to be elected as Director unless this requirement is complied with.
- (4) The CorCom shall screen and shortlist qualified individuals for election as Directors to ensure that only those that possess all the qualifications and none of the disqualifications from directorship as provided in the Company's Amended By-Laws, Revised Manual on Corporate Governance, and relevant laws, rules and regulations may be elected to the Board, which include but not limited to the following:
 - (i) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile;
 - (ii) have a record of integrity and good repute;
 - (iii) have sufficient time to carry out their responsibilities; and
 - (iv) have the ability to promote a smooth interaction between board members.
- (5) Selection of Director-Nominees will also include consideration of a range of diversity aspects including, but not limited to, gender, age, ethnicity, educational background, professional and business experience, skill sets, knowledge, length of service, and mix of executive, non-executive and independent directors, having due regard to the requirements of the Company and the Board.
- (6) In case of vacancy in the Board other than removal of a director or expiration of term, the CorCom shall determine and identify the qualified nominee and recommend to the Board, if the remaining Directors still constitute a quorum, to elect such qualified nominee to fill the vacancy.

The CorCom shall identify and recommend Directors to fill vacancies in any of the Board Committees, taking into account the requirements set forth in their respective charters.

- (7) The CorCom shall prepare a final list of qualified nominees, recommend for final approval of the Board such final list, and recommend to the stockholders the qualified nominees included in the final list for election in the annual meeting of stockholders.
- (8) The final list of nominees shall contain all the information about all the nominees and shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement, or in such other reports the Company is required to submit to SEC. The name of the person or group of persons who recommended the nomination of the director shall also be identified in such report including any relationship with the nominee.

Shareholders will be provided with sufficient information on the Director-Nominees, such as their gender, age, ethnicity, educational background, professional and business experience, skill sets, and length of service, to enable the shareholders to consider diversity in electing the members of the Board.
- (9) Only nominees whose names appear on the final list of nominees shall be eligible for election as Director/s. No other nominations shall be entertained after the final list of nominees shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders' meeting.
- (10) The aforementioned process and requirements also applies to nominations for independent directors.

Election Process

- (1) Except as those required under the SRC Rule and subject to pertinent laws, rules and regulations of the SEC, the conduct of the election of director/s shall be made in accordance with standard election procedures of the Company's Amended By-Laws, this Manual, and/or rules and guidelines duly approved and promulgated by the Board.
- (2) A holder of at least one (1) share of stock of the Company shall have the right to be present and to vote, in every stockholders' meeting, either in person or by proxy; Provided that if the stockholder is represented by proxy, the stockholder shall be limited to a single proxy at any one time. The proxy shall be filed with the Secretary of the Company at least ten (10) days before the meeting and shall be valid until revoked.

- (3) At all stockholders' meeting, voting shall be by shares and not "per capita".
- (4) Stockholders not possessing full legal capacity, such as spendthrifts, minors, etc., or corporations, associations and other legal entities shall be represented by their legal representatives.
- (5) Voting for the election of members of the Board of Directors shall be by shares of stock, that is, one share entitles the holder thereof to one vote, two shares to two votes, etc., but in the election of members of the Board of Directors, any stockholder may cumulate his vote as provided for in the Revised Corporation Code.
- (6) In the election of members of the Board of Directors, the nine (9) nominees receiving the highest number of votes shall be declared elected.
- (7) Election of Independent Directors
 - (i) Except as those required under the SRC Rule and subject to pertinent laws, rules and regulations of the SEC, the conduct of the election of independent director/s shall also be made in accordance with the standard election procedures set forth in the Company's Amended By-Laws;
 - (ii) It shall be the responsibility of the Chairperson of the Meeting to ensure that all stockholders in attendance are informed of the mandatory requirement of electing independent director/s and independent directors are elected during the stockholders' meeting;
 - (iii) Specific slot/s for independent directors shall not be filled-up by unqualified nominees.
- (8) A notarized list of the incumbent members of the Board and the respective biographical data of said directors with ID picture are required to be submitted to the IC within thirty (30) days from the date of election.

EFFECTIVITY, REVIEW and AMENDMENT:

This Policy shall take effect on January 01, 2022, as approved by the Board of Directors of the Company. The Corporate and Governance Committee shall review and recommend amendments to this Policy, as may be appropriate, and any such amendments shall be subject to the approval by the Board.