

**ANNUAL CORPORATE GOVERNANCE REPORT
THE BOARD'S GOVERNANCE RESPONSIBILITIES**

	COMPLIANT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Principle 1: The company should be headed by a competent, working board to foster the long- term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	YES	Please see List of Directors and Officers (Attachment 1)	
2. Board has an appropriate mix of competence	YES		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization .	YES		
Recommendation 1.2			
1. Board is composed of a majority of non- executive directors.	Yes	Please see List of Directors and Officers (Attachment 1)	
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	Yes	Board Charter (Attachment 3)	
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	Yes	Board Charter (Attachment 3)	
3. Company has relevant annual continuing training for all directors .	No	Board Charter (Attachment 3)	Most of our directors receive regular corporate governance trainings from the other companies that they are affiliated with because these are bigger companies. We arrange Corp. Governance Training for those who need updating.
Recommendation 1.4			
1. Board has a policy on board diversity .	Yes	Board Charter (Attachment 3) / Code of Ethics (Attachment 4)	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary.	Yes	Incoming Corporate Secretary Atty. Avelino Guzman will replace Mr. Michael N. Martinez to comply with IC requirement. Atty. Guzman is not a member of the board. Please see List of Directors and Officers (Attachment 1)	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Yes		
3. Corporate Secretary is not a member of the Board of Directors.	Yes		
4. Corporate Secretary attends training/s on corporate governance .	Yes		
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Yes	Please see List of Directors and Officers (Attachment 1)	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	Yes	Please see List of Directors and Officers (Attachment 1)	
3. Compliance Officer is not a member of the board.	Yes	Please see List of Directors and Officers (Attachment 1)	
4. Compliance Officer attends training/s on corporate governance annually .	Yes	Please see List of Directors and Officers (Attachment 1) / 2021 Corporate Governance Training scheduled	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company 's articles and by-laws , and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders .			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Yes	Board Charter (Attachment 3) / Code of Ethics (Attachment 4)	
Recommendation 2.2			
1. Board oversees the development , review and approval of the company 's business objectives and	Yes	Board Charter (Attachment 3) / Company Articles and ByLaws (Attachment 1, Article 3)	

2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength .	Yes	Minutes of the Shareholder's Meeting (Attachment 10)	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Yes	Please see List of Directors and Officers (Attachment 1)	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors , key officers and management.	Yes	Company Articles and ByLaws (Attachment 1, Section 3 - 5). By-laws state election of board members to occur annually; nominations are done by Shareholders; Shareholders decide should they wish to retire and relace their representing director	
2. Board adopts a policy on the retirement for directors and key officers.	Yes		
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	Yes	Company Articles and ByLaws (Attachment 1, Section 10). UIB BOD is paid a very minimal fee which is decided upon by the SH. This may be adjusted upon decision of SH and based on the company performance and according to the ByLaws. Directors whose remuneration are being discussed are not involved in determining the final decision.	
2. Board aligns the remuneration of key officers and board members with long-term interests of the company .	Yes		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Yes		
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Yes	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	Transparency of board nomination and election is achieved because all nominations are presented and voting is done during Annual Shareholder Meeting
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance .	No	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	Election policies are present in the By-laws; Nominations are forwarded by shareholders
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	No	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	Currently, SH exercise their right to nominate their own directors. At the moment, all directors are very closely affiliated representatives of the shareholders.
4. Board nomination and election policy includes how the board reviews nominated candidates .	No	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	Nominations are presented and reviewed during the board meeting. Potential candidates are also discussed during board meetings.
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	No	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	We hold yearly elections of Directors by the Shareholders giving each the opportunity to renew, change, nominate as the shareholder deems fit.
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company .	No	Board Charter (Attachment 3, Item 4) / Articles and ByLaws (Attachment 1, Article III)	We hold yearly elections which give the shareholders that opportunity to change directors if the performance is unsatisfactory.
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions .	Yes	Code of Ethics (Attachment 4, 'Conflict of Interest')	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions .	Yes	Code of Ethics (Attachment 4, 'Conflict of Interest')	
3. RPT policy encompasses all entities within the group , taking into account their size, structure , risk profile and complexity of operations .	Yes	Code of Ethics (Attachment 4, 'Conflict of Interest')	

Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Yes	Articles and ByLaws (Attachment 1, Article IV)	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Yes	Articles and By-laws (Attachment 1, Article III) / Board Charter (Attachment 3, '2. Purpose of the Board')	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	Yes	Articles and By-laws (Attachment 1, Article IV) / Board Charter : '2. Purpose of the Board' / 3. Board Meeting Agenda (Attachment 6) - President's Report provides quantitative and qualitative updates on performance	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Yes	Articles and By-laws (Attachment 1, Article IV) / Board Charter : '2. Purpose of the Board' / 3. Board Meeting Agenda (Attachment 6) - President's Report provides quantitative and qualitative updates on performance	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Yes	Regular Financial reports and Fund Transfers are reviewed and approved by the Treasurer. Sample of Fund Transfer approved by Treasurer (Attachment 7).	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Yes	Sample of Fund Transfer approved by Treasurer (Attachment 7)/ Shareholder's Meeting Minutes (Attachment 10; 'Other Matters') - Approvals for operating bank accounts and long term investments funds, approval limits are controlled and decided on by the board.	
3. Board approves the Internal Audit Charter.	No		Treasurer reviews all disbursements; Accounting Head forwards disbursement and financial updates to Treasurer.
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Yes	All business concerns are taken up during Executive Committee Meetings to ensure that any possible threat or risk is addressed within the Board direction Board Resolution defining functions of the Execom (Attachment 5)	
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Yes	All business concerns are taken up during Executive Committee Meetings to ensure that any possible threat or risk is addressed within the Board direction Board Resolution defining functions of the Execom (Attachment 5)	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Yes	Board Charter (Attachment 3)	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Yes	Board Charter (Attachment 3)	
3. Board Charter is publicly available and posted on the company's website.	Yes	Company website: uniguarantee.com	

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions , particularly with respect to audit, risk management, related party transactions , and other key corporate governance concerns , such as nomination and remuneration . The composition , functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities .	Yes	Board Resolution defining functions of the Execom (Attachment 5)	
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting , internal control system , internal and external audit processes , and compliance with applicable laws and regulations.	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors , the majority of whom , including the Chairman is independent.	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
3. All the members of the committee have relevant background , knowledge , skills , and/or experience in the areas of accounting , auditing and finance.	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee .	No		The chairman of the Executive Committee is the Chairman if the board and a NED to allow for objective handling of risk management issues.
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities , including the functions that were formerly assigned to a Nomination and Remuneration Committee .	YES	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
2. Corporate Governance Committis composed of at least three members, majority of whom should be independent directors.	YES	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	Our Executive Committee consists of 3 NEDs and 2EDs. Our directors and committee fees are extremely conservative. Hence, it is beneficial to the company to have non-executive directors rather than independent directors because it is cost efficient yet still achieves a balance in internal operation.

3. Chairman of the Corporate Governance Committee is an independent director .	No	Code of Ethics (Attachment 4 'Conflict of Interest')	While our committee members are not independent directors (due to the reasons cited above), they are Non Executive Directors guided by our Code of Ethics to ensure balance, fairness and integrity is achieved.
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness .	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	YES	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	No	Code of Ethics (Attachment 4 'Conflict of Interest')	The chairman of the Executive Committee is the Chairman of the board. He is also a NED to safeguard against conflict in dealing with risk and operational issues. Our Executive Committee consists of 3 NEDs and 2EDs. Our directors and committee fees are extremely conservative. Hence, it serves to the company's interest to have non-executive directors rather than independent directors serving on the committee because it is cost efficient yet still achieves a balance in internal operation.
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Yes	Director's and Officers Information Sheet (Attachment 2)	
Recommendation 3.5			

1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman	YES	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5)	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information	No	The Executive Committee is guided by the functions as defined by the Board. Board Resolution defining functions of the Execom (Attachment 5)	The responsibilities and purpose of executive comm has been outlined by the Board.
2. Committee Charter provide standards for evaluating the performance of the Committees.	No	The Executive Committee is guided by the functions as defined by the Board. Board Resolution defining functions of the Execom (Attachment 5)	Evaluation of the performance of Committees is addressed during Board meetings.
3. Committee Charters were fully disclosed on the company's website.	No		The Executive Committee is guided by the functions as defined by the Board. Board Resolution defining functions of the Execom (Attachment 5)
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
¹ The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Yes	Execomm Attendance Sheet (Attachment 19) / Board Meeting Attendance Sheet (Attachment 20)	
² The directors review meeting materials for all Board and Committee meetings.	Yes	Minutes of the Meeting (Attachment 9/10, 3rd item on Agenda)	
³ The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Yes	Minutes of the Meeting (Attachment 9/10)	
Recommendation 4.2			
¹ Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company	Yes	List of Director's and Officer's Information Sheet (Attachment 2)	
Recommendation 4.3			
¹ The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	Yes	List of Director's and Officer's Information Sheet (Attachment 2)	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	No	List of Director's and Officer's Information Sheet (Attachment 2)	Independent board seats are 20% of the board. However, one seat is currently vacant.

Recommendation 5.2			
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	Yes	List of Director's and Officer's Information Sheet (Attachment 2)	
Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term of nine years. As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016. For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.	Yes	No independent director has exceeded a 9 year term.	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	No		There are no existing term limit policies for independent directors. This will be amended by the Board to comply with IC Corp. Governance rules.
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	Yes	No independent director has exceeded a 9 year term.	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Yes	Chairman of the Board - Mr. Joel Marcelo G. Jimenez / President - Ms. Josette Anne T. Pacho	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Yes	Board Charter (Attachment 3 'Board/CEO Relationship') / Articles and Bylaws (Attachment 1, article IV)	
Recommendations 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Yes	Chairman and CEO are held by separate persons: Chairman of the Board - Mr. Joel Marcelo G. Jimenez / President - Ms. Josette Anne T. Pacho / Lead Independent Director - Nico Bolzico	
Recommendations 5.6			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	Yes	Code of Ethics (Attachment 4, 'Conflict of Interest')	
Recommendations 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	No	Certification of Malayan Bank (Attachment 8)	Company Financial Reports are always submitted to the Accounting of the biggest shareholder during audit.

2. The meetings are chaired by the lead independent director .	No		Company Financial Rports are always submitted to the Accounting of the biggest shareholder during audit.
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies .			
Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole	Yes	Minutes of the Board Meeting (Attachment 9, "President's Report"); Minutes of the Joint Shareholders and Board Meeting (Attachment 10, "Election of Directors")	
2. The performance of the Chairman is assessed annually by the Board.	Yes		
3. The Board conducts an annual assessment of its performance as a whole . annually by the Board.	Yes		
4. The performance of each committee is assessed annually by the Board.	Yes		
5. Every three years , the assessments are supported by an external facilitator.	No	Minutes of the Board Meeting (Attachment 9, "President's Report"); Minutes of the Joint Shareholders and Board Meeting (Attachment 10, "Election of Directors")	We are an SME operation. It is cost efficient for our shareholders to assess performances based on audited figures and regular reports as a third party facilitator is costly. Decisions on any major changes are then made by the Board or Shareholders based on regular updates during meetings and necessary changes can be made anytime in the event of any unsatisfactory performance.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performacne of the Board, individual directors and committees	Yes	Minutes of the Board Meeting (Attachment 9, "President's Report"); Minutes of the Joint Shareholders and Board Meeting (Attachment 10, "Election of Directors")	
2. The system allows for a feedback mechanism from the shareholders	Yes	All shareholders are properly represented at regular board meetings at all times. Board Meeting Attendance Sheet (Attachment 11)	
Principle 7: Members of the Board are duty-bound to apply high ethical standards , taking into account the interests of all stakeholders .			
Recommendation 7.1			
Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company .	Yes	Code of Business Ethics (Attachment 4)	
2. The Code is properly disseminated to the Board, senior management and employees .	Yes	Code of Business Ethics (Attachment 4)	
3. The Code is disclosed and made available to the public through the company website .	Yes	see uniguarantee.com	
Recommendations 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Yes	Code of Business Ethics (Attachment 4) / Employee Code of Conduct (Attachment 11)	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Yes	Code of Business Ethics (Attachment 4) / Employee Code of Conduct (Attachment 11)	

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendations 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive , accurate , reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company 's financial condition , results and business operations.	Yes	Board meetings always follow structured flow where proper reports and disclosures are always expected and done during shareholder/board meetings. Board Meeting Agenda (Attachment 6)	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications , and assess any potential conflicts of interest that might affect their judgment.	Yes	List of Director's and Officer's Information Sheet (Attachment 2)	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications , and assess any potential conflicts of interest that might affect their judgment.	Yes	List of Director's and Officer's Information Sheet (Attachment 2)	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration , including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	No	Articles and Bylaws (Attachment 1, Article III)	Our corporate by-laws contain policies on setting remuneration for the board following Sec. 30 of the revised Corporation Code.
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration , including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	No	Articles and Bylaws (Attachment 1, Article III)	Our corporate by-laws contain policies on setting remuneration for officers which is determined by the Board of Directors.
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	No	Keyperson compensation declared in Audited Financial Statement (Attachment 12, Note 20) / Sample Payroll Template requiring signature of Treasurer (Attachment 13)	Payroll ledger is approved by the Treasurer monthly; Company does not disclose individual salaries unless such information is requested by authorized persons (Board, HR, Accounting). However, keyperson compensation (Salaries and Wages expense for President and COO) are disclosed in total in the Audited Financial Statement.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions .	Yes	Audited Financial Statement (Attachment 12, Note 20)	
2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders ' meeting during	Yes	Audited Financial Statement (Attachment 12, Note 20)	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	No	Corporate Articles & By-Laws (Attachment 1) / Board Charter (Attachment 3) / Code of Ethics (Attachment 4)	We are guided by the general framework set forth in our Articles of Incorporation, Coporate ByLaws, Board Charter and Code of Ethics.
2. Company's MCG is posted on its company website.	No	Website contains Corporate Articles & By-Laws, Board Charter, Code of Ethics . Please see uniguarantee.com	
Principle 9: The company should establish standards for the appropriate selection of an external auditor , and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment , reappointment , removal, and fees of the external auditors.	Yes	Shareholder Meeting Minutes (Attachment 10)	
2. The appointment , reappointment, removal, and fees of the external auditor is recommended by the Audit Committee , approved by the Board and ratified by the shareholders	No	Shareholder Meeting Minutes (Attachment 10)	Appointment is recommended by the President for approval of the Board and ratified by Shareholders.
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures .	Yes	We have not changed our auditor since our first year of operation.	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors ; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity ; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Yes	Code of Corporate Governance for IC Regulated Companies states that (Principle 3) "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that (Principle 3.1 Explanation) "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5) We are compliant because (1) We have an executive committee addressing this requirement (2) Our External Auditor is accredited with the Insurance Commission (3) The	

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Yes	Code of Corporate Governance for IC Regulated Companies states that <i>(Principle 3)</i> "Board Committees should be set up to the extent possible to support the effective performance of the Board's functions...". It qualifies however that <i>(Principle 3.1 Explanation)</i> "The type of board committees to be established by a company would depend on its size, risk profile and complexity of operations. However, if committees are not established, the functions of these committees may be carried out by the whole board or by any other committee" Board Resolution defining functions of the Execom (Attachment 5) We	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Yes	Our External Auditor only performs Annual Audit and for recording in IC report only.	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external	Yes	Our External Auditor only performs Annual Audit and for recording in IC report only.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Yes	Code of Ethics (Attachment 4)	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	No		We are guided by our Code of Ethics & Business Conduct in observing policies for the betterment of the community.
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	Yes	Uniguarantee Website: uniguarantee.com	
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Yes	We achieve internal control through the following: (1) We are required to submit our TB and Audited FS to our largest shareholder for their annual Audit Exercise (2) Key operations functions are separated between different units and under separate supervisors to ensure check and balance. (3) Processes are well defined and implemented (4) Achieving personnel compliance is supported by Employee Code of Conduct Certification of Malayan Bank (Attachment 8) / Process Flow - Sample page from manual (Attachment 14) / Employee Code of Conduct - (Attachment 15)	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Yes	Audited Financial Statement 2020 (Attachment 12, Note 22 Risk Management Objectives and Policies)	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	No	Uniguarantee submits its preliminary figures and Final Audited FS to Malayan Bank, their largest shareholder for audit. Certification of Malayan Bank (Attachment 8)	
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board	Yes	Cynthia Fulgosino, Accounting Head - List of Director's and Officers (Attachment 2)	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Yes	Accounting Head reviews all financial transactions to ensure that all is accounted for and properly recorded. We do not have a 3rd party auditor.	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	No	We do not outsource internal audit. Our financial reports are submitted and reviewed by the Accounting Department of the Bank who are independent from our organization. Certification of Malayan Bank (Attachment 8)	
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	No		Risk management is taken on by the Treasurer, President, COO and Accounting Head. All concerns that can gravely affect the operation are discussed with the Board of Directors or with the Executive Committee guided by the findings of
Recommendation 12.5			

1. In managing the company 's Risk Management System , the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Yes	Risk management is taken on primarily by our Treasurer and this is also monitored and implemented by the President, COO and Accounting Head. All concerns that can gravely affect the operation are discussed with the Board of Directors or with the Executive Committee. Articles of Incorporation & Bylaws (Attachment 1, Article IV)	
2. CRO has adequate authority , stature, resources and support to fulfill his/her responsibilities	Yes	Risk management is taken on primarily by our Treasurer and this is also monitored and implemented by the President, COO and Accounting Head. All concerns that can gravely affect the operation are discussed with the Board of Directors or with the Executive Committee. Articles of Incorporation & Bylaws (Attachment 1, Article IV)	
Principle 13: The company should treat all shareholders fairly and equitably , and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	No	Articles of Incorporation & Bylaws (Attachment 1) / Board Charter (Attachment 3) / Code of Ethics (Attachment 4)	Shareholder rights are protected by the Articles and Bylaws. We are in the process of creating our MCG.
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Yes	Website: uniguarantee.com	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders ' Meeting with sufficient and relevant information at least 21 days before the meeting.	No	Articles of Incorporation & Bylaws (Attachment 1)	Our ByLaws require 2 weeks notice prior to shareholder's meeting. We are complaint with this. If the Insurance Commission wishes to strictly implement a 21 day advanced notice, we shall comply and revise our ByLaws accordingly.
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders ' Meeting publicly available the next working day.	No	Minutes of the Shareholder's Meeting (Attachment 10)	Results of votes are captured in the Minutes of the Meeting made available to all shareholders after the meeting. However, this is not made available to the public.
2. Minutes of the Annual and Special Shareholders ' Meetings are available on the company website within five business days from the end of the meeting .	No	Minutes of the Shareholder's Meeting (Attachment 10)	We would like to appeal to the Insurance Commission for our meeting minutes to remain undisclosed on our website because we are not a publicly traded company and we already provide this information to our shareholders at all times. We can (and do) submit copies of these to the Commission as our regulating body. However, there are confidential trade information and strategies discussed that reasonably need to be kept confidential from the general public. For your consideration.
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	Yes	Code of Ethics (Attachment 4)	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	No	Code of Ethics (Attachment 4)	Handling and reporting of disputes is contained in the Code of Ethics
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected . Where stakeholders ' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			

Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth , growth and sustainability .	Yes	Meetings are always well attended and shareholders properly represented. Board Meeting Attendance Sheet (Attachment 20). Chairman conducts meetings to ensure that proper updates are always provided; the discussion is open and productive; decisions made are in what the board believes to be in the interest of the company's future. Board Meeting Minutes (Attachment 9) ; Shareholders Meeting Minutes (Attachment 10)	
Recommendation 14.2			

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders .	Yes	Code of Ethics (Attachment 4) / Articles of Incorporation and By-Laws (Attachment 1)	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Yes	Code of Ethics (Attachment 4)	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes .			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance .	Yes	Employee Internal Survey Form (Attachment 18) - anonymous employee implemented and completed May 2021	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Yes	Code of Ethics (Attachment 4) / Company Code of Conduct (Attachment 11)	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company 's culture.	Yes	Company Code of Conduct Training done in 2019 / Corporate Culture Training to implementation this year as a result of the employee survey.	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices , without fear of retaliation.	Yes	Code of Ethics (Attachment 4)	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing	Yes	Code of Ethics (Attachment 4)	
3. Board supervises and ensures the enforcement of the whistleblowing framework .	Yes	Code of Ethics (Attachment 4)	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates . It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society , and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates .	Yes	Board Charter (Attachment 3) / Code of Ethics (Attachment 4)	

CERTIFICATION

The undersigned certify that the responses and explanations set forth in the above Company's Annual Corporate Governance Report are true, complete and correct of our own personal knowledge and/or based on authentic records.

Signed in the City of _____ on the _____ of _____ 20

Original Manually Signed

Mr. JOEL MARCELO G. JIMENEZ
CHAIRMAN OF THE BOARD

Original Manually Signed
JOSETTE ANNE T. PACHO
PRESIDENT/CEO

Original Manually Signed
MICHAEL N. MARTIREZ
CORPORATE SECRETARY

Original Manually Signed
Fulfilled by Executive Committee chaired by Mr. JOEL MARCELO G. JIMENEZ (Signature above)

Original Manually Signed
ANNA LIZA M. SIAPNO

CORPORATE GOVERNANCE

Original Manually Signed
MICHELLE G. VERGARA
COMPLIANCE OFFICER

TREASURER & DIRECTOR

Original Manually Signed
NICO BOLZICO
INDEPENDENT DIRECTOR

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

NAME	ID NO.	DATE/ PLACE ISSUED
1. Joel Marcelo G. Jimenez		
2. Josette Anne T. Pacho		
3. Michael N. Martinez		
4. Michelle G. Vergara		
5. Anna Liza M. Siapno		
6. Nico Bolzico		

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