

<b>A. Rights of Shareholders</b>				
<b>A.1</b>	<b>Basic Shareholder Rights</b>	<b>Guiding Reference</b>	<b>Y/ N</b>	<b>Reference/Source document</b>
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?	<b>OECD Principle II: The Rights of Shareholders and Key Ownership Functions</b> (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	Y	No dividend declaration made in CY 2019  <b>2019 MINUTES OF AGM (III. PRESENTATION OF DIVIDEND POLICY)</b>  <b>2017 REVISED CODE OF GOOD CORPORATE GOVERNANCE</b> ( Art 7 - Shareholder's Right and Protection of Minority Stockholder's Interest , Par. 1(e), page 34)  <b>2016 DIVIDEND POLICY</b>
<b>A.2 Right to participate in decisions concerning fundamental corporate changes.</b>				
<b>Do shareholders have the right to participate in:</b>				
A.2.1	Amendments to the company's constitution?	<b>OECD Principle II</b> (B) Shareholders should have the right to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.	Y	<b>2016 AMENDED BY-LAWS</b> ( ART VII AMENDMENTS, Sec 1, page 9)
A.2.2	The authorisation of additional shares?	<b>OECD Principle II (B):</b> (2) the authorisation of additional shares.	Y	<b>2017 REVISED CODE OF GOOD CORPORATE GOVERNANCE</b> (Art 7 - Shareholder's Right and Protection of Minority Stockholder's Interest, Par. 1(b), page 34)
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	<b>OECD Principle II.(B):</b> (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.	Y	<b>2017 REVISED CODE OF GOOD CORPORATE GOVERNANCE</b> (Art 10 - MAPFRE Corporate Governance Practice, Par. 10.1, page 37)
<b>A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules,</b>				
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit- in-kind and other emoluments) or any increases in remuneration for the non- executive directors/commissioners?	<b>OECD Principle II (C):</b> (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	Y	<b>2019 MINUTES OF AGM</b> (VII. ELECTION OF DIRECTORS)
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	<b>2016 AMENDED BY-LAWS</b> ( ART II BOARD OF DIRECTORS, Sec 8 & 9, page 5)  <b>2019 MINUTES OF AGM</b> (VII. ELECTION OF DIRECTORS)
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	<b>2016 AMENDED BY-LAWS</b> ( ART II BOARD OF DIRECTORS, Sec 8 & 9, page 5)  <b>2019 MINUTES OF AGM</b> (VII. ELECTION OF DIRECTORS)

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Year End **December 31, 2019**

A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	<b>OECD Principle II (C):</b> Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Y	<b>2019 MINUTES OF AGM</b> (I. CALL TO ORDER)
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	<b>OECD Principle II (C):</b> (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	<b>2019 MINUTES OF AGM</b> (IX. OTHER MATTERS)
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	<b>2019 MINUTES OF AGM</b> (IX. OTHER MATTERS)
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	<b>2019 MINUTES OF AGM</b> (IX. OTHER MATTERS)
A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?	<b>OECD Principle II (C)</b>	Y	<b>2019 MINUTES OF AGM</b> (VII. ELECTION OF DIRECTORS) <b>2019 MINUTES OF AGM</b> (STOCKHOLDERS PRESENT)
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	<b>OECD Principle II (C); and ICGN 2.4.2:</b> All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	<b>2019 ATTENDANCE SHEET</b> (ASM ATTENDANCE) <b>2019 MINUTES OF AGM</b> (STOCKHOLDERS PRESENT)
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?		Y	Atty. Silverio Benny Tan, chairman of the board, attended the AGM last March 25, 2019 <b>2019 MINUTES OF AGM</b> (STOCKHOLDERS PRESENT) <b>2019 ATTENDANCE SHEET</b> (ASM ATTENDANCE)
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	Mr. Tirso C. Abad, President and CEO attended the AGM last March 25, 2019 <b>2019 MINUTES OF AGM</b> (STOCKHOLDERS PRESENT) <b>2019 ATTENDANCE SHEET</b> (ASM ATTENDANCE)
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	Mr. Mayo Jose B. Ongsingco, chairman of Audit Committee Attended the AGM last March 25, 2019 <b>2019 ATTENDANCE SHEET</b> (ASM ATTENDANCE)
A.3.13	Did the company organise their most recent AGM in an easy to reach location?		<b>OECD Principle II (C)</b>	Y
A.3.14	Does the company allow for voting in absentia?	<b>OECD Principle II (C):</b> (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	<b>2016 AMENDED BY-LAWS</b> (ART I MEETING OF STOCKHOLDER S, Sec 8, page 2)
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?		Y	<b>2019 MINUTES OF AGM</b> (CALL TO ORDER)

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A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	<b>OECD Principle II (C)</b>	Y	<b>2019 MINUTES OF AGM (CALL TO ORDER)</b>
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?	<b>OECD Principle II (C):</b> (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Y	For private corporations, there is no legal and regulatory Requirement to disclose by the next working day result of the votes taken during the most recent annual stockholders' meeting for all resolutions. The Company however ensures that the minutes of the stockholders' meeting and the General Information Sheet are submitted to the IC and the SEC, within 30 days from the date of meeting.
A.3.18	Do companies provide at least 21 days notice for all resolutions?	<b>OECD Principle II (C)</b>	Y	<b>2019 NOTICE OF AGM</b>
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	<b>OECD Principle II (C)</b>	Y	<b>2019 NOTICE OF AGM</b>
<b>A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner.</b>				
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	<b>OECD Principle II (E):</b> Markets for corporate control should be allowed to function in an efficient and transparent manner. (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.	Y	<b>2017 MAPFRE M&amp;A Procedures</b> (4 - MERGER or ACQUISITION PROJECT: 4.5 Due Diligence , page 9)
<b>A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</b>				
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	<b>OECD Principle II (F):</b> The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	<b>2017 INSTITUTIONAL, BUSINESS AND ORGANIZATIONAL PRINCIPLES</b> (4.3 INTERNAL GOVERNANCE: 4.3.1.1 BODIES • Annual General Meeting p. 15)

# **SOURCES**

**ARTICLE 7: SHAREHOLDERS' RIGHTS AND PROTECTION OF MINORITY  
STOCKHOLDERS' INTEREST**

1. The Board shall respect the rights of the stockholders, namely:
  - a. Right to vote on all matters that require their consent or approval;
  - b. Pre-emptive right to all stock issuances, subject to the requirements of the By-Laws and existing laws and regulations,
  - c. Right to inspect corporate books and records;
  - d. Right to information;
  - e. Right to dividends; and
  - f. Appraisal right.
2. The Board should be transparent and fair in the conduct of the annual and special stockholders' meetings. The stockholders should be encouraged to personally attend such meetings. If they could not attend, they should be apprised ahead of time of their right to appoint a proxy subject to the requirements of the by-laws.
3. The Chairman shall ensure that the views of shareholders are communicated to the Board.
4. The Chairman shall discuss governance and strategies with major shareholders.
5. Non-executive directors shall be offered the opportunity to attend meetings with major shareholders and shall be expected to attend when requested by major shareholders.
6. The independent director/s shall attend sufficient meetings with major shareholders to listen to their views in order to develop a balanced understanding of the issues and concerns of major shareholders.
7. The Board shall use the AGM or Annual Stockholders' Meeting to communicate with investors and encourage their participation.
8. The company shall count all proxy votes and, except where a poll is called, shall indicate the level of proxies lodged on each resolutions, and the balance for and

against the resolution and the number of abstentions, after it has been dealt with on a show of hands.

9. The company ensures that votes cast are properly received and recorded.
10. The Board proposes a separate resolution at the AGM on each material issue (i.e. reports, accounts).
11. The Chairman, directors and members of the Audit, Remuneration and Nomination committees shall be present at the AGM to answer questions.
12. Notices, annual reports including the latest annual Financial Statements of the company shall be given to stockholders at least two (2) weeks prior to the AGM.

## **ARTICLE 8: COMPLIANCE AND MONITORING SYSTEM**

### **Section 1. Compliance Officer**

1. The Board shall appoint a Compliance Officer .The Head of the Compliance Function of the Company will be subject to double reporting: on the one hand, will report to the immediate superior in the Company; and on the other hand will functionally report to the MAPFRE GROUP Compliance Area, either directly to the Chief Compliance Officer or to any of the members of the GROUP Compliance Area.
2. In accordance with the provisions of the Outsourcing Policy, agreement may be reached to outsource the Compliance Function of the Company to another GROUP Company, provided that this does not compromise the prudent management of the risks of the Company.

### **Section 2. Compliance Function Duties & Responsibilities**

The Compliance Function of the Company has the following responsibilities:

1. Inform the Administrative Body of the Company, either directly or through a delegated body thereof:
  - A. At least on a yearly basis, an Activities Report will be produced and sent to the Board detailing the actions taken during the preceding year, and more specifically it will refer to:
    - i. Overall outcomes of the compliance risk management process.
    - ii. Regulatory developments and regulatory trends.

The MAPFRE INSULAR INSURANCE CORPORATION Board of Directors (the “Company”), as the body responsible for presenting the Annual General Meeting with the proposal for distribution of the Company's profit and losses and also, where applicable, the proposal for distribution of dividends, has approved the present dividend policy:

1. Payment to shareholders must be linked with the Company's profit, solvency, liquidity and investment plans, and also its shareholders' expectations.
2. The Board of Directors will put the decisions that it deems appropriate to the Annual General Meeting in relation to the distribution of dividends, and may agree to pay sums on account, in accordance with aforementioned criteria and taking into account the Company's general situation and its sustainable growth.
3. Dividend payments will preferably be made in cash. Nonetheless, the Board of Directors may put forward alternative formulas for the payment of dividends with a duly justified proposal.
4. In general, the Board of Directors will propose a distribution of dividends to the Annual General Meeting of between 45 percent and 65 percent of the profit for the financial year attributable to the Company in its consolidated annual accounts. Nonetheless, the Board of Directors may make proposals under different terms to those indicated and must appropriately justify the suitability of the same.

On motion duly made and seconded, the minutes of the annual stockholders meeting held on 19 March 2018 were approved.

**III. PRESENTATION OF DIVIDEND POLICY**

The Chairman stated that dividends may be declared out of unrestricted retained earnings. The dividend declaration will be based on the MAPFRE Group dividend policy which was approved by the Board in its meeting on 23 June 2016. The Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2018 have not yet been approved.

**IV. REPORT OF MANAGEMENT 2018**

The Chairman noted that the report of management for 2018 was presented by the President to the directors before this meeting. Since all the stockholders present in this meeting had previously heard the report in the regular board meeting immediately preceding this stockholders meeting, the reading of the report of management was dispensed with, and the same report of management was noted.

**V. PRESENTATION OF RELATED-PARTY TRANSACTIONS**

On 28 September 2017 the Board adopted a policy on Related-Party Transactions that includes an integration of the Insurance Commission's mandated Guidelines on Related-Party Transactions. The Board has a Related-Party Transactions committee. The Related-Party Transactions in 2018 each of which did not exceed one percent (1%) of MIIC's annual revenue, were as follows: transactions with affiliates, namely MAPFRE TECH S.A. (licenses and software maintenance); with MAPFRE S.A. (fees); with Ibero Asistencia S.A. (road and home assistance and services); and with the law firm of Picazo Buyco Tan Fider & Santos where Mr. Tan is a partner. The Related-Party Transaction in 2018 which exceeded one percent (1%) of MIIC's annual revenue was with Insular Life Assurance Company, Ltd. (rental fees and share in Migrant Workers Plan) which owns approximately 25% of the outstanding capital stock of MIIC. On motion duly made and seconded, the Board of Directors' approval of the Related-Party Transactions was confirmed.

**VI. RATIFICATION OF ACTS, RESOLUTIONS AND APPROVALS OF THE BOARD OF DIRECTORS SINCE THE LAST ANNUAL MEETING**

On motion duly made and seconded, the stockholders approved and ratified all acts, resolutions and contracts of the Board of Directors since the last annual meeting as they appear in the minutes of the Board Meetings, and in the filings with the Office of the Insurance Commission, the Securities and Exchange Commission and in the records of the Corporation.

**VII. ELECTION OF DIRECTORS**

The Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Chairman also stated that cumulative voting shall be followed in accordance with the Revised Corporation Code.

The Chairman opened the table for the nominations for the new set of directors for the year 2019. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2019, to serve until the next annual meeting.



## ARTICLE VI

### Audit of Books, Fiscal Year and Dividends

Section 1. External Auditors – At the regular stockholders' meeting, the external auditor or auditors of the Corporation for the ensuing year shall be appointed. The external auditor or auditors shall examine, verify and report on the earnings and expenses of the Corporation and shall certify the remuneration of the external auditor or auditors as determined by the Board of Directors.

Section 2. Fiscal Year – The fiscal year of the Corporation shall begin on January 1 and end on December 31 of each year.

Section 3. Dividends – Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all stockholders on the basis of outstanding capital stock held by them, as often and at such times as the Board of Directors may determine and in accordance with law and applicable rules and regulations.

## ARTICLE VII

### Amendments

Section 1. These By-Laws, or any of them, may be amended or repealed by majority of the members of the board and by the owners of the majority of the subscribed capital stock at any regular or special meeting of the stockholders duly called for that purpose. The Board of Directors may also add to, amend or repeal any of these By-Laws or adopt new By-Laws, when so authorized by the stockholders in accordance with law

## ARTICLE VIII

### Corporate Seal

Section 1. Form and Inscriptions – The form and inscription of the corporate seal shall be determined by the Board of Directors.

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STOCKHOLDERS' INTEREST**

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  - a. Right to vote on all matters that require their consent or approval;
  - b. Pre-emptive right to all stock issuances, subject to the requirements of the By-Laws and existing laws and regulations,
  - c. Right to inspect corporate books and records;
  - d. Right to information;
  - e. Right to dividends; and
  - f. Appraisal right.
2. The Board should be transparent and fair in the conduct of the annual and special stockholders' meetings. The stockholders should be encouraged to personally attend such meetings. If they could not attend, they should be apprised ahead of time of their right to appoint a proxy subject to the requirements of the by-laws.
3. The Chairman shall ensure that the views of shareholders are communicated to the Board.
4. The Chairman shall discuss governance and strategies with major shareholders.
5. Non-executive directors shall be offered the opportunity to attend meetings with major shareholders and shall be expected to attend when requested by major shareholders.
6. The independent director/s shall attend sufficient meetings with major shareholders to listen to their views in order to develop a balanced understanding of the issues and concerns of major shareholders.
7. The Board shall use the AGM or Annual Stockholders' Meeting to communicate with investors and encourage their participation.
8. The company shall count all proxy votes and, except where a poll is called, shall indicate the level of proxies lodged on each resolutions, and the balance for and

against the resolution and the number of abstentions, after it has been dealt with on a show of hands.

9. The company ensures that votes cast are properly received and recorded.
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2. In accordance with the provisions of the Outsourcing Policy, agreement may be reached to outsource the Compliance Function of the Company to another GROUP Company, provided that this does not compromise the prudent management of the risks of the Company.

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  - A. At least on a yearly basis, an Activities Report will be produced and sent to the Board detailing the actions taken during the preceding year, and more specifically it will refer to:
    - i. Overall outcomes of the compliance risk management process.
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create a compliance culture, providing the resources, knowledge and experience they require to duly discharge their compliance responsibilities.

13. Ensure that its own staff is adequately trained and has the necessary support to maintain updated knowledge of compliance requirements.

## **ARTICLE 9: PUBLIC ACCOUNTABILITY**

### **Section 1: Essential Standards**

1. Officers of MAPFRE Insular shall avoid conflicts of interest.
2. They shall not engage in any unfair or deceptive acts or conduct that constitutes unfair trade practices detrimental to policyholders and claimants;

## **ARTICLE 10: MAPFRE Corporate Governance Practices**

### **Section 10.1: With respect to the Company's shareholders**

One of the basic goals of this policy is to promote the informed participation of shareholders in the Annual General Meeting. To achieve this, whatever measures are required to facilitate the Annual General Meeting to effectively exercise its own duties and responsibilities in accordance with the Law and Bylaws will be adopted, always complying with the provisions of the Regulations of the MAPFRE Annual Meeting.

Likewise, under the principle of equality of shareholders, the shareholders will be provided with the suitable channels to effectively exercise the rights granted to them by the law, the Bylaws and the Regulations of the MAPFRE Annual Meeting, with special attention to the rights of information, and attendance and vote in the Annual General meetings.

### **Section 10.2: With respect to the Company's Board of Directors and its Committees**

The Company's Board of Directors is the most senior administration and supervision body of the GROUP. It has a Steering Committee, which acts as delegate body of the Board of Directors, with all its powers except those, which cannot be delegated in accordance with the law, the Bylaws and Regulations of the Company's Board of Directors.

### **Section 10.3: With respect to the principle of transparency**

The Company's Board of Directors will accurately and timely meet the reporting obligations established in the law and in the internal corporate governance regulations of MAPFRE.

The main official communication channel of the Company with shareholders is its corporate website ([www.mapfre.com.ph](http://www.mapfre.com.ph)), permanently updated, through which the Company channels all information that may be of interest to shareholders, favoring the immediacy of its publication and the possibility of further access, in accordance with the established in the policy for communication with shareholders.

### **ARTICLE 11: Corporate and Governance Structure**

MAPFRE has a simple, efficient and decentralized corporate structure that allows it to properly comply with its business goals. This principle makes compatible an appropriate management of the business in the company with an efficient management of the resources, capital requirements and distribution of dividends to shareholders. All this within the legal framework and with full ethical and socially committed conduct

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**III. PRESENTATION OF DIVIDEND POLICY**

The Chairman stated that dividends may be declared out of unrestricted retained earnings. The dividend declaration will be based on the MAPFRE Group dividend policy which was approved by the Board in its meeting on 23 June 2016. The Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2018 have not yet been approved.

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On motion duly made and seconded, the stockholders approved and ratified all acts, resolutions and contracts of the Board of Directors since the last annual meeting as they appear in the minutes of the Board Meetings, and in the filings with the Office of the Insurance Commission, the Securities and Exchange Commission and in the records of the Corporation.

**VII. ELECTION OF DIRECTORS**

The Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Chairman also stated that cumulative voting shall be followed in accordance with the Revised Corporation Code.

The Chairman opened the table for the nominations for the new set of directors for the year 2019. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2019, to serve until the next annual meeting.

Section 8. Proxies – A stockholder entitled to vote at any meeting of stockholders may vote either in person or by proxy. The proxy shall be executed in writing by the stockholder or a duly authorized representative of a corporate stockholder. All proxies must be duly presented to the Secretary for inspection and recording at least before the meeting is convened.

A proxy shall be valid for the particular meeting designated in the proxy and such other subsequent meetings as may be authorized in such proxy. The presence of a stockholder at a meeting shall revoke a proxy therefore executed by him and such stockholder shall be entitled to vote to such meeting in the same manner and with the same effect as if he had not executed a proxy. (As amended by the Board of Directors on 24 September 2015 and approved by the stockholders on 15 December 2015)

Section 9. Minutes – Minutes of all meetings of stockholders shall be kept and shall be carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

## ARTICLE II

### Board of Directors

Section 1. Corporate Powers – The corporate powers of the Corporation shall be exercised by and all the business of the Corporation shall be controlled by the Board of Directors, except such as by law conferred upon or reserved to the stockholders.

Section 2. Qualifications – Each director shall be the holder in his own right of at least one share of the voting stock of the Corporation registered in his name in the books of the Corporation.

Section 3. Election – The Election of Directors shall be held at each annual meeting of stockholders and shall be conducted in the manner provided by the Philippine Corporation Code, and with such formalities and in such manner as the officer presiding at the meeting shall then and there determine. The directors shall hold office until their successors are duly elected and qualified, unless sooner removed from office as provided by law.

Section 4. Meetings – Regular meetings of the Board of Directors shall be held once every quarter, with or without notice of such time and place as the Board may determine.

Section 5. Special Meetings – Special meetings of the Board may be called by the Chairman of the Board, by the President, by the Executive Committee, or by the written request of two (2) directors.

Section 6. Notice of Meetings – All notices of meetings whether regular or special shall be given by the Secretary by mailing the same on a postage-prepaid letter addressed to each member of the Board at his given address, or by delivering the same to him in person or by courier, or transmitted by facsimile or cable or electronic mail to each director at least at least seven (7) days before the date fixed for the meeting. An e-mail reply from the Director is sufficient proof of receipt of the notice. Notice of all meetings shall state the matters to be considered at such meetings. (As amended by the Board of Directors on 24 September 2015 and approved by the stockholders on 15 December 2015)



Section 7. Quorum – A majority of the entire number of directors shall constitute a quorum for the transaction of corporate business. In the absence of a quorum, one or more directors, present at the time and place for which a meeting shall have been called, may adjourn any meeting from time to time until a quorum shall be present.

Section 8. Voting – Unless otherwise provided by law or by these by-laws, every decision of at least a majority of the directors present at a meeting at which there is quorum shall be valid as corporate act.

Section 9. Vacancies – Any vacancy occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meetings, of stockholders called for that purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

Any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting.

Section 10. Minutes – Minutes of all meetings of the Board of Directors shall be kept and shall be carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

Section 11. Compensation of Directors – Each Director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board plus such other compensation, as may be approved by the stockholders.

### ARTICLE III

#### Executive Committee

Section 1. The Board of Directors, if it deems such action is necessary, may choose from its own members an Executive Committee of four (4), provided that the Chief Executive Officer shall be one of the four (4) members of the Executive Committee. In case such Executive Committee is appointed, it shall possess and may exercise all the powers of the Board of Directors which may be lawfully delegated in the management and direction of the affairs of the Company in all cases in which specific directions shall have not been provided by the board of Directors, either by the resolutions, power of attorney, or contracts entered into with other parties during the intervals between the meeting of the Board of Directors. All such action by any such Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall subject to revision and alteration by the Board: provided that no rights of the third parties shall be effected by such revision or alteration. Regular minutes of the proceedings of any such Executive Committee shall be kept in a book provided for that purpose. Vacancies in any such Executive Committee may be filled by the Board of Directors. A majority of any such committee shall be necessary to constitute a quorum and in every case the affirmative vote of the majority of the members shall be necessary for the passage of any resolution. Any such Executive Committee may act by the written resolution of a quorum thereof although not formally convened: it shall fix its own rules of procedure and shall meet as provided by such resolution or by resolution of the Board, and shall also meet at



On motion duly made and seconded, the minutes of the annual stockholders meeting held on 19 March 2018 were approved.

### III. PRESENTATION OF DIVIDEND POLICY

The Chairman stated that dividends may be declared out of unrestricted retained earnings. The dividend declaration will be based on the MAPFRE Group dividend policy which was approved by the Board in its meeting on 23 June 2016. The Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2018 have not yet been approved.

### IV. REPORT OF MANAGEMENT 2018

The Chairman noted that the report of management for 2018 was presented by the President to the directors before this meeting. Since all the stockholders present in this meeting had previously heard the report in the regular board meeting immediately preceding this stockholders meeting, the reading of the report of management was dispensed with, and the same report of management was noted.

### V. PRESENTATION OF RELATED-PARTY TRANSACTIONS

On 28 September 2017 the Board adopted a policy on Related-Party Transactions that includes an integration of the Insurance Commission's mandated Guidelines on Related-Party Transactions. The Board has a Related-Party Transactions committee. The Related-Party Transactions in 2018 each of which did not exceed one percent (1%) of MIIC's annual revenue, were as follows: transactions with affiliates, namely MAPFRE TECH S.A. (licenses and software maintenance); with MAPFRE S.A. (fees); with Ibero Asistencia S.A. (road and home assistance and services); and with the law firm of Picazo Buyco Tan Fider & Santos where Mr. Tan is a partner. The Related-Party Transaction in 2018 which exceeded one percent (1%) of MIIC's annual revenue was with Insular Life Assurance Company, Ltd. (rental fees and share in Migrant Workers Plan) which owns approximately 25% of the outstanding capital stock of MIIC. On motion duly made and seconded, the Board of Directors' approval of the Related-Party Transactions was confirmed.

### VI. RATIFICATION OF ACTS, RESOLUTIONS AND APPROVALS OF THE BOARD OF DIRECTORS SINCE THE LAST ANNUAL MEETING

On motion duly made and seconded, the stockholders approved and ratified all acts, resolutions and contracts of the Board of Directors since the last annual meeting as they appear in the minutes of the Board Meetings, and in the filings with the Office of the Insurance Commission, the Securities and Exchange Commission and in the records of the Corporation.

### VII. ELECTION OF DIRECTORS

The Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Chairman also stated that cumulative voting shall be followed in accordance with the Revised Corporation Code.

The Chairman opened the table for the nominations for the new set of directors for the year 2019. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2019, to serve until the next annual meeting.

Section 8. Proxies – A stockholder entitled to vote at any meeting of stockholders may vote either in person or by proxy. The proxy shall be executed in writing by the stockholder or a duly authorized representative of a corporate stockholder. All proxies must be duly presented to the Secretary for inspection and recording at least before the meeting is convened.

A proxy shall be valid for the particular meeting designated in the proxy and such other subsequent meetings as may be authorized in such proxy. The presence of a stockholder at a meeting shall revoke a proxy therefore executed by him and such stockholder shall be entitled to vote to such meeting in the same manner and with the same effect as if he had not executed a proxy. (As amended by the Board of Directors on 24 September 2015 and approved by the stockholders on 15 December 2015)

Section 9. Minutes – Minutes of all meetings of stockholders shall be kept and shall be carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

## **ARTICLE II**

### **Board of Directors**

Section 1. Corporate Powers – The corporate powers of the Corporation shall be exercised by and all the business of the Corporation shall be controlled by the Board of Directors, except such as by law conferred upon or reserved to the stockholders.

Section 2. Qualifications – Each director shall be the holder in his own right of at least one share of the voting stock of the Corporation registered in his name in the books of the Corporation.

Section 3. Election – The Election of Directors shall be held at each annual meeting of stockholders and shall be conducted in the manner provided by the Philippine Corporation Code, and with such formalities and in such manner as the officer presiding at the meeting shall then and there determine. The directors shall hold office until their successors are duly elected and qualified, unless sooner removed from office as provided by law.

Section 4. Meetings – Regular meetings of the Board of Directors shall be held once every quarter, with or without notice of such time and place as the Board may determine.

Section 5. Special Meetings – Special meetings of the Board may be called by the Chairman of the Board, by the President, by the Executive Committee, or by the written request of two (2) directors.

Section 6. Notice of Meetings – All notices of meetings whether regular or special shall be given by the Secretary by mailing the same on a postage-prepaid letter addressed to each member of the Board at his given address, or by delivering the same to him in person or by courier, or transmitted by facsimile or cable or electronic mail to each director at least at least seven (7) days before the date fixed for the meeting. An e-mail reply from the Director is sufficient proof of receipt of the notice. Notice of all meetings shall state the matters to be considered at such meetings. (As amended by the Board of Directors on 24 September 2015 and approved by the stockholders on 15 December 2015)

Section 7. Quorum – A majority of the entire number of directors shall constitute a quorum for the transaction of corporate business. In the absence of a quorum, one or more directors, present at the time and place for which a meeting shall have been called, may adjourn any meeting from time to time until a quorum shall be present.

Section 8. Voting – Unless otherwise provided by law or by these by-laws, every decision of at least a majority of the directors present at a meeting at which there is quorum shall be valid as corporate act.

Section 9. Vacancies – Any vacancy occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meetings, of stockholders called for that purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

Any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting.

Section 10. Minutes – Minutes of all meetings of the Board of Directors shall be kept and shall be carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

Section 11. Compensation of Directors – Each Director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board plus such other compensation, as may be approved by the stockholders.

### ARTICLE III

#### Executive Committee

Section 1. The Board of Directors, if it deems such action is necessary, may choose from its own members an Executive Committee of four (4), provided that the Chief Executive Officer shall be one of the four (4) members of the Executive Committee. In case such Executive Committee is appointed, it shall possess and may exercise all the powers of the Board of Directors which may be lawfully delegated in the management and direction of the affairs of the Company in all cases in which specific directions shall have not been provided by the board of Directors, either by the resolutions, power of attorney, or contracts entered into with other parties during the intervals between the meeting of the Board of Directors. All such action by any such Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall subject to revision and alteration by the Board: provided that no rights of the third parties shall be effected by such revision or alteration. Regular minutes of the proceedings of any such Executive Committee shall be kept in a book provided for that purpose. Vacancies in any such Executive Committee may be filled by the Board of Directors. A majority of any such committee shall be necessary to constitute a quorum and in every case the affirmative vote of the majority of the members shall be necessary for the passage of any resolution. Any such Executive Committee may act by the written resolution of a quorum thereof although not formally convened: it shall fix its own rules of procedure and shall meet as provided by such resolution or by resolution of the Board, and shall also meet at

On motion duly made and seconded, the minutes of the annual stockholders meeting held on 19 March 2018 were approved.

**III. PRESENTATION OF DIVIDEND POLICY**

The Chairman stated that dividends may be declared out of unrestricted retained earnings. The dividend declaration will be based on the MAPFRE Group dividend policy which was approved by the Board in its meeting on 23 June 2016. The Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2018 have not yet been approved.

**IV. REPORT OF MANAGEMENT 2018**

The Chairman noted that the report of management for 2018 was presented by the President to the directors before this meeting. Since all the stockholders present in this meeting had previously heard the report in the regular board meeting immediately preceding this stockholders meeting, the reading of the report of management was dispensed with, and the same report of management was noted.

**V. PRESENTATION OF RELATED-PARTY TRANSACTIONS**

On 28 September 2017 the Board adopted a policy on Related-Party Transactions that includes an integration of the Insurance Commission's mandated Guidelines on Related-Party Transactions. The Board has a Related-Party Transactions committee. The Related-Party Transactions in 2018 each of which did not exceed one percent (1%) of MIIC's annual revenue, were as follows: transactions with affiliates, namely MAPFRE TECH S.A. (licenses and software maintenance); with MAPFRE S.A. (fees); with Ibero Asistencia S.A. (road and home assistance and services); and with the law firm of Picazo Buyco Tan Fider & Santos where Mr. Tan is a partner. The Related-Party Transaction in 2018 which exceeded one percent (1%) of MIIC's annual revenue was with Insular Life Assurance Company, Ltd. (rental fees and share in Migrant Workers Plan) which owns approximately 25% of the outstanding capital stock of MIIC. On motion duly made and seconded, the Board of Directors' approval of the Related-Party Transactions was confirmed.

**VI. RATIFICATION OF ACTS, RESOLUTIONS AND APPROVALS OF THE BOARD OF DIRECTORS SINCE THE LAST ANNUAL MEETING**

On motion duly made and seconded, the stockholders approved and ratified all acts, resolutions and contracts of the Board of Directors since the last annual meeting as they appear in the minutes of the Board Meetings, and in the filings with the Office of the Insurance Commission, the Securities and Exchange Commission and in the records of the Corporation.

**VII. ELECTION OF DIRECTORS**

The Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Chairman also stated that cumulative voting shall be followed in accordance with the Revised Corporation Code.

The Chairman opened the table for the nominations for the new set of directors for the year 2019. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2019, to serve until the next annual meeting.

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF  
**MAPFRE INSULAR INSURANCE CORPORATION**

("MIIC" or the "Corporation")

Held on 25 March 2019 at 5:30 P.M.

At the Board Room, Mapfre Insular Corporate Center  
 Acacia Avenue, Ayala Alabang, Muntinlupa, Philippines

<b><u>STOCKHOLDERS PRESENT/REPRESENTED:</u></b>	<b>NO. OF SHARES:</b>
MAPFRE INTERNACIONAL S.A.	7,493,847
INSULAR LIFE ASSURANCE COMPANY, LTD.	2,499,998
LUIS C. LA Ó	1
TIRSO C. ABAD	1
MONA LISA DELA CRUZ	1
MAYO JOSE B. ONGSINGCO	1
SILVERIO BENNY J. TAN	1
PEDRO E. ROXAS	1
TOTAL NUMBER OF SHARES:	9,993,851
TOTAL NUMBER OF OUTSTANDING SHARES:	10,000,000
PERCENTAGE OF OUTSTANDING SHARES PRESENT/REPRESENTED:	99.9%

**ALSO PRESENT:**

Jonas-Karl V. Perez  
 Pamela Joy R. Co

**I. CALL TO ORDER**

The Chairman of the Board, Mr. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

- a) Approval of the minutes of the annual meeting of the stockholders held on 19 March 2018;  
and
- b) Election of External Auditor.

Voting for the election of directors shall be in accordance with the Revised Corporation Code, which is cumulative voting.

**II. APPROVAL OF THE MINUTES OF THE 19 MARCH 2018 ANNUAL STOCKHOLDERS MEETING**

The Chairman referred the stockholders to the copy of the minutes of the 19 March 2018 annual stockholders meeting that were included in the materials for this meeting.



SILVERIO BENNY J. TAN  
LUIS C. LA Ó  
TIRSO C. ABAD  
MONA LISA DELA CRUZ  
FRANCISO NORIEGA  
NIKOLAOS ANTIMISSARIS  
MAYO JOSE B. ONGSINGCO - independent director  
PEDRO E. ROXAS - independent director

Since there are no other nominees, the Chairman directed the casting of the ballots for all the nominees. All nominees were therefore elected as directors of the Corporation for the ensuing term. All directors received votes from stockholders present in person or by proxy representing 99.9% of the outstanding common shares.

**VIII. APPOINTMENT OF EXTERNAL AUDITOR**


The Chairman announced that the next item in the agenda was the appointment of the Corporation's external auditor. Upon motion duly made and seconded, R.G. Manabat & Co. was appointed as the external auditor of the Corporation for the fiscal year 2019 with votes from stockholders present in person or by proxy representing 99.9% of the outstanding common shares.

**IX. OTHER MATTERS**

The Vice Chairman asked the stockholders whether there are queries or matters that should be brought to the attention of the stockholders in this meeting. There were none.

**X. ADJOURNMENT**

There being no other matters, the meeting was adjourned on motion duly made and seconded.

Attested by:  
  
\_\_\_\_\_  
**SILVERIO BENNY J. TAN**  
Chairman of the Board

Certified by:  
  
\_\_\_\_\_  
**JONAS-KARL V. PEREZ**  
Corporate Secretary

SILVERIO BENNY J. TAN  
LUIS C. LA Ó  
TIRSO C. ABAD  
MONA LISA DELA CRUZ  
FRANCISO NORIEGA  
NIKOLAOS ANTIMISSARIS  
MAYO JOSE B. ONGSINGCO - independent director  
PEDRO E. ROXAS - independent director

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Chairman of the Board

Certified by:  
  
JONAS-KARL V. PEREZ  
Corporate Secretary

SILVERIO BENNY J. TAN  
LUIS C. LA Ó  
TIRSO C. ABAD  
MONA LISA DELA CRUZ  
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Chairman of the Board

Certified by:

  
\_\_\_\_\_  
**JONAS-KARL V. PEREZ**  
Corporate Secretary



On motion duly made and seconded, the minutes of the annual stockholders meeting held on 19 March 2018 were approved.

**III. PRESENTATION OF DIVIDEND POLICY**

The Chairman stated that dividends may be declared out of unrestricted retained earnings. The dividend declaration will be based on the MAPFRE Group dividend policy which was approved by the Board in its meeting on 23 June 2016. The Chairman further stated that the Corporation's audited financial statements for the year ended 31 December 2018 have not yet been approved.

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**VII. ELECTION OF DIRECTORS**

The Chairman stated that non-controlling stockholders are allowed to nominate candidates for board of directors. The Chairman also stated that cumulative voting shall be followed in accordance with the Revised Corporation Code.

The Chairman opened the table for the nominations for the new set of directors for the year 2019. The Nominations Committee reviewed and evaluated the qualifications of the nominees. The following persons were nominated as directors of the Corporation for the fiscal year 2019, to serve until the next annual meeting.

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF  
**MAPFRE INSULAR INSURANCE CORPORATION**

("MIIC" or the "Corporation")

Held on 25 March 2019 at 5:30 P.M.

At the Board Room, Mapfre Insular Corporate Center  
 Acacia Avenue, Ayala Alabang, Muntinlupa, Philippines

<b>STOCKHOLDERS PRESENT/REPRESENTED:</b>	<b>NO. OF SHARES:</b>
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INSULAR LIFE ASSURANCE COMPANY, LTD.	2,499,998
LUIS C. LA Ó	1
TIRSO C. ABAD	1
MONA LISA DELA CRUZ	1
MAYO JOSE B. ONGSINGCO	1
SILVERIO BENNY J. TAN	1
PEDRO E. ROXAS	1
TOTAL NUMBER OF SHARES:	9,993,851
TOTAL NUMBER OF OUTSTANDING SHARES:	10,000,000
PERCENTAGE OF OUTSTANDING SHARES PRESENT/REPRESENTED:	99.9%

**ALSO PRESENT:**

Jonas-Karl V. Perez  
 Pamela Joy R. Co

**I. CALL TO ORDER**

The Chairman of the Board, Mr. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

- a) Approval of the minutes of the annual meeting of the stockholders held on 19 March 2018;  
and
- b) Election of External Auditor.

Voting for the election of directors shall be in accordance with the Revised Corporation Code, which is cumulative voting.

**II. APPROVAL OF THE MINUTES OF THE 19 MARCH 2018 ANNUAL STOCKHOLDERS MEETING**

The Chairman referred the stockholders to the copy of the minutes of the 19 March 2018 annual stockholders meeting that were included in the materials for this meeting.



**MAPFRE INSULAR INSURANCE CORPORATION**

SCHEDULE OF ANNUAL STOCKHOLDERS MEETING FOR YEAR 2019

DATE	ATTENDEES
25-Mar-19	MAPFRE INTERNACIONAL S.A
	INSULAR LIFE ASSURANCE COMPANY , LTD.
	SILVERIO BENNY TAN
	LUIS C. LAÓ
	TIRSO C. ABAD
	MONA LISA DELA CRUZ
	MAYO JOSE B. ONGSINGCO
	PEDRO E. ROXAS
	JONAS-KARL V. PEREZ
	PAMELA JOY R. CO

Certified By: **Lawrence Mari C. Santella**  
Assistant Corporate Secretary

  
 Prepared By: **Jean Pauline R. Ofina**  
 Legal & Compliance Assistant

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF  
**MAPFRE INSULAR INSURANCE CORPORATION**

("MIIC" or the "Corporation")

Held on 25 March 2019 at 5:30 P.M.

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MAYO JOSE B. ONGSINGCO	1
SILVERIO BENNY J. TAN	1
PEDRO E. ROXAS	1
TOTAL NUMBER OF SHARES:	9,993,851
TOTAL NUMBER OF OUSTANDING SHARES:	10,000,000
PERCENTAGE OF OUSTANDING SHARES PRESENT/REPRESENTED:	99.9%

**ALSO PRESENT:**

Jonas-Karl V. Perez  
 Pamela Joy R. Co

**I. CALL TO ORDER**

The Chairman of the Board, Mr. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

- a) Approval of the minutes of the annual meeting of the stockholders held on 19 March 2018;  
and
- b) Election of External Auditor.

Voting for the election of directors shall be in accordance with the Revised Corporation Code, which is cumulative voting.

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**MAPFRE INSULAR INSURANCE CORPORATION**

SCHEDULE OF ANNUAL STOCKHOLDERS MEETING FOR YEAR 2019

DATE	ATTENDEES
25-Mar-19	MAPFRE INTERNACIONAL S.A
	INSULAR LIFE ASSURANCE COMPANY , LTD.
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	LUIS C. LAÓ
	TIRSO C. ABAD
	MONA LISA DELA CRUZ
	MAYO JOSE B. ONGSINGCO
	PEDRO E. ROXAS
	JONAS-KARL V. PEREZ
	PAMELA JOY R. CO

Certified By: **Lawrence Mari C. Santella**  
Assistant Corporate Secretary

Prepared By: **Jean Pauline R. Ofina**  
Legal & Compliance Assistant

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**ALSO PRESENT:**

Jonas-Karl V. Perez  
Pamela Joy R. Co

**I. CALL TO ORDER**

The Chairman of the Board, Mr. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

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SCHEDULE OF ANNUAL STOCKHOLDERS MEETING FOR YEAR 2019

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Certified By: **Lawrence Mari C. Santella**  
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TOTAL NUMBER OF SHARES:	9,993,851
TOTAL NUMBER OF OUSTANDING SHARES:	10,000,000
PERCENTAGE OF OUSTANDING SHARES PRESENT/REPRESENTED:	99.9%

**ALSO PRESENT:**

Jonas-Karl V. Perez  
Pamela Joy R. Co

**I. CALL TO ORDER**

The Chairman of the Board, Mr. Tan, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Perez, certified to the presence of a quorum and took the minutes of the meeting.

The Corporate Secretary proceeded to explain the conduct of voting and the tabulation procedures to be used during the course of the meeting. Unless there are objections, the Corporate Secretary shall record the shares present and those represented by proxy as having voted in favor of the matters to be considered today. Majority vote shall be required for the following matters:

- a) Approval of the minutes of the annual meeting of the stockholders held on 19 March 2018;  
and
- b) Election of External Auditor.

Voting for the election of directors shall be in accordance with the Revised Corporation Code, which is cumulative voting.

**II. APPROVAL OF THE MINUTES OF THE 19 MARCH 2018 ANNUAL STOCKHOLDERS MEETING**

The Chairman referred the stockholders to the copy of the minutes of the 19 March 2018 annual stockholders meeting that were included in the materials for this meeting.



**MAPFRE INSULAR INSURANCE CORPORATION****SCHEDULE OF ANNUAL STOCKHOLDERS MEETING FOR YEAR 2019**

<b>DATE</b>	<b>ATTENDEES</b>
25-Mar-19	MAPFRE INTERNACIONAL S.A
	INSULAR LIFE ASSURANCE COMPANY , LTD.
	SILVERIO BENNY TAN
	LUIS C. LAÓ
	TIRSO C. ABAD
	MONA LISA DELA CRUZ
	MAYO JOSE B. ONGSINGCO
	PEDRO E. ROXAS
	JONAS-KARL V. PEREZ
	PAMELA JOY R. CO

A handwritten signature in black ink, appearing to read "Lawrence Mari C. Santella".

Certified By: **Lawrence Mari C. Santella**  
Assistant Corporate Secretary

Prepared By:  **Jean Pauline R. Ofina**  
Legal & Compliance Assistant



## **NOTICE OF ANNUAL STOCKHOLDERS' MEETING**

Dear Stockholder,

Please be advised that the annual meeting of the stockholders of **MAPFRE INSULARINSURANCE CORPORATION** will be held on 25 March 2019 at 5:30 p.m. at the Board Room, 11<sup>th</sup> Floor, Mapfre Insular Corporate Center, Acacia Avenue, MadrigalBusinessPark, Ayala Alabang, MuntinlupaCity.

The following matters shall be taken up at the annual meeting:

- 1. Approval of the Minutes of the Stockholders' Meetings of 19 March 2018**
  - Minutes of the Meeting held last March 19, 2018 will be presented and subject to approval of all the stockholders present
- 2. Report of Management 2018**
  - Operational Highlights of the Company for the 2018 will be presented to the stockholder.
- 3. Ratification of Acts, Resolutions and Contracts of the Board of Directors since the last Annual Meeting**
  - Summary of all the Acts, Resolution and Contracts of the Board of Directors for 2018 will be presented for Ratification of all the stockholders.
- 4. Election of the Board of Directors for 2019**
  - Profiles of the Nominees for Board of Directors will be presented for election
- 5. Appointment of R.G. Manabat & Co., a Philippine member firm of KPMG International as External Auditors**
  - The profile of the external auditor will be presented for appointment/re-appointment
- 6. Other Matters**
  - All other matters that need to be raised by all the stockholders present in this meeting will be discussed.
- 7. Adjournment**

Please bring a valid government issued identification document (passport, driver's license, SSS ID, GSIS ID, Seniors Citizen ID) to facilitate your registration. If you are sending a representative, please issue a written proxy in favor of your representative.

Your presence is earnestly requested. Please take note that Management is not soliciting proxies.

21 February 2019.

  
**JONAS-KARL V. PEREZ**  
Corporate Secretary

Section 8. Proxies – A stockholder entitled to vote at any meeting of stockholders may vote either in person or by proxy. The proxy shall be executed in writing by the stockholder or a duly authorized representative of a corporate stockholder. All proxies must be duly presented to the Secretary for inspection and recording at least before the meeting is convened.

A proxy shall be valid for the particular meeting designated in the proxy and such other subsequent meetings as may be authorized in such proxy. The presence of a stockholder at a meeting shall revoke a proxy therefore executed by him and such stockholder shall be entitled to vote to such meeting in the same manner and with the same effect as if he had not executed a proxy. (As amended by the Board of Directors on 24 September 2015 and approved by the stockholders on 15 December 2015)

MINUTES OF THE ANNUAL STOCKHOLDERS MEETING OF  
**MAPFRE INSULAR INSURANCE CORPORATION**

("MIIC" or the "Corporation")

Held on 25 March 2019 at 5:30 P.M.

At the Board Room, Mapfre Insular Corporate Center  
 Acacia Avenue, Ayala Alabang, Muntinlupa, Philippines

<b><u>STOCKHOLDERS PRESENT/REPRESENTED:</u></b>	<b>NO. OF SHARES:</b>
MAPFRE INTERNACIONAL S.A.	7,493,847
INSULAR LIFE ASSURANCE COMPANY, LTD.	2,499,998
LUIS C. LA Ó	1
TIRSO C. ABAD	1
MONA LISA DELA CRUZ	1
MAYO JOSE B. ONGSINGCO	1
SILVERIO BENNY J. TAN	1
PEDRO E. ROXAS	1
TOTAL NUMBER OF SHARES:	9,993,851
TOTAL NUMBER OF OUTSTANDING SHARES:	10,000,000
PERCENTAGE OF OUTSTANDING SHARES PRESENT/REPRESENTED:	99.9%

**ALSO PRESENT:**

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 Pamela Joy R. Co

**I. CALL TO ORDER**

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21 February 2019.

  
**JONAS-KARL V. PEREZ**  
Corporate Secretary





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21 February 2019.

  
**JONAS-KARL V. PEREZ**  
Corporate Secretary

## Corporate Strategy and M&A Area

Furthermore, it will be necessary to use the information available in this phase to estimate the effect the acquisition may have on MAPFRE and/or the subsidiary that will ultimately make the investment. This analysis will be conducted with the usual return indicators adjusted to the nature of each project (combined ratio, EBITDA/Revenue, ROE, estimated dividends, capital consumption, accounting impact, etc.).

A Report will be drawn up regarding each project. Each report shall include all the aspects analyzed in this phase, so the CAD and the governance bodies can make the pertinent decisions using complete information.

At the request of the CAD, the competent Governance Bodies will be responsible for approving the submission of the Non-binding Offer and of its terms and conditions. The AGM and AL Area will be responsible for preparing the final text, based on a draft that will be prepared by the ACEM&A.

### 4.5. Due Diligence and Submitting a Binding Offer

Due diligence consists of an analysis of the information regarding the past, present and future of the target company. The documentation and information will be analyzed exhaustively in a broad range of areas: strategic, financial, legal, commercial, operational, technological and human resources. Due diligence is important to identify the opportunities and risks of the transaction. Any new information that comes to light will have an impact on the price, on the terms of the contract and might possibly lead to calling off the deal.

When necessary, due diligence will be contracted out to external advisors, primarily external consultants and legal advisors and may include the following areas, depending on the characteristics of the acquisition and the information that is available:

- Financial and Actuarial Review
- Fiscal Review
- Legal Review
- Human Resources Review
- Technological Systems Review
- Review of Internal Control Reports
- Review of the reports from the Risk, Internal Audit and Compliance Areas

In-house teams shall also take part in the due diligence. They may be necessary to support external advisors in matters considered to be especially important in each project and to take part directly in the meetings organized with both the management team of the company that is the object of the transaction and with the seller.

These in-house teams should also include members of the Regional Area or Business Unit organization involved and of the MAPFRE subsidiary in the country where the target company of the transaction operates.

A due diligence report shall be drawn up and submitted to the CAD.

Furthermore, bearing in mind the greater amount of information available in this phase of the project, the CAD will be sent an Valuation Update and an update on the effect that the acquisition may have on MAPFRE and/or the subsidiary that will ultimately make the investment, based on the usual return indicators adjusted to the nature of each project (combined ratio, EBITDA/Revenue, ROE, estimated dividends, capital consumption, accounting impact, etc.).

At the request of the CAD, the competent Governing Bodies will be responsible for approving the submission of the Binding Offer and its terms and conditions, and the General Counsel and Legal Affairs Area will be responsible for drawing it up.

#### 4.6. Operation Formalization

The General Counsel and Legal Affairs Area shall be responsible for drawing up and negotiating the content of the contractual documents signed for the formalization of the operation.

The CAD, through its Chairman, will be responsible for continuously reporting to the Governance Bodies regarding the development of each acquisition.

Every year, the DM&A will draw up a monitoring report on the acquisitions performed, which will be submitted to the CAD. This report will be used to analyze compliance with the business hypotheses considered in the acquisition process and the reasons for the differences. Accordingly, the Business Units will have to keep separate management information on each of the acquisitions that can be used to draw them up.

As a general rule, the acquisitions that are of significant importance to MAPFRE and have taken place in the last five years will be included in the report. Nonetheless, this period can be extended to ten years for acquisitions of life insurance companies, large companies or companies that are deemed suitable due to their complexity.

#### 4.7. Integration

The greatest challenge posed by a merger or acquisition begins in the integration phase.

The integration does not begin at the point at which the documents used to conclude the transaction are signed, rather it is an essential process that begins with the due diligence. The integration should begin to be planned beginning with the first liaisons with the target company; this will create an advantage when concluding the transaction.

Hence, the teams that are created to develop the due diligence and the subsequent phases of the project will need to be equipped with adequate internal resources from MAPFRE S.A., or from the Business Unit, Regional Area and/or local Companies of MAPFRE.

## 4.3 INTERNAL GOVERNANCE.

### 4.3.1. Administration and supervision bodies.

#### 4.3.1.1. Bodies

▪ ***Annual General Meeting.***

The General Meeting is the ultimate governance body of each of the companies. Its convocation and meetings assembly framework shall adjust to established law, the statutes of each company and, in the case of MAPFRE, S.A., to the corresponding regulations.

▪ ***MAPFRE S.A. Board of Directors***

The Board of Directors of MAPFRE, S.A. is the most senior administration and supervision body of the Group.

It features a Steering Committee, which acts as delegated body of the Board of Directors, with all of its powers, except those that cannot be legally delegated.

It also has three other Delegate Committees:

- Audit and Compliance Committee.
- Appointments and Remuneration Committee.
- Risks Committee.

The Board of Directors will appoint the following positions:

- Chairman and  
CEO.
- Vice Chairman.
- Independent Supervising Director
- Secretary.