2021 ANNUAL CORORATE GOVERNANCE REPORT

		COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATIO
	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 consist 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	https://drive.google.com/file/d/1LwK5cG4rhNs-0HPPpXDCaM8e6YbpG5Lv/view?usp=sharing https://drive.google.com/file/d/1BpoKVMf7i0BMRMx_uxTnOL9qhIDds4nU/view?usp=sharing https://drive.google.com/file/d/1KDArqRPBahRcLuddnNd3hSa0_iibIPdb/view?usp=sharing https://drive.google.com/file/d/113jozXP85bj0uxZfIOAz5nj7WmaUMBUw/view?usp=sharing https://drive.google.com/file/d/1Xy6gDfigsV09x7lZ6jPB7Le2rXkDaNCd/view?usp=sharing https://drive.google.com/file/d/1D6pjrR72QqbNqxtXA58KvDcKeaumZl0D/view?usp=sharing https://drive.google.com/file/d/1tVsozE7ODQ_FBP9ObDHqbV2FWkyoffO8/view?usp=sharing	Various CVs of the Directors; The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. Due to the na selection into the board is largely d family patriarch's preference and d
2.	Board has an apprpopiate mix of competence and expertise.			

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.			
	Recommendation 1.2			
1.	Board is composed of a majority of non-executive directors	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item IV.1 of the Minutes of the Org of the BOD on May 14, 2021, page
	Recommendation 1.3			
1.	Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Chapter XI, page 30 of Manual
2.	Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Chapter XI, page 30 of Manual
3.	Company has relevant annual continuing training for directors.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Chapter XI, page 30 of Manual
	Recommendation 1.4			
1.	Board has a policy on board diversity.	Non-compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. The Board is and 1 female.

	Recommendation 1.5			
1.	Board is assisted in its duties by a Corporate Secretary	Compliant	https://drive.google.com/file/d/1Z816K-5XoCJKpqLP9bWeydgwNhR0pj3k/view?usp=sharing https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	CV of Corporate Secretary; Duties & responsibilities as stated i Manual, Sec. 8, page 22.
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	https://docs.google.com/file/d/1iywE9NjENPZ2K98HqsMYGJotNlR0iacE/edit?usp=sharing	Company Profile
4.	Corporate Secretary attends trainings on corporate governance.	Compliant	https://drive.google.com/file/d/1GvKfF0KxDt4rmNNqyFtQo-5C6_-Sdpyu/view?usp=sharing	Certificate of Completion

	Recommendation 1.6			
1.	Board is assisted by a Compliance Officer	Compliant	https://drive.google.com/file/d/1ATJm5pJHGrSHzS7hXw-u-lzJR2BlOlWf/view?usp=sharing ; https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	CV of Chairman of Compliance Con Appointmnt as Chairman of the Co of Organizational Meeting of BOD 4.
2.	Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation	Compliant	https://docs.google.com/file/d/1iywE9NjENPZ2K98HqsMYGJotNlR0iacE/edit?usp=sharing	Under Executive Officers section o
3.	Compliance Officer is a not a member of the board.			
4.	Compliance Officer attends trainings on corporate governance annually.	Compliant	https://drive.google.com/file/d/1sn3s659oZrXY2EMkeXHuv4P2IUu-abac/view?usp=sharing	Certificate of Attendance

	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 pron 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, nd in the best interest of the company.	Compliant	https://drive.google.com/file/d/1ijDQyRWD_-LgE62RiUN1TmqekTTMoYxT/view?usp=sharing	Item IV, page 3 of the Minutes of tl the BOD on May 14, 2021.
	Recommendation 2.2			
1.	Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Sec. V, c, pages 6-12 of the compar
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.			
	Recommendation 2.3			
1.	Board is headed by a competent and qualified Chairperson	Compliant	https://drive.google.com/file/d/1dc9YoSpmr_usfEh4IHVfDR_SocPeuMz7/view?usp=sharing	Various positions held by Chairma
	Recommendation 2.4			
1.	Board ensures and adopts an effective succession planning program for directors, key officers and management.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. succession plan has been devised. makes all the important decisions \ succession.

2.	Board adopts a policy on the retirement for directors and key officers.	Compliant	https://drive.google.com/file/d/1yBlaQenCmoEqME5N5sGocjU5ynUqS5g1/view?usp=sharing	The Company is a majority family-c composed of mostly members of a by a few close business associates. no specific retirement plan for the there is a retirement plan for key o Annex "B", page 18 of the Employe
	Recommendation 2.5			
1.	Board formulates and adopts a policy specifying the relationship between renumeration and performance of key offiers and board members.	Non-Compliant		The Board is in the process of craft committee charters for inclusion in Corporate Governance Manual.
2.	Board aligns the renumeration of key officers and board members with long-term interests in the company.			
3.	Directors do not participate in discussions or deliberations involving his/her own renumeration.			
	Recommendation 2.6			
1.	Board has a formal and transparent board nomination and election policy.	Compliant	https://drive.google.com/file/d/1ijDQyRWD_-LgE62RiUN1TmqekTTMoYxT/view?usp=sharing	The Company is a majority family-c composed of mostly members of a by a few close business associates. members are often re-elected or n selected from the shareholders and voted into the board; Page 2 of th Regular Meeting of the BOD on Ma
2.	Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Sec. V, a), page 5 of company CG M
3.	Board nomination and election policy includes how the company accepts nominations from minority shareholders.			

4.	Board nomination and election policy includes how the board reviews nominated candidates.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. members are often re-elected or n selected from the shareholders and voted into the board;
5.	Board nomination and election policy includes an assessment of the effectiveness of the Board's proesses in the nomination, election or replacement of a director.			
6.	Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.			
	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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Sec. VI, Page 26 of company CG Ma
2.	RPT policy includes appropriate review and approval of material RPTs which guarantee gairness and transparency of the transactions.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1GdfbC2l_mrURiwA_r02aIfi8yWqTg-WH/view?usp=sharing	Sec. VI, Page 26 of company CG Ma Item 30, page 46 of company 2021 Statements
3.	RPT policy encompasses all entites within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Sec. VI, Page 26 of company CG Ma
	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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=	Section V,c),iii, 1-5, pages 6-7 of co Section III, page 2 of the Minutes o Meeting of the BOD on May 14, 20

2.	Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive)	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Section III, page 2 of the Minutes o Meeting of the BOD on May 14, 20 Sec. V, c), pages 6-12 of company's
	Recommendation 2.9			
1.	Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer's performance is at par with the standards set by the Board and Senior Management.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Section V,c),iii, pages 6-12 of comp
2.	Board establishes an effectiv 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 contol system is in place.	Compliant	https://drive.google.com/file/d/186yAnO5bdoEmX7eD2Cb7e7dFXLHH4-Vx/view?usp=sharing https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Section 5, pages 11-19 of company laundering and Combating the Fina Manual; VI and VII of company CG Manual
2.	The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Sections VIII, IX and X of company (
3.	Board approves the 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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing https://drive.google.com/file/d/186yAnO5bdoEmX7eD2Cb7e7dFXLHH4-Vx/view?usp=sharing	Corporate Governance Manual Codes of Ethics and Conduct Manu Anti-Money laundering and Comba Terrorism
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.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view	Item V, 1 & 2, pages 5-18 of the cc
2.	Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view	Item V, 1 & 2, pages 5-18 of the cc
3.	Board Charter is a publicly available and posted on the company's website	Compliant	https://auii.com.ph/	

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 au related party transactions and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of a established should be contained ina 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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V, 3, page 18 of the company' Item IV, 1 pages 2-4 of the Minutes Meeting of the BOD
	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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V-3b, page 18 of company's C page 3 of Minutes of the Regular M of Directors of AUII 14 May 2021
2.	Audit Committee is comosed of at least three appropriately quaified non-executive directors, the majority of whom, including the Cahirman, is independent.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V-3b, page 19 of company's C page 3 of Minutes of the Regular M of Directors of AUII 14 May 2022

3.	All the mebers of the committee have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance.	Compliant	https://drive.google.com/file/d/1D6pjrR72QqbNqxtXA58KvDcKeaumZl0D/view?usp=sharing https://drive.google.com/file/d/113jozXP85bj0uxZfIOAz5nj7WmaUMBUw/view?usp=sharing https://drive.google.com/file/d/1tVsozE7ODQ_FBP9ObDHqbV2FWkyoffO8/view?usp=sharing https://drive.google.com/file/d/1ATJm5pJHGrSHzS7hXw-u-lzJR2BlOlWf/view?usp=sharing	Various CVs of members of the cor
4.	The chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Items III & IV of the Minutes of the Meeting of the BOD on May 14, 20

	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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V-3b, page 18 of company's C page 2-3 of Minutes of the Regular of Directors of AUII 14 May 2021
2.	Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V-3b, page 18 of company's C page 2-3 of Minutes of the Regular of Directors of AUII 14 May 2022;

3.	Chairman of the Corporate Governance Committee is an independent director.	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item IV-1-III, page 3 of the Minutes Meeting of the BOD on May 14, 20
	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 effectivenes.	Comliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item V-3c, page 19 of company's C page 3 of Minutes of the Regular M of Directors of AUII 14 May 2021
2.	BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Comliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item IV-1-iv, page 3 of the Minutes Meeting of the BOD on May 14, 20
3.	The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Chairman of the BROC was also ap to head the Audit Committee/Gove given the nature of the ownership 3 of the Minutes.
4.	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Comliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Committee member Mr. Herminio company's Senior Vice President fc
	Recommendation 3.5			
1.	The Board establishes a Related Party Transaction (RPT) Committee which is tasked with reviewing all material related transactions of the company.	Non-Compliant		The Board is in the process of craft Transaction Committee and its Cha the company's Corporate Governa
2.	RPT Commjittee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	Non-Compliant		

	Recommendation 3.6			
1.	All established committees have a Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Non-Compliant		The Board is in the process of craft committees' Charters for inclusion Corporate Governance Manual.
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 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-video conferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	https://drive.google.com/file/d/1HvL1b5XLWOfE_bx6vuN1IWrB0yUS3a9t/view?usp=sharing https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Requirements and Procedures for \ Regular Board of Directors' Meetin 2021 Minutes of the Organizational Mee AUII on May 24, 2021
2.	The directors review meeting materials for mall Board and Committee meetings.	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	Item II of the Minutes
3.	The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Non-Compliant		Questions and discussions were no in the Minutes.

	Recommendation 4.2			
1.	Non-executive directors concurrently serve as directors to a maximum of five insurance Commission Regulated Entities (CREs) 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	https://drive.google.com/file/d/17cS-OUTcz9wxSc3xO2vfP6tpRymaAyqY/view?usp=sharing https://drive.google.com/file/d/1BpoKVMf7i0BMRMx_uxTnOL9qhIDds4nU/view?usp=sharing https://drive.google.com/file/d/1Xy6gDfigsV09x7lZ6jPB7Le2rXkDaNCd/view?usp=sharing https://drive.google.com/file/d/1tVsozE7ODQ_FBP9ObDHqbV2FWkyoffO8/view?usp=sharing https://drive.google.com/file/d/113jozXP85bj0uxZfIOAz5nj7WmaUMBUw/view?usp=sharing https://drive.google.com/file/d/1D6pjrR72QqbNqxtXA58KvDcKeaumZl0D/view?usp=sharing	The Company is a majority family-c composed of mostly members of a by a few close business associates. the company, there is no policy set a sitting board director except for t Directors whose term limits are set manual's item 2 e), page 15. From presented, no director is a membe company regulated by the IC.

	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.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. has prior knowledge of his close as current directorship in other comp

	Principle 5: The Board should endeavor to exercise an objective and independent judgement on all corporate affairs.			
	Recommendation 5.1			
1.	The Board is composed of at least twenty percent (20%) independent directors.	Compliant	https://docs.google.com/document/d/1iywE9NjENPZ2K98HqsMYGJotNlR0iacE/edit?usp=sharing&ouid=116947161928840769926&rtpof=true&sd=true	The Board consists of two(2) Indep (Santos In Hong Guiap & Virginia Q the required 20% composition.

	Recommendation 5.2			
1.	The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	item d) of Sec V (2) of company's C Manual

	Recommendation 5.3			
1.	The independent directors serve for a maximum cumulative term of nine years.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	item e) of Sec V (2) of company's C Manual
	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.			Reckoning from 02 January 2015 u company's Independent Directors l which to serve their maximum nine for non-life companies.
	For other covered entities, all previous terms served by existing independent Directors prior to effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.			
2.	The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant		
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		item e) of Sec V (2) of company's C Manual

	Recommendation 5.4			
1.	The positions of the Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	https://docs.google.com/document/d/1qPGRRzTpUBiTZpt1PvES9e1ruqEmWx_/edit?usp=sharing&ouid=116947161928840769926&rtpof=true&sd=true	Company chairman and CEO are cc personalities as described in the co
2.	The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Duties and responsibilities are four (2), page 16 for the Chairman and I 21 of the company's Corporate Gov the President
	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	https://docs.google.com/document/d/1qPGRRzTpUBiTZpt1PvES9e1ruqEmWx_/edit?usp=sharing&ouid=116947161928840769926&rtpof=true&sd=true	Company chairman and CEO are cc personalities as described in the co
	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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	Item ii (g) of Sec V (2), page 17 of c Governance Manual
	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 witihin the corporation.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. Directors need not have separate internal and external auditors due personality of the company.
2.	The meetings are chaired by the lead independent director.	Non-Compliant		

	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 perforn 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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	No. 13, item iv of Section V, page 1 Corporate Governance Manual
2.	The performance of the Chairman is assessed annually by the Board.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. chosen by the family patriarch and questioned by the other family me business associates.
3.	The prformance of the individual member of the Board is assessed annually by the Board.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	No. 13, item iv of Section V, page 1 Corporate Governance Manual
4.	The performance of each committee is assessed annually by the board.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	No. 13, item iv of Section V, page 1 Corporate Governance Manual
5.	Every three years, the assessments are supported by an external facilitator.			
	Recommendation 6.2			
1.	Baord 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	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	1. No. 13, item iv of Section V, pa Corporate Governance Manual
2.	The system allow for a feedback mechanism from the shareholders.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing	1. No. 14, item iv. of Section V, pa Corporate Governance Manual 2. Since the company is a majority wherein most of the Board membe stockholders themselves, no specif mechanism was included in the ma

	Princip[le 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of the atakeholdeers.			
	Recommendation 7.1			
1.	Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behaviour, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	Company Code of Ethics and Condu
2.	The Code is properly disseminated to the Board, senior management and employees.	Compliant	https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	Dissemination is assured as atteste of both the President (representing EVP/COO of the company.
3.	The Code is disclosed and made available to the public through the company website.	Compliant	https://auii.com.ph/	

	Recommendation 7.2			
1.	Board ensures the proper and efficient implementation and minotoring of compliance with the Code of Business Conduct and Ethics.		https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	Company Code of Ethics and Condu
2.	Board ensures the proper and efficient implementation and minotoring of compliance with company internal policies.		https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	item iv, Sec. V of CG Manual

	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 expe			
	Recommendation 8.1			
1.	Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Sec. VIII, page 27 of CG Manual item 19, page 11 of CG Manual IX, page 29 of CG manual

	Recommendation 8.3

1.	Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgement.	Compliant	https://drive.google.com/file/d/17cS-OUTcz9wxSc3xO2vfP6tpRymaAyqY/view?usp=sharing https://drive.google.com/file/d/1TsrN9equTw_71HPqNckpyksqQmTKLWfg/view?usp=sharing https://drive.google.com/file/d/1c2fOkCHRVm7TH6Gg6lWWvPSYa--8GkKo/view?usp=sharing https://drive.google.com/file/d/1zQjeTVNjw692jEYq_GSoFvtTF6NS-qTo/view?usp=sharing https://drive.google.com/file/d/1KDArqRPBahRcLuddnNd3hSa0_iibIPdb/view?usp=sharing https://drive.google.com/file/d/1mu6ZhfQQfihUSPeJ9zaGfFHZyFeBf7dF/view?usp=sharing https://drive.google.com/file/d/1tlHubk9_ZSeu7UQb5J44Rl0L_B7JwtO-/view?usp=sharing https://drive.google.com/file/d/1mu6ZhfQQfihUSPeJ9zaGfFHZyFeBf7dF/view?usp=sharing https://drive.google.com/file/d/1BpoKVMf7i0BMRMx_uxTnOL9qhIDds4nU/view?usp=sharing	Various CVs of the Board of Directo
2.	Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conficts of interest that might affect their judgement.			

Recommendation 8.4

1.	Company provides a clear disclosure of its policies and procedure for setting Board renumeration including the level and mix of the same in the Annual Corporate Gvernance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. Major decisio by the patriarch of the family
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.	Non-Compliant		
3.	Company discloses the renumeration on an individual basis, including trmination and reinstatement provisions.	Non-Compliant		

	Recommendation 8.5			
1.	Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	page 26 of Company Corporate Governance Manual
2.	Company discloses material or significant RPTs in its Annual Corporate Report or Annual Corporate Governance Report reviewed and approved by the Board and submitted for confirmation by majority vote of the stockholders in the annual stockholders meeting during the year.	Compliant	https://drive.google.com/file/d/1GdfbC2l_mrURiwA_r02aIfi8yWqTg-WH/view?usp=sharing	page 46 of company FS

	Recommendation 8.7			
1.	Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Company Corporate Governance M
2.	Company's MCG is posted on its company website.	Compliant	www.auii.com.ph	Company's Official Website

	Principle 9: The company should establish standards for the appropriate selection of an external auditor and exercise effective oversight of the same to strengthen t independence and enhance audit quality.			
	Recommendation 9.1			
1.	Audit Committee has a robust process for approving and recommending the appointment, reappointmnt, removal and fees of the external auditor.	Non-Compliant		The Committee is in the process of committee's Charter for inclusion i Committee's functions under the c Governance Manual.
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		
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.	Non-Compliant		
	Recommendation 9.2			
1.	Audit Committee Charter includes the Audit Committee's responsibility on:			
	i. Assessing the integrity and independence of external auditors;	Non-Compliant		The Committee is in the process of committee's Charter for inclusion i Committee's functions under the c Governance Manual.
	ii. Exercising effective oversight to review andmonitor the external auditor's independence and objectivity ; and,	Non-Compliant		
	iii. Exercising effective oversight to review and monitor the effectiveness of the audit process taking into consideration relevant Philippine professional and regulatory requirements.	Non-Compliant		
2.	Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Non-Compliant		

	Recommendation 9.3			
1.	Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	https://drive.google.com/file/d/1GdfbC2l_mrURiwA_r02alfi8yWqTg-WH/view?usp=sharing	page 47 of 2021 Audited Financial S
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		The Committee is in the process of machanism for inclusion in the Auc functions under the company's Cor Manual.

	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 Board is in the process of craft inclusion in the Corporate Governa
2.	Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-compliant		The Board is in the process of craft inclusion in the Corporate Governa

	Principle 11: The Company should maintain a cmprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial making by investors, stakeholders and other interested users.			
	Recommendation 11.1			
1.	The Company should have a websiteto ensure a comprehensive cost-efficient transparnt, and timely manner of disseminating relevant information to the public.	Compliant	www.auii.com.ph	

Internal Control System and Risk Management Framework
Principle 12: To insure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal contr enterprise risk management framework.

	Recommendation 12.1			
1.	Company has an adequate and effective internal conttrol system in the conduct of its business.	Compliant	https://drive.google.com/file/d/16ZnAmDgf9ByPFFTB9ALutDzR0vDnJMSN/view?usp=sharing	Chapter 5 on page 11 of AML-CFT P
2.	Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant		

	Recommendation 12.2			
1.	Caompany 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 oprations.	Non-compliant		The Company is not a publicly-liste need for an internal independent a utilizes an external independent au may be availed of as the need arise

	Recommendation 12.3			
1.	The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing https://drive.google.com/file/d/1ijDQyRWD_-LgE62RiUN1TmqekTTMoYxT/view?usp=sharing	Item ii of 3b) on page 19 of Corpor Manual and item III on page 3 of M 14-2021
2.	CAE oversees and is responsible for the internal audit activity of the organization including the portion that is outsouced to a third party service provider.	Compliant		Item ii of 3b) on page 19 of Corpor Manual
3.	In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant		Item ii of 3b) on page 19 of Corpor Manual

	Recommendation 12.4			
1.	The Company has a separate risk management function to identify assess nd monitor key risk exposures.	Compliant	https://drive.google.com/file/d/16ZnAmDgf9ByPFFTB9ALutDzR0vDnJMSN/view?usp=sharing	Page 11, Item 5 of AML-CFT Policy

	Recommendation 12.5			
1.	In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO) who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	https://docs.google.com/file/d/1ir3jM9d4LSL8ouMpxbPRRORH5uUu4ZJ1/edit?usp=sharing	CV of ERQ; Board resolution as CRO
2.	CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	https://drive.google.com/file/d/1PDykNGtCwf70RT9oQe84mkF0oY3i5Bl8/view?usp=sharing	CRO is the Company's Executive Vi Operating officer; Appointment to various committee responsibilities - Minutes of the Or of the BOD on May 14, 2021, Item

	Cultivatinga 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	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Pages 27 - 28 of the Manual
2.	Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	www.auii.com.ph	AUII Corporate Governance Manua

	Recommendation 13.2			
1.	Board encourages active shareholder participation by sending the notice of Annual and Special Shareholders Meeeting with sufficient and relevant information at least 21 days before the meeting.	Non-Compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. As a result, nc eaasily be sent and advised the cor

	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 is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. Thus, no neec the voting results.

2.	Minutes of the Annual or Special Shareholders Meetings are available on the company website witin five business days from the end of the meeting.	Non-compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity.

	Recommendation 13.4			
1.	Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-compliant		The Company is a majority family-c composed of mostly members of a by a few close business associates. publicly-listed entity. The Board is s process of creating a Dispute Resol inclusion into the company's CG M
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 rspected. Where the stakeholders' 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	https://drive.google.com/file/d/1M9ayh-uQ9_f5JonwsXHFdq2Kvz7L7-Kx/view?usp=sharing	Page 26 (Related Party Transaction (Shareholders' Rights and Protectic Stockholders' Interests). The Comp family-owned entity which is comp members of a single family joined b business associates.

	Recommendation 14.2			
1.	Board establishes clear policies and programs to povide a mechanism on the fair treatment and protection of stakeholders.	Compliant	https://drive.google.com/file/d/1VaaJzkq9pofMVmsyGeZ2dGiHTlvE0JWp/view?usp=sharing https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	- Section VII of Corporate Governa Pages 3-6 of Codes of Ethics and Co

	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.	Non-compliant		The Board is still in the process of c Whistleblower program. However, company address and phone numb the company's website.
	Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its cor 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	https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	Pages 3-8 of Code of Ethics and Co
	Recommendation 15.2			
1.	Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policyand program in its Code of Conduct.	Compliant	https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	Page 4 of Manual's Code of Ethics (
2.	Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	https://drive.google.com/file/d/1peSdT5BtRF60WqA9HAZuDZGnYWJ-eRnU/view?usp=sharing	2nd Paragraph on page 9 of the Co Conduct Manual. A copy of the em provided each employee upon emp
	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.	Non-compliant		The Board is still in the process of c Whistleblower program.
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 wistleblowing concerns.	Non-compliant		The Board is still in the process of c Whistleblower program.
3.	Board suprvises and ensures the enforcement of the whistleblowing framework.	Non-compliant		The Board is still in the process of c Whistleblower program.

	Principle 16: The company should be socially responsible in all dealings with the communities where it operates. It shold ensure that its interactions serve its enviror 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.	Non-compliant		The Board is still in the process of p completing an appropriate prograr can get involved in both communit related activities.

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