

# Company Profiles and Policies

## Corporate Profile

Perla Compañía de Seguros, Inc. was incorporated in 1963 and has its Corporate Headquarters at the Second Floor of Perla Compañía de Mansion, 117 Carlos Palanca Street, Legaspi Village, Makati City. We have established eighteen (16) branches to service our clientele throughout the country.

Also known as Perla Insurance, we have committed ourselves to provide efficient and conveniently accessible service to all our Clients. Concrete proof of this commitment is that for fourteen (13) branches, we have company-owned buildings in the key cities of Bacolod, Butuan, Cabanatuan, Cagayan de Oro, Cebu, Cotabato, Davao, Dumaguete, Gen. Santos, Iloilo, Pagadian, San Pablo, Zamboanga. Perla Insurance also has branches in Iligan, and Valencia in addition to its Head Office in Makati.

The vision of the company is to be among the major players in the non-life insurance industry, distinguished by our closeness to the market and our service excellence. Our success is built on our shared values of integrity, service excellence and financial stability. Through the excellent claims servicing provided by our professional and competent personnel and our decentralized branch set-up, we fulfill our mission to provide peace of mind and security to all our customers.

Our website, [www.perlainsurance.com](http://www.perlainsurance.com) is our way of using technology to communicate with all our stakeholders. The site enables our clients to stay in touch with us and our prospective clients to know more about the products and services we offer.

As of December 31, 2021, Perla Insurance's Net Worth was valued at P1,279 Million. It had a net income for 2021 of P72,172,363.

Perla Insurance has entered into reinsurance treaties with professional reinsurers both here and abroad. This has enabled Perla Insurance to underwrite multi-million peso risks. With such resources to back up its contingent obligation, Perla Insurance can underwrite with confidence the different lines of non-life insurance such as Fire, Motorcar, Personal Accident, Marine Cargo, Comprehensive General Liability, & Engineering.

The company has had a difficult 2021 with sales continuing its decline. The company has started making investments in marketing especially through social media as a means of growing the company's sales in the future. The company is also strongly committed to making the necessary IT investments to allow the company to fulfill its IFRS 17 requirements as well as to be a true digital insurance provider.

## Corporate Governance

Perla Compania de Seguros, Inc is fully committed to go beyond mere compliance with regulation. In line with this, we the latest Manual on Corporate Governance on our website.

The Board of Directors of Perla Compania de Seguros, Inc reviewed the Mission and Vision of the Company during 2021 and has found these to fully address the Company's goals and objectives. The board recommends that the Mission and Vision of the Company be retained for the succeeding year.

## Compliance with the Code of Corporate Governance

Perla Compania de Seguros, Inc (the Company) has fully complied with the principles of good corporate governance enunciated by the Securities and Exchange Commission, the Insurance Commission and the Institute of Corporate Directors. The Company's Corporate Governance Manual approved by the Board of Directors incorporates the established governance policies and practices in accordance with the Code.

All directors and officers of the company are required to report their dealings in company shares within 3 business days.

All Related Party Transactions (RPTs) especially involving the Directors and Key Officers of the company are conducted in such a way to ensure that they are fair and at arm's length. A committee of Independent Directors are required to review material or significant RPTs to determine that they are done in the best interests of the company and shareholders.

All directors and key officers are required to report their dealings in company shares within 3 business days.

## COMPANY POLICIES

### **Dividend Policy**

It is the company's policy to share its earnings with its shareholders in the form of cash dividends.

*Perla Compania de Seguros, Inc recognizes the importance of sharing the profits that the company generates with its Stockholders while maintaining healthy capital levels to ensure that*

*the company has financial flexibility. The Board of Directors may, at its discretion and depending on the business results for the year, capital needs of the business, or prevailing law, declare and approve the distribution of dividends to all shareholders normally announced at the Annual Stockholder's Meeting*

The Company recorded good operating results for 2021, however in a regular board meeting, the Company Treasurer recommended that cash dividends not be given for the year to help the Company meet the new Net Worth requirements that were set forth in Republic Act (RA) 10607 or the Insurance Code of the Philippines. This recommendation was unanimously approved by the board.

### **Whistleblower Policy**

Perla Compania de Seguros, Inc is committed to the highest standards of ethical values, integrity, service excellence, financial stability and transparency in the conduct of its business. To further this, all stakeholders including employees, shareholders, suppliers, customers and the community are given the opportunity to communicate with protection from reprisal, any concerns about illegal, unethical or questionable practices.

Whistleblowers are asked to report their findings either by email to [ho@perlainsurance.com](mailto:ho@perlainsurance.com) or [humanresource@perlainsurance.com](mailto:humanresource@perlainsurance.com). Additionally, they may send their concerns directly via letter addressed to the President, the Human Resource Head or any of the appropriate Heads of the Unit concerned at the following address:

PERLA COMPANIA DE SEGUROS, INC

2F Perla Compania de Seguros, Inc Mansions, 117 C Palanca St

Legaspi Village, Makati, Metro Manila

We ask that whistleblowers provide the nature of the complaint, details of transactions, person/s involved, supporting documents, and any written explanation that may be necessary.

Whistleblowers are guaranteed of confidentiality and retaliation from Harassment. Complaints will be addressed by the affected Department and if need be raised for approval to the Board of Directors.

### **Anti-Corruption Programs**

The Company is fully committed to its Anti-Corruption program. It specifically abides by all existing Philippine law, rules and regulations governing Anti-Bribery and Anti-Corruption. (Republic Act No. 3019 Known as the Anti-Graft and Corrupt Practices Act)

It is a strict policy that all Company personnel must not engage in illegal behaviour including the giving of bribes or non compliance with local laws. Employees are encouraged to use the Company's whistleblower policy to report suspicious or illegal activities.

### **Related Party Transaction**

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence of the other party in making financial and operating decisions and the parties are subject to common control or common significant influence.

Directors, Officers, and Key management personnel are required by the Company's Manual on Corporate Governance to report their interest in transactions and any conflict of interest or potential conflict.

All Related Party Transactions are required to be conducted in a fair manner and at arm's length. The Board of Directors through its Related Party Transaction Committee reviews RPTs to ensure that they are properly conducted.

### **Customer Welfare**

Perla Compania de Seguros, Inc is committed to provide efficient service to all its customers and quickly resolve claims in a manner that is fair to all parties concerned.

Our goal is to provide service that delights customers and ensure that they will be our customer for life. To this end, customers are promised that policies and endorsements will be made and delivered in a timely manner. Claims will immediately be addressed and the customer given regular feedback on the claims status. The Company will make every effort to ensure that claims are properly resolved.

### **Supplier/Contractor Selection**

The Company makes it a point to work with ethical companies. Goods and services must be acquired in a manner that ensures the company obtains value for money, uses a fair process, meets legal and ethical obligations and employs trained staff. Perla Compania de Seguros, Inc deals only deals with companies that comply fully with the Law and Regulations, follow or have their own Anti-Bribery/Kickback policies, engage in fair competition, observe proper data protection and record accuracy and retention, and have responsible Environmental practices. All company suppliers and contractors have to pass through an accreditation and vetting process.

For motor vehicles parts and service suppliers, the company sends personnel to do site visits and ensure that the shop has proper infrastructure and processes that will enable it to serve the Company's customers properly. Once accredited, the company regularly compares prices of upto 3 shops to be sure that its accredited suppliers continue to provide market competitive rates.

For reinsurance suppliers, the company deals only with ethical companies that have strong financials that can be depended on when claims arise. The company regularly scrutinizes the financials of companies to ensure that they remain solid companies.

For other suppliers, the company ensures that it only deals with ethical and legal companies. The company regularly checks on its suppliers to ensure that they continue to follow the proper processes and procedures. Also the company will regularly ask for quotes from a minimum of 3 suppliers while comparing different products to ensure that the best deal is done.

### **Environmentally-Friendly Value Chain**

Perla Compania de Seguros, Inc works to ensure that it has an environmentally friendly value chain. As seen from the Corporate Social Responsibility (CSR) section of the report, the company is dedicated to reducing its carbon footprint while engaging its community in positive ways.

In addition to the Company's CSR activities, the company strives to deal with other responsible and environmentally friendly companies.

### **Creditor's Rights**

The company fully recognizes creditor's rights and fully complies with all local laws or regulations regarding this. The company commits to pay all creditors for all services, goods or loans that it has incurred. The company finances are regularly checked to ensure that there are no problems with settling creditors.

### **Employee Welfare**

Perla Compania de Seguros, Inc recognizes that its employees are the most valuable resource and the health and welfare of all employees are critical to achieve the Company's mission.

The Company actively promotes a healthy lifestyle to its employees. It provides health insurance to all its employees and regularly pushes health initiatives to its employees such as maintaining a healthy weight, ensuring that employees are properly hydrated, and eating healthy foods. Annual sports activities and outings also stress the need to stay active for better health.

The Company is committed to providing equal opportunities in all areas of the business and refuses discriminating its employees due to sex, age, marital status, sexual orientation, race, religion, ethnic or national origin. Employees are promoted and gain additional responsibility on the solely on the basis of merit.

All employees are informed of the Company's Whistleblower Policy (discussed above) to report any grievances or breach of Company policy. No employees will suffer as a consequence of notifying such alleged breaches in accordance with the Whistleblowing policy.

All employees are treated with respect and dignity. The company does not tolerate bullying or any form of harassment in the workplace and will take disciplinary action based on the schedule provided in the Human Resources Manual against employees who violate this.

### **Staff Training and Development**

The Company realizes that well trained employees are critical to attaining the Company's mission. The Company regularly conducts training activities to ensure that employees can properly achieve their tasks and realize their full potential. In addition, regular feedback is provided so employees can learn ways in which they can further improve.

New Employees are informed about the company's Mission, Vision and Values as well as the company culture during a new employee orientation seminar. In addition, new employees attend a weeklong seminar on non-life insurance that is held annually in Luzon, Visayas and Mindanao.

Employees are also provided specific training with regards to their job functions. For this year, all onsite training in Head Office was halted and all training was done online using the App Zoom. Online training was conducted for all new employees and additional training was provided for Claims Adjusters and Branch Cashiers

The Company also conducts regular seminars on topics to improve customer service such as the Proper Way to Answer Phone Inquiries and Service with a Smile.

Employees are given Key Performance Targets that they must meet every six months. These targets are set by the supervisors who discuss these with employees to ensure that the targets and means of measurement are properly understood. At the end of the six month period, employees are given feedback on their performance through Performance Appraisals. Employees are allowed to question their supervisors and see which areas they can further improve on. These appraisals are also used by the company to promote employees or increase salaries and benefits.

## Corporate Social Responsibility

Perla Compania de Seguros, Inc's policy is to be a positive contributor to the Philippine community. It seeks to do this by reducing its carbon footprint through various environmental projects as well as by engaging local communities in positive ways especially in activities that promote education.

### **Tree Planting Project**

Perla Compania de Seguros, Inc started its tree planting project during its 50<sup>th</sup> Anniversary Celebration in 2013. The project seeks to reforest important ecological areas around the country such at the Ipo Dam area in Norzagaray, Bulacan, the Butuan Eco Park, T-Chubaca in Palayan city, Silang in Los Banos Laguna, and mangrove areas in Bacolod and Cebu. Every year, the Company makes it a point to add to the trees planted while continuing to care for the existing trees. This project however was stopped in 2020 due to the pandemic. To date, over 3,000 trees have been planted by the Company with care for the trees being given to local communities in return for pledges to invest in the local public schools.

### **Reduce and Reuse**

The company made efforts to cut down on the waste in everyday business especially with regards to paper. As part of this goal, all used paper is sorted and placed into bins that would allow them to be re-used (e.g. by printing on the back). Additionally, papers that can no longer be used are turned over to recycling centers for recycling.

### **Conserve Resources**

The Company institutes measures to conserve our nation's resources. Among these are the initiative to reduce usage of electricity. All of the company offices set their air conditioning thermostats to 24-25 degrees Celsius. This has resulted in huge savings of electricity.

Additionally, the company continues to replace lights and equipment with more energy efficient devices. The Head Office of the Company uses energy efficient LEDs for over 95% of its lighting needs.



The company also supports conservation of our precious water resources. Signs are posted throughout all of the Company's branches to conserve whenever possible. Pipes are checked regularly to ensure there are no leaks.

### **Support for Non-Profits**

The company regularly donates old equipment such as desktop computers, monitors, laptops and printers to Non-Profit Organizations such as Goodwill Industries of the Philippines, Inc. These donations are then used by non-profits for activities such as the rehabilitation of persons with disabilities and developing employable skills of disadvantaged people.