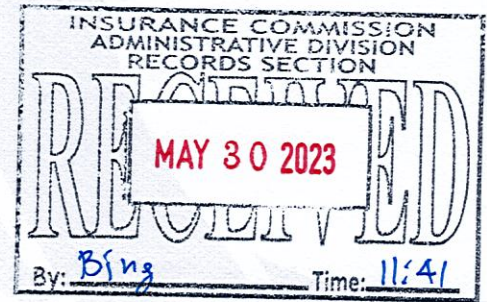


RECEIVING COPY



30 May 2023

Hon. Reynaldo A. Regalado
Insurance Commission
INSURANCE COMMISSION
1071 United Nations Avenue
Ermita, Manila

Attention: ATTY. JOANA MICHELLE J. DE OCAMPO
Anti-Money Laundering and Corporate Governance Division

Gentlemen:

In compliance with the requirements of the Insurance Commission's Circular Letter No. 2020-72, we respectfully provide your good office with Oona Insular Insurance Corporation (formerly Mapfre Insular Insurance Corporation)'s two (2) copies of Annual Corporate Governance Report (ACGR) for 2022.

We hope you will find everything in order.

Respectfully,

A handwritten signature in blue ink, appearing to be 'DD' or similar initials.

DONNA C. DUQUE-PASTORAL
Assistant Corporate Secretary
Oona Insular Insurance Corporation

www.oona-insurance.com

**ANNUAL CORPORATE GOVERNANCE REPORT OF
OONA INSULAR INSURANCE CORPORATION¹**

- | | |
|--|---|
| 1. For the fiscal year ended | 2022 |
| 2. Certificate Authority Number | 2022/03-R-A |
| 3. Province, Country or other Jurisdiction of
Incorporation or Organization | Philippines |
| 4. Address of Principal Office
Postal Code | (632) 88764400 |
| 5. Company's official website | https://myoona.ph |
| 6. Former name, Former address and
former fiscal year, if changed since last report | MAPFRE INSULAR INSURANCE CORPORATION
N/A |

¹ 7,493,847 shares owned by Mapfre Internacional S.A., plus six shares held by nominees, were sold/transferred to Oona Philippines Holdings Corporation and The Insular Life Assurance Company, Ltd., pursuant to Deeds of Absolute Sale dated 28 October 2022.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
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.	COMPLIANT	<p><i>The Board is composed of directors with different backgrounds and proficiency significant to the finance and insurance sector. The Board's diversity adds to its collective working knowledge.</i></p>	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT		
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.	COMPLIANT	<p>Available in Oona's website Meet our Management and Board of Directors - About Us - Oona Insurance Philippines (myoona.ph)</p> <p>Directors possess the necessary skills, competence and experience, in terms of management capabilities, particularly in the field of insurance and insurance-related disciplines. Directors attended a special seminar on corporate governance and other various trainings to effectively perform their roles and responsibilities.</p> <p>Please see:</p> <p>Article 3: Individual Directors, Section 1 - 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	

		Available in Oona's website Meet our Management and Board of Directors - About Us - Oona Insurance Philippines (myoona.ph)	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p><i>The Company's nine-seat Board is composed of eight non-executive directors and one executive director. Only Mr. Ramon Zanduetta is classified as an Executive Director defined as one who has executive director defined as one who has executive responsibility of day-to-day operations of a part or the whole of the organization.</i></p> <p>Available in Oona's website Meet our Management and Board of Directors - About Us - Oona Insurance Philippines (myoona.ph)</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p><i>Directors undergo mandatory initial trainings and refresher trainings to have a strong understanding of the financial, insurance and strategy issues faced by the Board.</i></p> <p><i>Each director must have attended a special seminar on corporate</i></p>	

		<p><i>governance conducted by a trainer accredited by the Insurance Commission.</i></p> <p>Oona's Code of Good Corporate Governance and Subsidiary Framework for Board of Directors may be accessed through the following link -</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p> <p>2016-mapfre-subsidiary-framework.pdf (myoona.ph)</p>	
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	COMPLIANT		
3. Company has relevant annual continuing training for all directors.	COMPLIANT		
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<p>The Company has a separate board diversity policy.</p> <p>Please see: Art. 2, Sec. 3 of 2017 Code of Good Corporate Governance (Selection Process).</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p> <p>In addition, Oona's Directors Selection Policy and Diversity and Equal Opportunity Policy may be</p>	

		<p>accessed through the company's website.</p> <p>2021-Director-Selection-Policy.pdf (myoona.ph)</p> <p>2015-diversity-equal-opportunities-policy.pdf (myoona.ph)</p> <p>As of 2023, Oona has 3 out of 9 female directors.</p>	
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Recommendation 1.5

1. Board is assisted in its duties by a Corporate Secretary.	COMPLIANT	<p><i>The Corporate Secretary is not a member of the Board, is a separate individual from the Compliance Officer and attended training on corporate governance. The Corporate Secretary performs the functions found in the Company's Code of Good Corporate Governance. The Corporate Secretary is Atty. Jonas-Karl V. Perez, and the Assistant Corporate Secretary is Atty. Donna C. Duque-Pastoral.</i></p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p> <p>Please see page 5, GIS:</p> <p>Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		

4. Corporate Secretary attends training/s on corporate governance.	NON-COMPLIANT		<i>The Corporate Secretary is a partner of one of the prestigious law firms in the country and has gained his experience in Corporate governance through actual work as Corporate Secretary in various companies.</i>
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p><i>The Board has elected a Compliance Officer who is a member of the Management Committee with a rank of Vice President and is not a member of the Board. The Compliance Officer performs the functions found in the Company's Code of Good Corporate Governance.</i></p> <p><i>Please see: Article 8: Compliance and Monitoring System: 2017-code-of-good-corporate-governance.pdf (myoona.ph)</i></p> <p><i>Please see page 5, GIS:</i></p> <p>Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT		
3. Compliance Officer is not a member of the board.	COMPLIANT		
4. Compliance Officer attends training/s on corporate governance annually.	COMPLIANT	<p>Profile of the Compliance Officer, Atty. Donna C. Duque-Pastoral, is found in the company's website.</p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p>	

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

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<p>Directors devote sufficient time to familiarize themselves with the institution's business. They must always act in good faith with care.</p> <p>Please see: Article 3: Individual Directors, Section 2: Duties and Responsibilities of a Director. 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
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Recommendation 2.2

<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p>COMPLIANT</p>	<p><i>The Board reviews and adopts a strategic plan for the company along with management objectives and the annual budget. It oversees the conduct of the company's business to ensure that the business is being properly managed and dealings with policyholders, claimants and creditors are fair and equitable.</i></p> <p>Please see: Article 2: Board of Directors, Section 2: Governance, Responsibilities, Duties and Functions of the Board 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
<p>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.</p>	<p>COMPLIANT</p>		

Recommendation 2.3

1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p><i>The Board is headed by a competent and qualified Chairperson, Mr. Abishek Bathia.</i></p> <p><i>Please see: Mr. Bathia's profile in the Company's website Leadership - Oona Insurance Philippines (myoona.ph)</i></p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p><i>The Board has the general responsibility to plan succession including appointing, training, fixing the compensation of, and where appropriate, replacing senior management.</i></p>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	<p><i>Please see: Article 2, Section 2 B.5 2017-code-of-good-corporate-governance.pdf (myoona.ph)</i></p> <p><i>The Company has a retirement policy that covers key officers.</i></p> <p><i>Please see: Retirement-Policy-2021.pdf (myoona.ph)</i></p>	
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	COMPLIANT	<p><i>The Company has a Compensation Policy that provides for the remuneration of its key officers and non-executive members of the governance bodies.</i></p>	
2. Board aligns the remuneration of key officers and board members with long-term interest of the company.	COMPLIANT	<p><i>The Board ensures the Compensation Policy specifies appropriate</i></p>	

		<i>remuneration levels for each duty/job and its performance.</i>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	Please see: 2016-compensation-policy.pdf (myoona.ph)	
Recommendation 2.7			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	The Board has a Nomination and Election Policy as stated in the Company's Code of Good Corporate Governance.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	The Board has delegated to the Nomination Committee the review and evaluation of the qualifications of directors and the process of selection among the nominated candidates.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	Please see: Art. 3, Sec. 4 (Election/Re-election) and Art. 4, Sec. 1 (Nomination Committee) of 2017 Code of Good Corporate Governance available at Oond's website. 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
4. Board nomination and election policy includes how the board reviews nominated candidates.	COMPLIANT		
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.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company	COMPLIANT		
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	COMPLIANT	<i>The Board has the duty to evaluate on an ongoing basis existing relations between and among business and counterparties to ensure that all related parties are continuously identified and monitored.</i>	
2. RPT Policy appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions	COMPLIANT	<i>The Company has a Related Party Transactions Policy that is part of its Code of Corporate Good Governance. Overlapping interests in the insurance entity and material transactions involving such interests are disclosed to the Board. The Board reviews and approves material transactions not in the company's ordinary course of business.</i>	
3. RPT Policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	<p><i>Please see: Article 4, Section 5: Related Party Transactions Committee</i></p> <p><i>Article 6, Section 2: Related Party Transactions</i></p> <p><u>2017-code-of-good-corporate-governance.pdf (myoona.ph)</u></p>	

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)	COMPLIANT	<i>The Board has the general responsibility to plan succession, including appointing, training, fixing the compensation of, and where appropriate, replacing senior management.</i>	
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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)	COMPLIANT	Please see: Art. 2, Section 2 B.5 (General Responsibility) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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	COMPLIANT	The Board conducts objective assessment of the skills and abilities and performance of its senior executives. Please see: Article 1, Section 4 Institutional Principles	
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	COMPLIANT	2017-code-of-good-corporate-governance.pdf (myoona.ph) 2015-promotion-selection-and-mobility-policy.pdf (myoona.ph)	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<i>The Board shall ensure that an effective system of control is in place.</i> 2018-internal-control-policy.pdf (myoona.ph)	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT	A copy of the Internal Audit Charter is uploaded to the website. PH-MAPFREs-Internal-Audit-Charter-V-10.2020-Eng-APPROVED.pdf (myoona.ph)	

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.	COMPLIANT	<i>The Board identifies the principal business risks and ensures implementation of appropriate risk management systems.</i>	
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.	COMPLIANT	<i>Please see: Article 2, Section 2 B.3 General Responsibility</i> 2017-code-of-good-corporate-governance.pdf (myoona.ph) Microsoft Word - 4. Política de Gestión de Riesgos borrador para la Revisión 2016 (enviar a Cumplimiento) ENU (myoona.ph)	
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.	COMPLIANT	<i>The Board Charter is included in the Code of Good Corporate Governance, which is available in the Company's website. It includes the Board's general responsibilities and the functions of the Board and its Committees.</i> 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's function, 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</p>			
Recommendation 3.1			

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>COMPLIANT</p>	<p><i>The Board has constituted the proper committees to assist in good corporate governance:</i></p> <ol style="list-style-type: none"> 1. <i>Nomination Committee</i> 2. <i>Audit Committee</i> 3. <i>Remuneration Committee</i> 4. <i>Executive Committee</i> 5. <i>Related Party Transactions Committee</i> <p>Please see: Article 4 (Board Committees) of 2017 Code of Good Corporate Governance.</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
<p>Recommendation 3.2</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p><i>The Audit Committee provides oversight of the Company's internal and external auditors. It has the primary responsibility of recommending on the appointment and removal of the external auditor.</i></p> <p>Art. 4 Sec. 2 (Audit Committee) 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>COMPLIANT</p>	<p><i>The Audit Committee is composed of Mr. Pedro E. Roxas (Independent Director); Mr. Raoul Antonio E. Littava (non-Executive Director); Ms. Angela Tan Seow Wee (Non-Executive</i></p>	

		<p>Director); and Mr. Valentino S. Bagatsing. (Independent Director).</p> <p>Please see: Art. 4, Section 2 (Audit Committee) 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p> <p>Please see: Page 4, 2023 Amended GIS Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	<p>All the members of the Audit Committee have experience in accounting, auditing, finance and insurance industries.</p> <p>Please see the profiles of the Board of Directors in the company's website.</p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Mr. Roxas is the Chair of the Audit Committee and does not act as the Chair of the Board.</p> <p>Please see: Page 4, 2023 Amended GIS Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	
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	COMPLIANT	2016-mapfre-subsiadiary-framework.pdf (myoona.ph)	

assigned to a Nomination and Remuneration Committee.			
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	COMPLIANT	<p><i>The Corporate Governance Committee is composed of Mr. Luis C. La' o (Non-Executive Director); Ms. Angela Tan Seow Wee (Non-Executive Director); Mr. Pedro E. Roxas (Independent Director) and Mr. Valentino S. Bagatsing. (Independent Director).</i></p> <p>Please see: Page 4, 2023 Amended GIS Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	The Chairman of the Corporate Governance Committee is Ms. Angela Tan Seow Wee (Non-Executive Director.) Leadership - Oona Insurance Philippines (myoona.ph)
3. Chairman of the Corporate Governance Committee is an independent director.	NON-COMPLIANT		
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.	COMPLIANT	2016-mapfre-subsiadiary-framework.pdf (myoona.ph)	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	<p><i>The Risk Committee is composed of Mr. Raoul Antonio E. Littava (Non-Executive Director); Mr. Pedro E. Roxas (Independent Director) and Mr. Valentino S. Bagatsing. (Independent Director).</i></p> <p>Please see: Page 4, 2023 Amended GIS Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	

3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	<p><i>Mr. Bagatsing is the Chair of the Risk Committee and does not act as the Chair of the Board.</i></p> <p>Please see: Page 4, 2023 Amended GIS Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)</p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	<p><i>The members of the Risk Committee have the requisite thorough knowledge and experience on risk and risk management.</i></p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p>	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	<p><i>The Related Party Transactions Committee evaluates all material RPTs.</i></p> <p>Art. 4 Sec. 5 (Related Party Transactions Committee)</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT	<p><i>The Related Party Transactions Committee is composed of Mr. Raoul Antonio E. Littaua (Non-Executive Director); Ms. Angela Tan Seo Wee Non-Executive Director); Mr. Pedro E. Roxas (Independent Director) and Mr. Valentino S. Bagatsing. (Independent Director).</i></p>	

Please see: Page 4, 2023 Amended GIS
[Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf \(myoona.ph\)](#)

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.	COMPLIANT	<p><i>All Board Committees have guidelines in the performance of their functions.</i></p> <p>Art. 4 (Board Committees) of 2017 Code of Good Corporate Governance</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT		

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 attend and actively participate 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.	COMPLIANT	<p><i>The directors attended the meeting via videoconferencing.</i></p> <p>minutes-MAPFRE-SH-2022-03-2884.pdf (myoona.ph)</p>	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	<p><i>The directors received the materials seven (7) days before the actual board and committee meetings. During the meeting, directors are</i></p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT		

		<p>encouraged t ask clarificatory questions.</p> <p>Please see: Article II, Section 6, By-laws Oona Insular Insurance Corporation - Amended By-Laws.pdf (myoona.ph)</p>	
Recommendation 4.2			
<p>1. Non-executive directors concurrently serve in a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	COMPLIANT	<p><i>The optimum number of directorships shall be related to the capacity of a director to perform his duties diligently.</i></p> <p>Art 2. Sec 6 (Multiple Board Seats) 2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
Recommendation 4.3			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	NON-COMPLIANT	<p><i>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</i></p>	<p>No active/actual policy that requires an incumbent Director to inform the Board of Directors before accepting another directorship.</p>
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
<p>1. The Board has at least twenty percent (20%) Independent Directors.</p>	COMPLIANT	<p>2 out of 9 Director seats are occupied by Independent Directors. (Mr. Pedro Roxas and Mr. Valentino Bagatsing) Leadership - Oona Insurance Philippines (myoona.ph)</p>	
Recommendation 5.2			

1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	Profile of Mr. Pedro Roxas and Mr. Valentino Bagatsing available at MAPFRE Website, Leadership - Oona Insurance Philippines (myoona.ph)	
Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine years.</p> <p>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 Organization shall be from 21 September 2016.</p> <p>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.</p>	COMPLIANT	<p>Minutes of the meetings for the appointment of Mr. Roxas (2019) and Mr. Bagatsing (2021) available at the Company's Website.</p> <p>minutes-of-amg.pdf (myoona.ph)</p> <p>Mapfre 2021 Board Attendance (myoona.ph)</p>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	Independent directors must serve the term limits stated in its Code of Corporate Good Governance Art. 3 Sec. 3 (Independent Directors) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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	COMPLIANT	None of the Independent Directors exceed the nine-year term limit.	

formal written justification and seeks shareholders' approval during the annual shareholders' meeting.		minutes-of-amg.pdf (myoona.ph) Mapfre 2021 Board Attendance (myoona.ph)	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	The Chairman of the Board is Mr. Abhishek Bhatia and the President and Chief Executive Officer is Mr.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Ramon Zandueta. Their respective responsibilities are defined in the by laws. Leadership - Oona Insurance Philippines (myoona.ph) Please see: Art. IV Sec. 2 (Chairman of the Board) and Art IV Sec. 4 (President) of Amended By-Laws Oona Insular Insurance Corporation - Amended By-Laws.pdf (myoona.ph) 2016-mapfre-subsiadiary-framework.pdf (myoona.ph)	
Recommendation 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.	COMPLIANT	<i>Mr. Abhisek Bhatia does not hold the position of Chief Executive Officer.</i> Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph)	
Recommendation 5.6			

1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	COMPLIANT	None of the Directors have any material interest in any transaction of the Company. Please see: Article 3, Section 2 Duties and Responsibilities of a Director 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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Recommendation 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 present to ensure that proper checks and balances are in place within the corporation.	COMPLIANT	The Audit Committee composed of non-executive directors and independent directors regularly meet with the internal and external auditors to monitor and evaluate adequacy and effectiveness of the internal control system of the company.	
2. The meetings are chaired by the lead independent director.	COMPLIANT	2017-code-of-good-corporate-governance.pdf (myoona.ph)	

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.	COMPLIANT	<i>The Board conducts an annual evaluation of its own performance and quality of its work.</i>	
2. The performance of the Chairman is assessed annually by the Board.	COMPLIANT		

3. The performance of the individual member of the Board is assessed annually by the Board.	COMPLIANT	2017-mapfre-circular-annual-self-evaluation.pdf (myoona.ph)	
4. The performance of each Committee is assessed annually by the Board.	COMPLIANT	A) (myoona.ph)	
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT		The engagement of an external facilitator will be discussed with the Board of Directors.

Recommendation 6.2

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	<i>The Board has a questionnaire for the evaluation of the quality and efficiency of the performance of the Board.</i> 2017-mapfre-circular-annual-self-evaluation.pdf (myoona.ph)	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	A) (myoona.ph)	

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

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.	COMPLIANT	The Company has established a Code of Ethics and Conduct and was properly cascaded to the Board, key officers and employees. The Code is available in the Company's website.	
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2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	2018-code-of-ethics-and-conduct.pdf (myoona.ph)	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT		
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	The Board monitors compliance with the Code of Ethics and Conduct through an Ethics Committee.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	Please see: 7. Compliance with the Code of Ethics and Conduct 2018-code-of-ethics-and-conduct.pdf (myoona.ph)	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 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.	COMPLIANT	<i>The Board will accurately and timely meet the reporting obligations established in law and internal corporate governance regulations.</i> <i>Article 10, Section 10.3 9 (With respect to the principle of transparency).</i> 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
Recommendation 8.3			

<p>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.</p>	<p>COMPLIANT</p>	<p><i>There is a formal, rigorous and transparent procedure for the selection and appointment of new directors to the Board.</i></p> <p><i>Article 2, Section 4 Appointment to the Board and Removals</i></p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>The qualifications and experiences of key officers are available in Company's website.</p> <p>Leadership - Oona Insurance Philippines (myoona.ph)</p>	
<p>Recommendation 8.4</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>The Company has a Compensation policy that applies to its key officers and a Board remuneration guideline atated in its Code of Corporate Good Governance</p> <p>2016-compensation-policy.pdf (myoona.ph)</p> <p>2017-code-of-good-corporate-governance.pdf (myoona.ph)</p>	
<p>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</p>	<p>NON-COMPLIANT</p>		<p>As a private company, there is no need to disclose this.</p>

with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.			
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	NON-COMPLIANT		As a private company, there is no need to disclose this.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	COMPLIANT	Please see: Article 6, Section 2: Related Party Transactions 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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 the year.	COMPLIANT	Material RPT is disclosed in the Audited Financial Statement and quarterly submission to the Insurance Commission as required by IC Circular 2017-29 and the minutes of Annual Stockholders Meeting. Please seeL Page 43, Audited Financial Statements 2022 Oona Insular Insurance Corporation SEC.pdf (myoona.ph)	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	2017-code-of-good-corporate-governance.pdf (myoona.ph)	
2. Company's MCG is posted on its company website.	COMPLIANT		

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.	COMPLIANT	Art 6. Sec. 4 (The External Auditor) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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.	COMPLIANT	99.94% of the stockholders approved to retain the services of the external auditor, R.G. Manabat & Co. minutes-MAPFRE-SH-2022-03-2884.pdf (myoona.ph)	
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.	COMPLIANT		

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.	COMPLIANT	The duties and responsibilities of the Audit Committee are outlined in the Code of Corporate Governance which may be accessed through the Company's website. Please see: Article 4, section 2 Audit Committee. 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT		
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.	COMPLIANT	The external auditor is not engaged to perform any non-audit services. Art 6. Sec. 4 (The External Auditor) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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 auditor's objectivity.	COMPLIANT		
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.	COMPLIANT	The Company's Environmental Policy and Corporate Social Responsibility policy may be accessed through the Company's website. 2015-corporate-social-responsibility-policy.pdf (myoona.ph) SISTEMA MAPFRE (myoona.ph) .	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	The BOD has adopted a Corporate Sustainability Policy in June 2021. The	

		Policy may be accessed through the company's website. Corporate-Sustainability-Policy.pdf (myoona.ph)	
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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.

Recommendation 11.1

1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	COMPLIANT	Homepage - Oona Insurance Philippines (myoona.ph)	
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Internal Control System and Risk Management Framework

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.	COMPLIANT	The Company's internal control policy is found in its website.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	2018-internal-control-policy.pdf (myoona.ph)	

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	COMPLIANT	Internal Audit Unit (IAU) is in-house with 2 members (Jennylou Roque – VP and Margie Marzo – Audit Assistant)	
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value and improve the company's operations.			
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	Profile of Jennylou Roque – Vice President Head of Internal Audit Unit Please see: profile-of-internal-auditor.pdf (myoona.ph)	
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.	COMPLIANT		
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.	COMPLIANT	Internal Audit Activity is in-house.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	Microsoft Word - 4. Política de Gestión de Riesgos borrador para la Revisión 2016 (enviar a Cumplimiento) ENU (myoona.ph)	
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).	COMPLIANT	The Head of Legal and Compliance will also act as the Company's Risk Officer.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	The Head of Legal and Compliance will also act as the Company's Risk Officer. Leadership - Oona Insurance Philippines (myoona.ph)	

Cultivating a Synergic Relationship with Shareholders

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.	COMPLIANT	Art 7 and Art 10. Sec. 10.1 (With respect to the Company's Shareholders) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	<i>The Code of Corporate Good Governance that show the basic shareholder rights is found in the Company's website.</i> 2017-code-of-good-corporate-governance.pdf (myoona.ph)	

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.	COMPLIANT	Notice of Annual Stockholders Meeting may be accessed through the Company's website. The notice and agenda are sent in accordance with the Company's By-laws. minutes-MAPFRE-SH-2022-03-2884.pdf (myoona.ph)	
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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.	COMPLIANT	The minutes of Shareholders meetings are circulated Shareholders prior to their next meeting, at which meeting they will be given the opportunity	
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		to raise clarifications or make corrections to the minutes. minutes-MAPFRE-SH-2022-03-2884.pdf (myoona.ph) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	The Company is wholly owned by Oona Insurance Holdings Pte. Ltd. (Parent). This Recommendation is not applicable since the Parent's attendance and participation is indispensable to conduct any Shareholders' Meeting. Please see page 4, 2023 GIS. Oona Insular 2023 GIS Amended 2023 05 22 notarized.pdf (myoona.ph) minutes-MAPFRE-SH-2022-03-2884.pdf (myoona.ph)	
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate dispute in an amicable and effective manner.	NON-COMPLIANT	<i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</i>	The Company has not had any intra-corporate dispute in thirty (30) years.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	NON-COMPLIANT	<i>Provide link/reference to where it is found in the Manual on Corporate Governance</i>	
Duties to Stakeholders			

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.	COMPLIANT	Art 7 and Art 10. Sec. 10.1 (With respect to the Company's Shareholders) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Art 7 and Art 10. Sec. 10.1 (With respect to the Company's Shareholders) 2017-code-of-good-corporate-governance.pdf (myoona.ph)	
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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.	COMPLIANT	The Company adopts a whistle-blowing channel that its stakeholders can use to communicate with the company and to obtain redress for the violation of their rights. Microsoft Word - CANAL DE DENUNCIAS 18-07-11 INGLÉS (myoona.ph)	
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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	NON-COMPLIANT		There are dialogues with employees but no formal Policy.
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actively participate in the realization of the company's goals and in its governance.			
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.	COMPLIANT	The Company has an Anti-Corruption Policy available on the website. 2018-code-of-ethics-and-conduct.pdf (myoona.ph) 2021-Anti-Corruption-Policy.pdf (myoona.ph)	2017 Code of Ethics and Conduct (6.9 Anti-Corruption, Anti-Bribery) available at MAPFRE Website. (https://www.mapfre.com.ph/media/2018-code-of-ethics-and-conduct.pdf) 2021 Anti Corruption Policy available at MAPFRE Website. https://www.mapfre.com.ph/about-us/corporate-governance/
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	The policies are sent by the Human Resources Department to all employees via email/posted in the intranet.	
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	COMPLIANT	The Company adopts a whistle-blowing channel that its stakeholders can use to communicate with the company and to obtain redress for the violation of their rights.	
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 concerns.	COMPLIANT	Microsoft Word - CANAL DE DENUNCIAS 18-07-11 INGLÉS (myoona.ph)	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT		

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

<p>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.</p>	<p>COMPLIANT</p>	<p>The Company's Environmental Policy and Corporate Social Responsibility Policy may be accessed through the company's website.</p> <p>SISTEMA MAPFRE (myoona.ph)</p> <p>2015-corporate-social-responsibility-policy.pdf (myoona.ph)</p>	
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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 Muntinlupa on the _____ day of 30 MAY 2023, 2023.


ABHISHEK BHATIA

Chairman of the Board


RAMON L. ZANUETA
President & CEO



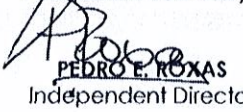
ATTY. JONAS-KARL V. PEREZ
Corporate Secretary


LUIS C. LA'O

Vice Chairman of the Board



ATTY. DONNA C. DUQUE-PASTORAL
Corporate Governance Compliance Officer


PEDRO E. ROXAS

Independent Director

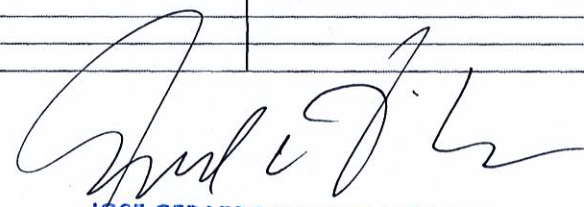

VALENTINO BAGATSING

Independent Director

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2022, 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 documents, as follows:

Name	(TIN) ID No.	Date/Place Issued
1. Abhishek Bhatia	612-284-296	
2. Ramon Zanduetta	134-526-900	
3. Jonas-Karl V. Perez	132-682-282	
4. Donna C. Duque-Pastoral	212-658-923	
5. Pedro E. Roxas	104-738-165	
6. Valentino Bagatsing	109-816-597	
7. Luis C. La'o	107-468-721	

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Series of 2023



JOSE GERARDO F.C. VILLACARLOS
Notary Public until December 31, 2023
Commission No. NC 22-019 for Muntinlupa City
Roll No. 38266/ IBP Lifetime No. 03984
PTR No. 4361593; 01.04.23; Muntinlupa City
MCLE Compliance No. VII-0020326/ 06.02.22
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