

ANNUAL CORPORATE GOVERNANCE REPORT OF

TRAVELLERS INSURANCE & SURETY (TRISCO) CORPORATION

(Name of Company)

1. For the fiscal year ended **DECEMBER 31, 2020**
2. Certificate Authority Number: **25369**
3. **CITY OF MANILA**
Province, Country or other jurisdiction of incorporation or organization
4. **10TH FLOOR GE ANTONINO BLDG. TM KALAW COR. J. BOCOBO ST., ERMITA, MANILA 1000**
Address of principal office Postal Code
5. **8-521-3822**
Company's telephone number, including area code
6. <https://travellersinsuranceph.com/>
Companies Official Website
7. **TRAVELLERS INSURANCE & SURETY CORPORATION**
Former name, former address, and former fiscal year, if changed since last report

ANNUAL CORPORATE GOVERNANCE REPORTA1:L31C7A1:L26

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 and sustainability of the corporation 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	Provide information or link/ reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors.	Please refer to the LIST OF BOARD OF DIRECTORS
2. Board has an appropriate mix of competence and expertise	Compliant	2. Qualifications standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	Please refer to the LIST OF BOARD OF DIRECTORS
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		Please refer to the LIST OF BOARD OF DIRECTORS

Recommendation 1.2

1. Board is composed of a majority of non-executive directors	Compliant	Identify or provide link/ reference to a document identifying the directors and their type of directorship	Please see GENERAL INFORMATION SHEET 2020
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Recommendation 1.3

1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	Compliant	Provide link or reference to the company's Board Charter or Manual on Corporate Governance relating to its policy on training of directors.	Please refer to CORPORATE GOVERNANCE MANUAL
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first times directors	Compliant	Provide information or link/ reference to a document	Please refer to CORPORATE GOVERNANCE MANUAL

		containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.	
3. Company has relevant annual continuing training for all directors.	Non-compliant		TRISCO is continuously coordinating with the Insurance Commission Corporate Governance Unit and Institute of Corporate Directors (ICD) on the available training programs this pandemic.
Recommendation 1.4			
1. Board has a policy on board diversity	Compliant	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board	Please refer to ARTICLE VII of the Corporate By-Laws
Recommendation 1.5			
1. Board is assisted in its duties by Corporate Secretary	Compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/ her name qualifications, duties and functions.	Please refer to the ARTICLE IX Section VIII of the Corporate By-Laws
2. Corporate Secretary is separate individual from the compliance officer	Compliant		Please refer to the ARTICLE IX Section VIII of the Corporate By-Laws
3. Corporate Secretary is not a member of the Board of Directors	Compliant		Please refer to the ARTICLE IX Section VIII of the Corporate By-Laws
4. Corporate Secretary attends training/s on corporate governance	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.	Yes, the Corporate Secretary participates regularly on trainings for Corporate Governance.
Recommendation 1.6			

1. Board is assisted by a Compliance Officer	Compliant	Provide Information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties, and functions.	TRISCO is assisted with a Compliance Officer. Please refer to the Annual Statement 2020
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		Qualifications, Powers, and Duties of the Compliance Officer are subjects for deliberation on the next BOD Meeting
3. Compliance Officer is not a member of the Board	Non-compliant		This will be considered on the next nomination.
4. Compliance Officer attends training/s on corporate governance annually	Compliant	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.	TRISCO incumbent Compliance Officer is regularly attending Corporate Governance Trainings.

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 pronouncement and guidelines should be clearly made known to all directors as well as to stockholders, and other stakeholders.

Recommendation 2.1

1. Directors act on fully informed basis, in good faith, with due diligence and care, and in the best interest of the company	Compliant	Provide information or reference to a document containing information on how the directors performed.	Please refer to the CODE OF ETHICS & PROFESSIONAL CONDUCT
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Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy	Compliant	Provide information or link/ reference to a document containing on how directors performed this function (can include board resolutions, minutes of the . Indicate frequency of review of business objectives and strategy.	Please refer to the CODE OF ETHICS & PROFESSIONAL CONDUCT
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	Compliant	Provide information or link/ reference to a document containing on how directors performed this function (can include board resolutions, minutes of the . Indicate frequency of review of business objectives and strategy.	<p>Please refer to the COMPANY'S VISION & MISSION</p> <p>VISION : <i>To become a world class Insurance Company in the Philippines recognized for its excellence in providing quality, safe and competent service by 2020.</i></p> <p>MISSION: _____</p> <ul style="list-style-type: none"> - To our Stakeholders, we create value by delivering a fair and reasonable return on investment, and guarantee funds to reinvest in research and training. - To our Clients, we provide high quality services through integrated specialty centers/branches, agencies managed by qualified Officers, Managers and Employees. - To our Employees, we provide fair compensation, a safe working environment and opportunities or continuous

Recommendation 2.3

1. Board is headed by a competent qualified person	Compliant	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications.	NOTICE OF ASM / DIRECTORS & OFFICERS
Recommendation 2.4			
1. Board ensures and adopts a effective succession planning program for directors, key officers and management.	Compliant	Disclose and provide information or link/ reference to a document containing information on the company's succession planning and retirement policies and programs, and its implementation	Please refer to the ARTICLE VII of the CORPORATE BY-LAW
2. Board adopts policy on the retirement for directors and key officers	Non-Compliant		None. But the Company has a plan to formulate policies on the retirement for directors and key officers.
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	Compliant	Provide information on or link/ reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.	Please refer to ARTICLE VII SECTION X ' of the CORPORATE BY-LAWS
2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant		Please refer to ARTICLE VII SECTION X of the CORPORATE BY-LAWS
3. Directors do not participate in discussions or deliberations involving his/ her own remuneration.	Compliant		Please refer to ARTICLE VII SECTION X of the CORPORATE BY-LAWS
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy	Compliant	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how	Please refer to the NOMINATION COMMITTEE CHARTER
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance	Compliant		Please refer to the NOMINATION COMMITTEE CHARTER
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	Compliant		Please refer to the NOMINATION COMMITTEE CHARTER / Please refer also to ARTICLE VII SECTION VIII of the Corporate By-Laws

4. Board nomination and election policy includes how the board reviews nominated candidates.	Compliant	the shortlisted candidates and how it encourages nominations from shareholders. Provide proof is minority shareholders have a right to nominate candidates to the board.	Please refer to the NOMINATION COMMITTEE CHARTER / Please refer also to ARTICLE VII SECTION VIII of the Corporate By-Laws
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	Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Please refer to the NOMINATION COMMITTEE CHARTER / Please refer also to ARTICLE II SECTION IV Letter 'B' of the Corporate By-Laws
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		Please refer to the NOMINATION COMMITTEE CHARTER / Please refer also to ARTICLE II SECTION IV Letter 'B' of the Corporate By-Laws
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	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs.	Please refer to the FINANCE & RISK MANAGEMENT COMMITTEE CHARTER / Please refer also to the ARTICLE II SECTION IV L
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Identify transactions that were approved pursuant to the policy.	Please refer to FINANCE & RISK MANAGEMENT COMMITTEE CHARTER / Please refer also to ARTICLE VII SECTION XI of the Corporate By-Laws
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of the operations.	Compliant		Please refer to FINANCE & RISK MANAGEMENT COMMITTEE CHARTER / Please refer also to ARTICLE VII SECTION XI of the Corporate By-Laws
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	Provide information on or reference to a document containing the board's policy and responsibility for approving the selection of management. Identify the management team appointed.	Please refer to ARTICLE VII SECTION XIII of the Corporate By-Laws

2. Board is primary 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	Provide information on or reference to a document containing the board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance.	Please refer to ARTICLE VII SECTION XIII of the Corporate E
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Recommendation 2.9

1. Board established 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 Senior Management.	Non-Compliant	Provide information on or link/ reference to a document containing the Board's performance management framework for management and personnel.	The company is still formulating a Management Framework that would cater the assessment of the performance of Chief Executive Officer.
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		The company is still formulating a Management Framework that would cater the assessment of the performance of employees.

Recommendation 2.10

1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on/ or link/ reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system.	Please refer to AUDIT COMMITTEE CHARTER
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the management, members and shareholders.	Compliant		Please refer to AUDIT COMMITTEE CHARTER
3. Board approves the Internal Audit Charter.	Compliant		Please refer to the AUDIT COMMITTEE CHARTER / Please refer also to ARTICLE VII SECTION IX of the Corporate By-Laws

Recommendation 2.11

<p>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.</p>	<p>Compliant</p>	<p>Provide information on or link/ reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</p>	<p>regulatory and strategy risk, etc., are being discussed during the Annual Management Conference.</p> <p>Each Departments/Branches are required to assess and review the potential risk exposure in each area and the effectiveness of controls in place to mitigate the risks and to suggest further controls, if necessary.</p>
<p>2. The risk management framework guides the Board in identifying units/ business lines and enterprise-level risk exposures, as well as effectiveness of risk management strategies.</p>	<p>Compliant</p>	<p>Provide proof of effectiveness of risk management strategies, if any.</p>	<p>Risk Assessment on relevant aspects of the operation including financial, operational, human resource, regulatory and strategy risk, etc., are being discussed during the Annual Management Conference.</p> <p>Each Departments/Branches are required to assess and review the potential risk exposure in each area and the effectiveness of controls in place to mitigate the risks and to suggest further controls, if necessary.</p>
<p>Recommendation 2.12</p>			
<p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.</p>	<p>Compliant</p>	<p>Provide link to the company's website where the Board Charter is disclosed.</p>	<p>Please see CODE OF ETHICS & PROFESSIONAL GROWTH</p>
<p>2. Board's Charter serves as a guide to the directors in the performance of their functions.</p>	<p>Compliant</p>		<p>Please see CODE OF ETHICS & PROFESSIONAL GROWTH</p>
<p>3. Board charter is publicly available and poster on the company's website.</p>	<p>Compliant</p>		<p>Please CODE OF ETHICS & PROFESSIONAL GROWTH</p>

Principle 3: Board committees should be set-up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in publicly available Committee Charter.

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Provide information or line/ reference to a document containing information on all the board committees established by the company	Please refer to ARTICLE VII SECTION VI of the CORPORATE BY-LAWS
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Recommendation 3.2

1. Board established 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.	Compliant	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.	Please refer to ARCTICLE VII SECTION IX of the CORPORATE BY-LAWS / Please refer also to AUDIT COMMITTEE CHARTER
2. Audit committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the chairman is independent.	Compliant	Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.	Please see attached 2020 General Information Sheet
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance.	Compliant	Provide information or link/ reference to a document containing information in the background, knowledge, skills, and/or experience of the members of the Audit Committee.	Please refer to the LIST OF BOARD OF DIRECTORS
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee	Compliant	Provide information or link/ reference to a document containing information on the Chairman of the Audit Committee.	Please see attached 2020 General Information Sheet

Recommendation 3.3

1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Non-Compliant	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions. Indicate if the committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.	The company is still planning to create Corporate Governance Committee for the year 2021.
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	Non-Compliant	Provide information or link/ reference to a document containing information on the Chairman of the Corporate Governance Committee.	The company is still planning to create Corporate Governance Committee for the year 2021.
3. Chairman of the Corporate Governance Committee is an independent director.	Non-Compliant	Provide information or link/ reference to a document containing information on the Chairman of the Corporate Governance Committee.	The company is still planning to create Corporate Governance Committee for the year 2021.

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.	Non-Compliant	Provide information or link/ reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions.	The company is still planning to create BOARD RISK OVERSIGHT COMMITTEE for the year 2021.
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2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant	Provide information or link/ reference to a document containing information on the members of the BROC, including their qualifications and type of directorship. ,	The company is still planning to create BOARD RISK OVERSIGHT COMMITTEE for the year 2021.
3. The Chairman of the BROC is not the Chairman of the Board of any other committee.	Non-Compliant	Provide information or link/ reference to a document containing information on the Chairman of the BROC	The company is still planning to create BOARD RISK OVERSIGHT COMMITTEE for the year 2021.
4. At lease one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-Compliant	Provide information or link/ reference to a document containing information on the background, skills, a and/or experience of the members of the BROC.	The company is still planning to create BOARD RISK OVERSIGHT COMMITTEE for the year 2021.
Recommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company	Non-Compliant	Provide information or link/ reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	The company is still planning to create RELATED PARTY TRANSACTIONS (RPT) for the year 2021.
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including Chairman.	Non-Compliant	Provide link to company's website where the Committee Charters are disclosed.	The company is still planning to create RELATED PARTY TRANSACTIONS (RPT) for the year 2021.

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

<p>1. The Directors attends and actively participates in all meetings of the Board, Committees and Shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p>Compliant</p>	<p>Provide information or link/ reference to a document containing information on the process and procedure for tele/ videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p>	<p>Please refer to the MINUTES OF THE ANNUAL STOCKHOLDERS MEETING</p>
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>		<p>Please refer to the MINUTES OF THE ANNUAL STOCKHOLDERS MEETING</p>
<p>3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on any questions raised or clarification/ explanation sought by the directors.</p>	<p>Please refer to the MINUTES OF THE ANNUAL STOCKHOLDERS MEETING</p>

Recommendation 4.2

<p>1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and public-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge, Management's proposals/ views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.</p>	<p>Please refer to ARTICLE VII of the CORPORATE BY-LAWS</p>
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Recommendation #1.3

1. The Directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.

Non-Compliant

Provide copy of the written notification to the Board or Minutes of Board Meeting wherein the matter was discussed.

None.

Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.

Recommendation 5.1

1. The board is composed of at least twenty percent (20%) of independent directors.	Compliant	Provide information or link/ reference to a document containing information on the number of independent director.	Please see Annual Statement 2020. There are nine directors inclusive of 2 Independent Directors.
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Recommendation 5.2

1. The independent directors possess all the necessary qualifications to hold the position.	Compliant		Please refer to List of Board of Directors.
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Recommendation 5.3

<p>1. The independent directors serve for a maximum cumulative term of nine years. As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 whole the reckoning date for the Pre-need companies and health maintenance organizations 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	Provide information or link/ reference to a document showing the years IDs have served as such.	Please refer to List of Board of Directors.
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director.	Please refer to ARTICLE VII SECTION 1 of the CORPORATE BY-LAWS

3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders meeting.	Compliant	Provide proof on submission of a formal written justification to the insurance Commission and proof of shareholders' approval during the annual shareholders' meeting.	NONE. All of our Independent Directors are serving within the term. Please refer to the Annual Statement of 2020
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Identify the company's Chairman of the Board and Chief Executive Officer	Please refer to ARTICLE VIII of the CORPORATE BY-LAWS
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Provide information or line/ reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO.	Please refer to ARTICLE IX SECTION 1 & SECTION III of the CORPORATE BY-LAWS
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	Provide information or link/ reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairman is independent.	There is no lead Independent Director
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	Provide proof of abstention, if this was the case.	Please refer to the Annual Stockholders Minutes of the Meeting.

Recommendation 5.7

<p>1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.</p>	<p>Non-Compliant</p>	<p>Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.</p>	<p>For the year 2020, the company has not yet conducted a separate meeting for the NED due to the prevailing pandemic.</p>
<p>2. The meetings are chaired by the lead independent director.</p>	<p>Non-Compliant</p>		<p>For the year 2020, the company has not yet conducted a separate meeting for the NED due to the prevailing pandemic.</p>

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.	Non-Compliant	Provide proof of annual assessments conducted for the whole board, the individual members, the Chairman and the Committees.	The company is still formulating an Assessment Criteria to be applied on the evaluation of the Board's performance, as a whole.
2. The performance of the Chairman is assessed annually by the Board.	Non-Compliant		The company is still formulating an Assessment Criteria to be applied on the evaluation of the Chairman's performance.
3. The performance of the individual member of the Board is assessed annually by the Board.	Non-Compliant		The company is still formulating an Assessment Criteria to be applied on the evaluation of the Members of Board performance.
4. The performance of each committee is assessed annually by the Board.	Non-Compliant		The company is still formulating an Assessment Criteria to be applied on the evaluation of every committees' performance.
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant		Identify the external facilitator and provide proof of use of an external facilitator.

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.	Non-Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders.	The company is still formulating an Assessment Criteria.
2. The system allows for a feedback mechanism from the shareholders.	Non-Compliant		The company is still formulating an Assessment Criteria.

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	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	Please refer to the Code of Ethics & Professional Growth of TRISCO
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.	Code of Ethics & Professional Growth is available on TRISCO Website
3. The Code is disclosed and made available to the public through the company website.	Compliant	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.	Code of Ethics & Professional Growth is available on TRISCO Website

Recommendation 7.2

1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Non-Compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	The company is still on the process of integrating Code of Business Conduct and Ethics to its Internal Policies.
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Non-Compliant	Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on noncompliance.	The company is still on the process of integrating Code of Business Conduct and Ethics to its Internal Policies.

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

<p>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.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders.</p>	<p>Please refer to President's Report</p>
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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>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p>	<p>List of Board of Directors</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>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p>	<p>List of Board of Directors</p>

Recommendation 8.4

<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>Disclose or provide link/reference to the company policy and practice for setting board remuneration.</p>	<p>Corporate Governance Handbook</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 with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.</p>	<p>Compliant</p>	<p>Disclose or provide link/reference to the company policy and practice for determining executive remuneration.</p>	<p>Corporate Governance Handbook</p>
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p>	<p>Please refer to ARTICLE VII Section XII of the Corporate By-Laws. Termination and Retirement provisions are still subject for deliberation.</p>
<p>Recommendation 8.5</p>			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>Compliant</p>	<p>Disclose or provide reference/link to company's RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p>	<p>Please refer to the RISK MANAGEMENT COMMITTEE CHARTER</p>

<p>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.</p>	<p>Compliant</p>	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. Name of the related counterpart try; 2. Relationship with the party; 3. Transaction date; 4. Type/nature of transaction; 5. Amount or contract price; 6. Terms of the transaction; 7. Rationale for entering into the transaction; 8. The required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. Other terms and conditions. 	<p>Please refer to the 2020 ANNUAL STATEMENT</p>
<p>Recommendation 8.7</p>			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p>Compliant</p>	<p>Provide link to the company's website where the Manual on Corporate Governance is posted.</p>	<p>Please refer to the Corporate Governance Handbook</p>
<p>2. Company's MCG is posted on its company website.</p>	<p>Compliant</p>		<p>https://travellersinsuranceph.com/</p>

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	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	Please see ARTICLE X SECTION III of the CORPORATE BY-LAWS
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	Please see ARTICLE X SECTION I of the CORPORATE BY-LAWS
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	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	Please see ARTICLE X SECTION I of the CORPORATE BY-LAWS
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	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	Please see ARTICLE X SECTION I of the CORPORATE BY-LAWS

Recommendation 9.2

<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> 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	Provide link/reference to the company's Audit Committee Charter.	Please refer to Audit Committee Charter
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	Compliant	Provide link/reference to the company's Audit Committee Charter.	Please refer to Audit Committee Charter
Recommendation 9.3			
<p>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.</p>	Compliant	Disclose the nature of non-audit services performed by the external auditor, if any.	Please refer to 2020 Financial Statement
<p>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.</p>	Compliant	Provide link or reference to guidelines or policies on non-audit services.	Please refer to 2020 Financial Statement

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	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	Please refer to the Practices posted in the Corporate Social Responsibility
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-Compliant	Provide link to Sustainability Report, if any. Disclose the standards used.	The company is still planning to adopt a framework in reporting sustainability and non-financial issues for the year 2021.

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

Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.

<https://travellersinsuranceph.com/>

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 control system and enterprise risk management framework.

Recommendation 12.1

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system.</p>	<p>Please refer to Audit Committee Charter Newly adopted policies and procedures as well as subsequent changes thereto were assessed through self-assessment. The Internal Audit would include the assessment of the implementation in the regular audit. Any inadequacy in the new policies and procedures will be referred to the Compliance Officer for review and if appropriate, for rectification and amendment of policies and procedures.</p> <p>Assessment results together with revised policies and procedures, if any, will be presented to the senior management and Board of Directors for approval.</p>
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>Identify international framework used for Enterprise Risk Management. Provide information or reference to a document containing information on: 1 .Company's risk management procedures and processes 2.Key risks the company is currently facing 3.How the company manages the key risks Indicate frequency of review of the enterprise risk management framework.</p>	<p>1. Please refer to Risk Management Committee Charter for the processes 2 . This is undetermined since we need to conduct risk profiling by 2021. 3. In compiling the MLTFP Handbook in year 2019, as required under Circular Letter (CL) No. 2018 – 48 and its amendments, assessment had been conducted on operations and procedures to ensure compliance with all the issuances of IC, AMLC and other relevant laws, rules and regulations.</p> <p>Periodic assessment, every two years in current plan, will be carried out to tie-in with the review of the MLTFP Handbook.</p>
<p>Recommendation 12.2</p>			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	<p>Non-Compliant</p>	<p>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</p>	<p>No appointment yet under Chief Audit Executive (CAE)</p>
<p>Non-Compliant</p>			
<p>1. The company has a qualified Chief Audit Executive CAE appointed by the Board.</p>	<p>Non-Compliant</p>	<p>Identify the company's Chief Audit</p>	<p>No appointment yet under Chief Audit Executive (CAE)</p>

<p>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.</p>	<p>Non-Compliant</p>	<p>Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</p>	<p>No appointment yet under Chief Audit Executive (CAE)</p>
<p>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.</p>	<p>Non-Compliant</p>	<p>Identify qualified independent executive or senior management personnel, if applicable.</p>	<p>This is still subject for deliberation among the Board.</p>

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	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	Please refer to Corporate Governance Handbook
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Provide link to company's website	Please refer to the Corporate Governance Handbook

Recommendation 13.2

	Compliant	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting. Provide link to the Agenda included in the company's Information Statement	Notice of Annual Stockholders Meeting
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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	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.	Minutes of the Annual Stockholders Meeting
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<p>2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.</p>	<p>Compliant</p>	<p>Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any.</p>	<p>Minutes of the Annual Stockholders Meeting</p>
<p>Recommendation 13.4</p>			
<p>1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner</p>	<p>Non-Compliant</p>	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.</p>	<p>None. The Board is still on the process of formulating alternative dispute mechanism to resolve intra-corporate disputes.</p>
<p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p>	<p>Non-Compliant</p>	<p>Provide link/reference to where it is found in the M</p>	<p>None. The Board is still on the process of formulating alternative dispute mechanism to resolve intra-corporate disputes.</p>

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

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>Compliant</p>	<p>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</p>	<p>Company's Mission</p>
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Recommendation 14.2

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders.</p>	<p>Please refer to TRISCO Data Privacy Protection</p>
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Recommendation 14.3

<p>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.</p>	<p>Compliant</p>	<p>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</p>	<p>Please refer to TRISCO 'CONTACT US' platform.</p>
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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 actively participate in the realization of the company's goals and in its governance.	Compliant	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	Please see Company Trainings
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Recommendation 15.2

1. Board sets the tone and makes a stand against corrupt practices by adopting an anticorruption policy and program in its Code of Conduct.	Compliant	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption.	Whistle Blower Protection Policy
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2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Identify how the board disseminated the policy and program to employees across the organization.	Whistle Blower Protection Policy
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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	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes	Please refer to Whistle Blower Protection Policy
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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		Please refer to Whistle Blower Protection Policy
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<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>Compliant</p>	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p>	<p>The Board of Directors and Senior Management are responsible for the oversight of the management and operational activities, including the day-to-day management to ensure effective implementation of the Whistle Blower Protection Policies and alignment of activities with the strategic objectives, risk profile and corporate values.</p>
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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

3. 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.

Compliant


Provide information or reference to a document containing information on the company's community involvement and environment-related programs.

[Corporate Social Responsibility](#)

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 MANILA on the 30th of July 2021.

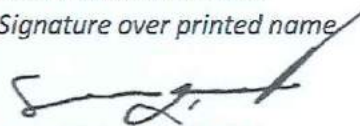

SAMUEL U. LEE
CHAIRMAN OF THE BOARD
Signature over printed name


EDGARDO P. DAVID
PRESIDENT
Signature over printed name


ATTY. FLORENCE B. CARANDANG
CORPORATE SECRETARY
Signature over printed name


EDGARDO P. DAVID
CORPORATE GOVERNANCE
COMPLIANCE OFFICER
Signature over printed name


NORMANDY D. BALDOVINO
INDEPENDENT DIRECTOR
Signature over printed name

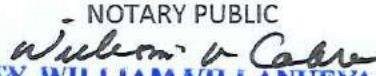

ERANIO L. PUNSALAN
INDEPENDENT DIRECTOR
Signature over printed name

JUL 30 2021

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

NAME	ID NO.	DATE/ PLACE ISSUED
1. SAMUEL U. LEE	BIR TIN NO. 106-248-302	City of Manila
2. EDGARDO P. DAVID	BIR TIN NO. 130-191-205	City of Manila
3. ATTY. FLORENCE B. CARANDANG	BIR TIN NO. 205-077-832	City of Manila
4. NORMANDY D. BALDOVINO	BIR TIN NO. 173-428-700	City of Manila
5. ERANIO L. PUNSALAN	BIR TIN NO. 107-094-001	City of Manila

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NOTARY PUBLIC

ATTY. WILLIAM VILLANUEVA CABRERA
Notary Public for and in the City of the Manila
Notarial Commission No. 2019-121 until Dec. 31, 2020
Extended up to 12-31-2021 as per SC En Banc Resolution dated 6-22-2021
10 Floor, G.E. Antonino Bldg. & Bocobo St.
corner T.M. Kalaw Avenue, Ermita Manila 10001
PTR No. 9846086 / 01.12. 2021/ Manila
IBP Life Member Roll No. 013478 / Catanduanes
MCLE Compliance No. VI-0009431 / 06-19-2019
valid until 04-14-2022 / Roll No. 47151