

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
**OF**  
**FPG INSURANCE CO., INC.**

DATE - APRIL 17, 2023

TIME - 3:30 P.M.

PLACE - THE MEETING WAS HELD VIA REMOTE COMMUNICATION SPECIFICALLY VIA ZOOM

**STOCKHOLDERS PRESENT:**

Name	Class A	Class B	Total
Golden Eight Group Limited (Proxy: Mr. David Zuellig)	34,800,000	8,699,992	43,499,992
Ricardo J. Romulo Using his laptop in Makati	-	2	2
David Zuellig Using his laptop in Makati City	-	2	2
Kasigod V. Jamias Using his iPad in Singapore	-	2	2
Generosa Pio de Roda Using her laptop in U.S.	-	1	1
Avelino M. Sebastian, Jr. Using his laptop in Pasig City	-	1	1
Total number of shares Present in person/proxy	34,800,000	8,700,000	43,500,000

**STOCKHOLDERS ABSENT:**

None

Total number of shares Outstanding and entitled to vote	34,800,000	8,700,000	43,500,000
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OTHERS PRESENT - ATTY. ANA LIZA A. PERALTA  
Using her laptop in Makati

MR. MARCOS DELIN

Using his laptop in Makati

### **CALL TO ORDER/QUORUM**

Before the meeting started, the Stockholders confirmed that they have received the Notice of the Meeting, Agenda/Materials for the meeting, and clearly saw and heard each other.

The Secretariat confirmed and noted the device/application being used by them and ascertained the identities of the Stockholders/proxies and attendees.

Atty. Ana Liza A. Peralta, Corporate Secretary, advised that notices were duly sent to all Stockholders, in accordance with law and the By-Laws of the Corporation and thereafter certified to the existence of a quorum, there being present at the meeting in person or by proxy, stockholders representing One Hundred (100%) of the Corporation's outstanding capital stock, and thereafter took the minutes of the proceedings.

Mr. David Zuellig, Chairman, called the meeting to order and thereafter presided.

### **READING AND APPROVAL OF MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON APRIL 11, 2022**

The Chairman conveyed to the stockholders present that the minutes of the Stockholders' Meeting held on April 11, 2022 were previously circularized. He then asked for comments and/or amendments, and on motion duly made and seconded, it was

"RESOLVED, that the reading of minutes of the Stockholders' Meeting held on April 11, 2022 be, as it hereby is dispensed with, and that the same be, as they hereby are approved."

### **PRESIDENT'S REPORT FOR THE YEAR 2022**

The President, Ms. Gigi Pio de Roda, reported to the stockholders the financial performance of the Company for the Year 2022, highlights of which are as follows:

### **"PRESIDENT'S MESSAGE**

2022 ended as the first post-pandemic year, with economic mobility back by the latter part of the year. The increased mobility, however, created new economic tailwinds not just locally, but also globally as supply chain issues, heightened inflation, and continued increases in monetary policies are expected to slow down economic growth. Nevertheless, we continued to pace forward towards achieving our goal to transition the company and build a profitable and sustainable business aligned toward our 3-year Corporate Goal 'To be among the Top 10 Most Profitable and the Most Innovative Non-Life Insurance Company with the Best Customer Service.'

Since the start of this transformative journey in 2020, our financial results have steadily improved year-on-year.

We grew GPW by 3.4% growth at PHP4.2Bn which reversed the contraction trend which started in 2019. Overall book performance also improved as Net Underwriting Income grew by 49.1% to PHP 831.9Mn and Net Income from Operations showed a 739% change year-on-year to PHP 356.9Mn. Overall profitability of the company resulted in a final Net Income after Tax of PHP 492.7Mn a strong continuation of last year's turnaround result of PHP 58.6Mn.

Currently, based on the Insurance Commission's 2022 Industry Ranking Report on Net Income, FPG is ranked 3<sup>rd</sup> from 23<sup>rd</sup> in 2021.

We would like to briefly discuss the key achievements in line with our Strategic Initiative that resulted in our improved performance in 2022.

## **STRATEGIC PILLARS**

- Stronger Distribution
- Digitalization & Ease of Doing Business
- Strategic Cost Management
- Product Innovation
- Highly Engaged People
- Branding, Pride & Prestige

### **Stronger Distribution: Building New Partnerships and Improving Business Engagements**

- **We established New Partnerships with comparative sites and other online platforms which generated PHP4.8Mn in GPW**
  - AutoDeal – PHP1.88Mn
  - MoneyMax – PHP1.57Mn
  - KwikInsure – PHP1.09Mn
  - GCash – PHP249K
- **We collaborated with BDOI on building an API to have Online Policy Issue requests and sending of Policies via SFTP**
  - The engagement helped retain FPG as one of BDOI's preferred partners
  - GPW that went thru SFTP amounted to PHP51.7Mn

- **We continued Agency Recruitment Drive**
  - Recruited 84 newly licensed Agents in 2022
  - 39 out of the 84 already produced GPW in 2022, which amounted to PHP36.3Mn.
- **We resumed face to face Business Partner Engagements**
  - Engaged in Quarterly Sales Calls
  - Resumed Partner's Night

#### **Digitalization & Ease of Doing Business: Enhancing Process Efficiency, Data & Digital Tools**

- **We implemented Process Efficiencies in key operational activities of the organization.**
  - Improved Claims TAT
    - 3 days to 1 day for simple claims
    - 5 days to 3 days for medium claims
    - 7 days to 5 days for complex claims
  - Improved Policy Issuance TAT
    - Rush/Individual Policies 1-2hrs
    - Standard Policies 1 Day
    - Complex Policies 7 Days
    - Voluminous
      - Property 3-10Days
      - Motor 3-7 Days
      - Marine/Miscellaneous 3-7 Days
  - Implemented a standardized product development process
  - Automated the Renewal Review process for key LOBs (Currently, for Motor only. PA and Fire to follow)
  - Rolled out internal Rater/Checklist for targeted lines
- **We launched new Digital Tools to improve the cadence of key processes.**
  - Workflow System for Policy Issuance: provides 100% tracking of requests, gives full visibility of data history, compliance with TAT requirement of 80%, and provides individual tasks monitoring.
  - Policy Issuance Tool: addresses manual issuance of policies for new business of Motor
  - Enhanced Website Capabilities:
    - End-to-end sales for Motor, PA, and Travel
    - Launched SAM the chatbot with website acquiring a total of 5,924 inquiries (SAM resolved: 4,261, CRM resolved: 1,089)
  - Expanded Payment Channel – BDO Bills Payments

#### **Strategic Cost Management: Optimizing Cost Base**

- **We reduced overall OPEX by PHP140.8Mn (23%) to PHP 473.7Mn from PHP614.4MN in 2021.**

- The driver of OPEX reduction is the normalization of the 2021 recognition 2019 and 2020 CWT expense of PHP123.4Mn.
- **We renegotiated office space leases to optimize rent expenses.**
  - Annual savings of Php3.8Mn (Monthly: Php3.02Mn to Php2.70Mn) or an 11% reduction in combined lease expenses of the following branches: Angeles, Iloilo, CDO, Tarlac, Ortigas, GenSan, Cebu, and Head Office.

**Product Innovation: Launching New Products and Sales Tools**

- **We launched new products to satisfy a key market need.**
  - Introduced Travel with Covid-19 cover and generated Php2.1Mn GPW in 2022.
  - 1<sup>st</sup> in the Philippines to launch Personal Cyber Insurance
  - Added Simple Fire in the GCash platform and produced PHP58K in GPW.
- **We created Digital Sales Brochures to help address the ease of use of the FPG Sales Teams.**

**Highly Engaged People: Engaging through Recognitions and Rewards**

- **We participated and subsequently achieved the “Great Place to Work” Certification which is a result of all our efforts in building and promoting an engaged workplace through continuous targeted activities. This certification contributes as well to the improvement of our Employer Brand and establishing a deeper Company pride.**
- **We conducted a Basic Leadership session for Team Leaders and Managers to enhance their capabilities in overall leadership.**
- **We launched Rewards and Recognition Programs to be more inclusive to other areas of the organization.**
  - SINAG Awards: provides recognition to the best operational initiative for the year
  - Quarterly Sales Awards: provides quarterly recognition to the best performers at the branch/team level.
  - MVP Branch: provides recognition to the best overall sales performer of the year at the branch/team level.

**Branding, Pride & Prestige: Increasing Brand Awareness and Prestige**

- **We participated and subsequently won the Insurance Asia Awards 2022 for the Digital Initiative of the Year.**
  - Improved functionalities in the Website (e.g., Web Payment, Claim Filling, Quotation Requests, and SAM the Chatbot)
  - Launched the Claims Hotline powered by Voice over Internet Protocol (VoIP)
  - Paperless transactions such as Digital Brochures and e-Policy
  - Partnership with GCash

- We underwent an interview with ANC to promote the FPG brand by discussing the following:
  - Highlight our products and services which are widely Available, easily Accessible, & Affordable
  - Promoted our latest offering of the Personal Cyber Product (MyCyberProtect Mate).

We have been steadily improving year on year, both in our financial performance and in our service levels. The management team's drive in improving processes for all our stakeholders was key in this upward direction. However, there is still a lot of work to be done to be sustainably functioning at Net Operating Income by 2023. And we would like thank the Board for your continued support and guidance as we move toward 2023."

The Chairman then asked for comments on the President's Report, and there being none, on motion duly made and seconded, it was

FPG Insurance Co., Inc.  
Circular Resolution No. 4-17-2023(11)

"RESOLVED, that the Report of the President be, as it hereby is noted."

#### **RATIFICATION AND APPROVAL OF THE 2022 AUDITED FINANCIAL STATEMENTS**

The President informed the stockholders that the Company's 2022 Audited Financial Statements, as presented by the Company's External Auditor, Sycip Gorres Velayo & Company, Inc., was approved by the Board of Directors during its earlier meeting. The President added that the members of the Audit Committee also unanimously approved and endorsed the Company's Audited Financial Statements to the Board for its approval.

Thus, on motion duly made and seconded, it was

FPG Insurance Co., Inc.  
Circular Resolution No. 4-17-2023(12)

“RESOLVED, that the financial statements of **FPG INSURANCE CO., INC.** as of and for the year ended December 31, 2022 are authorized for issuance.”

**RATIFICATION OF THE ACTS AND PROCEEDINGS OF  
THE BOARD OF DIRECTORS DURING THE YEAR 2022**

The Chairman asked for comments on the acts and proceedings of the Board of Directors during the year 2022. There being none, on motion duly made and seconded, it was

FPG Insurance Co., Inc.  
Circular Resolution No. 4-17-2023(13)

“RESOLVED, that all acts and proceedings of the Board of Directors during the year 2022 be, as they hereby are ratified, confirmed and approved.”

**ELECTION OF DIRECTORS**

The following stockholders were nominated directors of FPG Insurance Co., Inc. for the year 2023-2024:

Kasigod V. Jamias  
Generosa Pio de Roda  
Ricardo J. Romulo  
Avelino M. Sebastian, Jr.  
David Zuellig

There being no other nomination nor objections to the above nominees, the above-named stockholders were re-elected as directors of FPG Insurance Co., Inc. for the year 2023-2024.

Thus, on motion duly made and seconded, it was

FPG Insurance Co., Inc.  
Circular Resolution No. 4-17-2023(14)

“RESOLVED, that the following stockholders of **FPG INSURANCE CO., INC.** (the “Corporation”) were re-elected as directors of the Corporation for the year 2023-2024, to serve as such until their successors shall have been elected and qualified:

Kasigod V. Jamias  
Generosa Pio de Roda  
Ricardo J. Romulo  
Avelino M. Sebastian, Jr.  
David Zuellig”

#### **APPOINTMENT OF EXTERNAL AUDITOR**

On motion made by Mr. Kasigod V. Jamias, duly seconded by Atty. Avelino M. Sebastian, Jr.,  
it was

FPG Insurance Co., Inc.  
Circular Resolution No. 4-17-2023(15)

“RESOLVED, that SYCIP GORRES VELAYO & CO., INC. be, as it hereby is, retained  
as the Corporation’s External Auditor for the new fiscal year.”

#### **ADJOURNMENT**

There being no further business to transact, the meeting was, on motion duly made and  
seconded, declared adjourned.

  
**ANA LIZA A. PERALTA**  
Corporate Secretary

**DAVID ZUELLIG**  
Chairman

Attested by:

**KASIGOD V. JAMIAS**  
Director

**GENEROSA PIO DE RODA-REYES**  
President/CEO

**RICARDO J. ROMULO**  
Director

**AVELINO M. SEBASTIAN, JR.**  
Director