

MINUTES of the Organizational Meeting of the Board of PERLA COMPANIA DE SEGUROS, INC. held on **February 5, 2024** 6:00 PM at its office at 2/F Perla Compania de Seguros Mansions, 117 C. Palanca St., Legaspi Village, Makati City

Directors Present:

JUDY MONTINOLA LOU  
JAMES ALFRED LIM  
JULIA FIDELES

FERNANDO ORDOVEZA  
JOSE RAMON VILLATUYA

Upon the request of the Directors present, the meeting was called to order and presided by the Chairperson, Judy Lou. She requested Julia Fideles to record the minutes as the Corporate Secretary.

The Secretary read the minutes of the Stockholders' Meeting showing the election of new independent directors of the corporation. The minutes of last year's organizational meeting of the Board of Directors held on Feb 6, 2023 was unanimously ratified by the body.

The Chairman noted that the Board Committees would be reorganized following the resignation of two key Independent Directors due to their having reached the maximum allowable terms per the Company's Corporate Governance Manual. Two new independent directors were elected at the Annual General Membership meeting in 2024—Fernando Ordoveza and Jose Ramon Villatuya. The board members deliberated among themselves and unanimously agreed the following would be the new committee arrangements:

**Executive Committee**

Jeffrey Lim – Chairman  
James A Lim  
Julia Fideles

**Nominating Committee**

Fernando Ordoveza -Chairman  
Jose Ramon Villatuya  
James A Lim

**Remuneration Committee**

Jose Ramon Villatuya – Chairman  
Fernando Ordoveza  
Katherine Lim

**Audit Committee**

Jose Ramon Villatuya – Chairman  
Fernando Ordoveza  
Judy Lou

Newly elected Independent Director Jose Ramon Villatuya asked to learn more about the insurance business. He is interested to know what caused the sales of branch to decline. VP Operations stated it was a broad mix of factors. A lot of the insured clients just got business to cover a vehicle that had a mortgage. Once the mortgage was paid up, they assured would no longer renew. There was also severe competition in the industry over prices and it had become a race to offer the lowest rate possible. This was not a position that Perla wanted to compete in. We would need to find our niche and offer great service in a fast manner but we should not give up all of our margins.

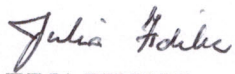
Fernando Ordoveza also recommended that HR should address the roles in the branches. Since there was high turnover, we needed to check on the salary and benefit competitiveness. And training programs should be developed to quickly get new employees up to speed so that can start contributing to the company's bottom line. There has to be better knowledge retention as when a key employee, a lot of the business would follow the employee. Better systems had to be used to retain customers and keep them loyal to the company instead of to employees. We need to improve marketing and push the company as one that can be counted on when needed the most – when there is an accident or calamity.

The company also continues its approach to focus more on social media. We want to reach more customers directly instead of having to rely on agents and brokers. A better trained sales force is needed for this.

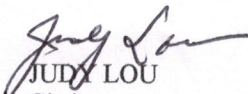
Both new independent directors noted the similarities of the insurance business to the banking industry. In the banking industry, there were a few large universal banks that had an inherent advantage over most other rural banks. The universal banks had far greater scale and thus could greatly reduce overhead ratios. They could also

spend more on better IT systems and thus offer mobile apps for easier transfer of money. Yet rural banks continue to operate well. They focus on their niche and provide good service in this area and many of their customers have remained loyal to them. This is an approach that we can take.

There being no other business to discuss, the meeting was adjourned at 6:30PM.

  
JULIA FIDELES  
Corporate Secretary

Attest by:

  
JUDY LOU  
Chairperson