

**ANNUAL CORPORATE GOVERNANCE REPORT OF
UNICON INSURANCE AND REINSURANCE BROKERS CORPORATION**

1. For the fiscal year ended: **2023**
2. Certificate of Authority Number: **IB-37-2022-R-A***
3. Province, Country or other jurisdiction of incorporation or organization: **Pasig, Metro Manila**
4. Address of principal office: **25th Floor, Robinsons Equitable Tower, ADB Ave. cor Poveda St., Ortigas Center, Pasig City, Metro Manila**
5. Company's Telephone Number: **(02) 8633 7631**
6. Company's Official Website: **<https://www.uniconbrokers.com.ph>**

ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long-term success 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	The directors of Unicon have extensive experience in the fields of insurance, financial services, and various industries in which Unicon's clients operate. They have been directors of Unicon for several years and they provide management decisions that are essential in the operations of the Company.	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		The 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 Company.
Recommendation 1.2			
Board is composed of a majority of non-executive directors.	Compliant	Out of nine directors, eight directors are non-executive directors. Only one director (the President) is an executive director.	
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on the training of directors	Non-compliant		Unicon does not have a Board Charter or Manual on Corporate Governance (MCG) yet. It is still adapting the MCG of its parent company (JG Summit Holdings Inc.). Nonetheless, it is currently working on its own MCG.
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first-time directors.	Non-compliant		

			The Company will be holding an orientation program for the independent directors on matters relating to the company's business, Articles of Incorporation, By-Laws and the relevant circulars issued by the Insurance Commission.
3. Company has relevant annual continuing training for all directors.	Compliant	The Company's directors attend training on corporate governance as they are also directors of the parent companies of Unicon.	
Recommendation 1.4			
1. Board has a policy on board diversity	Compliant	The Board is composed of five (5) male directors and four (4) female directors. There is also diversity in age. Unicon supports diversity in workplace.	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	Compliant	The Corporate Secretary is Atty. Iya Buzeta-Acero. She is not a member of the Board and is not a Compliance Officer.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors,	Compliant	Mr. Claridades is the Compliance Officer of Unicon.	
4. Corporate Secretary attends training/s on corporate governance	Compliant	Atty. Buzeta-Acero has attended the training on corporate governance.	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Unicon has appointed Mr. Jose Simeon Claridades with the rank of Assistant Vice President as Compliance Officer. He is currently the Chief Operating Officer of Unicon. Mr. Claridades is not a member of the Board.	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation	Compliant		

3. Compliance Officer is not a member of the board,	Compliant		
4. Compliance Officer attends training/s on corporate governance annually.	Compliant	Mr. Claridades attends 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-law5, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	The management committee of Unicon provides updates to the Board on the operations of the Company. The Board has therefore adequate relevant and timely information on the affairs of Unicon which enables them to execute decisions when needed and in the best interest of the Company.	
Recommendation 2.2			
1. Board oversees the development, review, and approval of the company's business objectives and strategy.	Compliant	On an annual basis, the management committee presents to the Board the business plan, strategies, and budget for the following year. The Board reviews and approves these and recommends additional action plans if needed.	
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	The Board reviews the status of the plans and takes note of the achievement of the Company compared to the plan during its regular meeting.	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	The Board is headed by its Chairman, Mr. Elfren Antonio Sarte who used to be the President of Robinsons Bank.	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for	Non-compliant		

directors, key officers, and management.			The Board shall be adapting a succession plan for directors, key officers, and management.
2. Board adopts a policy on the retirement of directors and key officers.	Non-compliant		Currently, succession planning is determined by its parent company, JG Summit. The parent company appoints nominee directors and independent directors who are qualified and have the necessary management experience.
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	Non-compliant		Except for independent directors, the directors do not receive remuneration as members of the Board. The independent directors, meanwhile, are not involved in the discussion regarding their fees.
2. Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Non-compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	In the case of key officers, their remuneration is based on a Groupwide policy that is based on company and individual performance.	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Non-compliant		Board directors are appointed by the parent company as Unicon is owned by two companies. One is actually owned by the other and therefore there are no minority
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Non-compliant		

3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	Non-compliant		shareholders that needed to be represented. The members of the Board are also directors of the parent company who are selected based on their credentials and management experience.
4. Board nomination and election policy includes how the board reviews nominated candidates.	Non-compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election, or replacement of a director.	Non-compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Non-compliant		
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions	Compliant	Unicon adapts the RPT policy of its parent company that includes a review of all RPTs.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Unicon adapts the RPT policy of its parent company that includes a review of all RPTs. The CFO reports all material RPTs to the Audit Committee and the Board and obtains approval thereto.	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile, and complexity of operations.	Compliant	The RPT policy covers all affiliates and any party (including their subsidiaries, affiliates, and special purpose entities) that the Company exerts direct control over or that exerts direct or indirect control over the Company.	
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	The appointment/selection of management team and other heads of control functions are discussed at board meeting and subject to the approval of the Board.	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive.	Compliant	The Board reviews and assess the performance of the management led by the Chief Executive Officer on an annual basis.	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	Compliant	The Board has approved the use of Darwin in assessing the performance of the management, including the Chief Executive Officer and all personnel. Each employee is appraised annually by respective Group Heads based on goals set by Group Heads and colleagues.	
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		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The Board, through its Risk Oversight Committee ensures that there is appropriate internal control system in place to address the potential risks.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	The internal control system also addresses potential conflict of interest of the management, members and shareholders.	

3. Board approves the Internal Audit Charter.	Compliant	The Board has approved the adaption of Internal Audit Charter.	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	The Company has identified the risks inherent to its operations. Management reviews these risks and renders report to the Board.	
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Non-compliant		Unicon is working on its Board Charter. In the meantime, it is guided by Unicon's By-Laws and its parent company's Board Charter. Once done, this will be posted on Unicon's website.
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-compliant		
3. Board Charter is publicly available and posted on the company's website.	Non-compliant		
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Unicon's Board established board committees that handle specific board functions.	
Recommendation 3.2			

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	The Company's Board established an Audit Committee that oversees the Company's financial reporting, internal control system, internal and external audit processes and compliance with applicable laws and regulations.	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	The Audit Committee is headed by a Chairman (Angeles Lorayes) who is an independent director (ID) and not an executive director (NED). Its members are Esperanza Osmena (ID) and Jocelyn Sta. Ana (ID).	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	All members of the Committee have relevant background/experience in Finance/Audit.	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Ms. Lorayes is not the Chairman of the Board or of any other committee.	
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.	Compliant	The Board established a Corporate Governance Committee that is tasked to assist the Board in the performance of its corporate governance responsibilities. This includes those functions that were formerly assigned to a Nomination and Remuneration Committee.	
2. Corporate Governance Committee is composed of at least three members, the majority of whom should be independent directors.	Compliant	The Chairman of the Corporate Governance Committee is Ms. Osmena (ID) while the members are Ms. Lorayes (ID) and Ms. Sta. Ana (ID).	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant		
Recommendation 3.4			

1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	The Board established a separate BROC that is responsible for the oversight of the Company's Enterprise Risk Management system to ensure its functionality and effectiveness.	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	BROC is headed by Ms. Sta. Ana (ID) as Chairman while the other members are Ms. Lorayes (ID) and Ms. Osmena (ID).	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant		
4. At least one member of the BROC has relevant thorough knowledge and experience in risk and risk management.	Compliant	The three members of BROC has relevant thorough knowledge and experience on risk and risk management.	
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.	Compliant	The Board established an RPT Committee whose task is to review all material-related party transactions of Unicon.	
2. RPT Committee is composed of at least three non-executive directors, the majority of whom should be independent, including the Chairman.	Compliant	The RPT Committee is composed of Ms. Osmena (ID) as Chairman with Ms. Sta. Ana (ID) and Ms. Lorayes (ID) as members.	
Recommendation 3.6			
1. All established committees have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations,	Non-compliant		Unicon is adapting the committee charters of its parent company.

reporting process, resources, and other relevant information.			It is currently working on establishing its own Charters which shall be disclosed on the Company website.
2. Committee Charters provide standards for evaluating the performance of the Committees.	Non-compliant		
3. Committee Charters were fully disclosed on the company's website.	Non-compliant		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees, and shareholders in person or through tele- /videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	The directors attend and actively participate in meetings of the Board and its committees via tele or videoconferencing which are conducted in accordance with the rules and regulations of the Commission.	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	The directors are provided with meeting materials before the Board and Committee meetings. They ask the relevant and necessary questions	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings	Compliant		
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant		

Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	Compliant	The directors are required to notify the Board before accepting a directorship in another company.	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	Compliant	The Board is composed of nine directors and 3 are independent directors (ID).	
Recommendation 5.2			
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	Compliant	The IDs have the necessary qualifications and none of the disqualifications to be a director.	
Recommendation 5.3			
<p>1. The independent directors serve for a maximum cumulative term of nine years.</p> <p>As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance 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</p>	Compliant	The IDs have been directors of Unicon for not more than three (3) years.	

application of the term limit prescribed in this term.			
2. The company bars an independent director from serving in such a capacity after the term limit of nine years.	Compliant	The IDs have been serving as directors for not more than three (3) years. In case an independent director who has attained the maximum nine years but will be asked to still serve as ID, Unicon will submit to the Commission a formal written justification and will seek approval from shareholders during the annual meeting.	
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 seeks shareholders' approval during the annual shareholders' meeting.			
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	The chairman of Unicon is Elfren Antonio Sarte while the President/CEO is Triza Minnel Oreta.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	The Chairman and CEO have clear responsibilities defined in the 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	The roles of Chairman and CEO are being held by different persons.	
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	There are no directors who have material interest in a transaction that affects the corporation. Directors who will have a material interest will be required to abstain in the deliberations for the same.	
Recommendation 5.7			

1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	Compliant	In the past, no executive director was present during the meeting.	
2. The meetings are chaired by the lead independent director.	Compliant	The committee meetings are led by the Chairmen who are IDs.	
Principle 6: The best measure of the Board's effectiveness is through an assessment process, The Board's regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole.	Compliant	The Board reviews and assesses its performance at the start of the year.	
2. The performance of the Chairman is assessed annually by the Board.	Compliant	The performance of the Chairman, individual members of the Board and committees will be assessed by the Board.	
3. The performance of the individual member of the Board is assessed annually by the Board.	Compliant		
4. The performance of each committee is assessed annually by the Board.	Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Non-compliant		There is no external facilitator who will do an individual assessment.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	Unicon adapts the criteria and process in evaluating the performance of the Board, directors and committees.	

2. The system allows for a feedback mechanism from the shareholders.	Non-compliant		Unicon is a close corporation where the shareholders are the parent companies. There are no minority shareholders.
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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	<p>Currently, the Company adapts the Code of Ethics of its parent companies but will be preparing its own Code of Ethics.</p> <p>The Code of Ethics of the parent company is available in its website the link of which is provided to all personnel.</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant		
3. The Code is disclosed and made available to the public through the company website.	Compliant		

Recommendation 7.2

1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	The Board encourages all personnel to read, familiarize with and put into practice the Code of Business Conduct.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		

Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and In accordance with best practices and regulatory expectations.

Recommendation 8.1

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p>Compliant</p>	<p>The Company has no minority shareholders as there are only two parent companies and one is the parent company of the other.</p> <p>The Company's operating results are posted in Unicon's website.</p>	
<p>Recommendation 8.2</p>			
<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>Non-Compliant</p>		<p>The Company will be submitting to the Insurance Commission the biodata of the directors and the list of officers following the appointment during the meeting of the Board on 7 July 2022.</p>
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential.</p>	<p>Non-Compliant</p>		
<p>Recommendation 8.3</p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.</p>	<p>Non-Compliant</p>		<p>Unicon is a close company. The directors, except for independent directors and CEO are not remunerated.</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</p>	<p>Non-compliant</p>		

consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.			
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant		
Recommendation 8.4			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	Non-compliant		Unicon's related party transactions are all with its parent company and affiliates.
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.	Non-compliant		RPT are all disclosed in Unicon's audited financials.
Recommendation 8.5			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Non-compliant		Unicon has no manual on corporate governance but is adapting that of its parent company.
2. Company's MCG is posted on its company website.	Non-compliant		
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment,	Non-compliant		Unicon is a close corporation. The parent company decides on the

removal, and fees of the external auditors.			group external auditors and corresponding fees.
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.	Non-compliant		Unicon has just formed its committees. The recommendation of the external auditors by the Audit committee will be included in their meeting in the future, subject to the guidance of its parent company.
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	In case the Company removes or changes its external auditors, this will be disclosed to the regulators and to the public through Unicon's website.	
Recommendation 9.2			
1. Audit Committee's Charter includes the Audit Committee's responsibility on: <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		
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's	Compliant		

suitability and effectiveness on an annual basis.			
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Non-compliant		Unicon does not prepare an Annual Report.
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.	Non-compliant		Unicon currently does not engage the external auditors on non-audit services. The Charter will definitely address any potential conflict of interest.
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.	Non-compliant		The Company does not have a Board charter yet but will include this policy on disclosure of non-financial information.
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-compliant		
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	Compliant	Unicon's website is https://uniconbrokers.com.ph .	

disseminating relevant information to the public.		The website is used to disseminate relevant information to the public.	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Unicon observes internal control measures in the conduct of its business.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	The Company's risk committee assesses the risks that the Company are exposed to and identifies the measures required to address these.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	The Company has an internal auditor who reviews and checks that internal control is operating as planned. In addition, there is an internal audit being conducted by its parent companies.	
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Unicon has its own internal auditor that oversees the internal audit activity of the Company. The internal auditor also liaises with the internal audit team of its parent companies to plan and manage the scope of audit activities for the year.	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	Compliant		
3. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel is assigned the responsibility	Non-compliant		There is no outsourced internal audit activity.

for managing the fully outsourced internal audit activity.			
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The Company has its own risk officer who identifies, assesses and monitors the key risk exposures of Unicon.	
Recommendation 12.5			
2. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	The Company's Chief Risk Officer (Jemmo De Ocampo) is the ultimate champion of Enterprise Risk Management of the Company.	
3. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		
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.	Non-compliant		Unicon is following the Manual on Corporate Governance of its parent company. It will be working on its own Manual on Corporate Governance. Note that there are only two sets of shareholders/parent companies of Unicon and there are no minority shareholders.
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Non-compliant		
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant	Compliant	The Company is actually owned by two sets of shareholders. One is a subsidiary of the other company. The individual shareholders are nominee-shareholders only.	

information at least 21 days before the meeting.			
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.	Non-compliant		The Company does not see the need to show the shareholders minutes of meeting on the website as there are no other shareholders except for the two sets of parent companies which belong to the JG Group.
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.	Non-compliant		
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-compliant		Being a close company, there is no need for this. There are no minority shareholders whose rights may be challenged.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Non-compliant		
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	There are no minority shareholders as the Company has two sets of parent companies. One is the parent company of the other. The individual shareholders are nominee-shareholders only.	
Recommendation 14.2			

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Each shareholder is given equal treatment and protection.	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	The Company has two sets of parent companies and are well-represented in the Board. Each of these nominee-shareholder are allowed to attend meetings and communicate with the company to protect their rights.	
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	<p>Unicon has established programs that promote employee well-being and encourage employee engagement.</p> <p>Unicon has an engagement and wellness team that rolls out activities and programs for employees. It has a teambuilding activity that aims to promote camaraderie among colleagues and help them work on Company's goals.</p> <p>There are townhall meetings for all personnel where everyone is kept informed of Company's operational results and are likewise encouraged to participate in open forum.</p>	
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.	Non-Compliant		The Company follows the policies of its parent company and adapts an anti-corruption stand.

2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Unicon uses email blasts and company-wide chat group to disseminate its policies and programs to employees. It also conducts training to enforce these.	
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	Unicon is guided by the whistleblowing policy of JG Group, its parent company. The policy encourages/allows employees to communicate their concerns about illegal or unethical practices without fear of retaliation.	
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	The policy identifies the officers/team that each employee may access to air their concerns. The policy allows for the creation of a team that will investigate matters relating to illegal or unethical practices.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant		
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	Unicon has programs as follow: -Support equality by recognizing the LGBTQ+ rights including in Unicon's workplace -Equal opportunity policy with regards to hiring -Use of cloud in its data storage/processing -reduced use of paper by encouraging soft copy storage and use of digisign	