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SEC Registration Number

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(Company's Full Name)

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(Business Address: No., Street City / Town / Province)

Jacqueline Michelle C. Dy

Contact Person

(02) 8988-7400

Company Telephone Number

1	2
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Month

3	1
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Day

SEC Form I-ACGR
2022 Integrated Annual Corporate
Governance Report

FORM TYPE

4th Wednesday of June

Month

Day

Fiscal Year

Annual Meeting

Secondary License Type, If Applicable

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Dept Requiring this Doc

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Total Amount of Borrowings

Total No. of Stockholders

[illegible]

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

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Cashier

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Remarks: Please use BLACK ink for scanning purposes



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2022**
2. SEC Identification Number **80118** 3. BIR Tax Identification No. **000-480-869-000**
4. Exact name of issuer as specified in its charter **National Reinsurance Corporation of the Philippines** doing business under the name and style of Nat Re; Philippine National Reinsurance Company; PhilNaRe
5. **Makati City, Philippines** 6. (SEC Use Only)
Province, Country or other jurisdiction of incorporation or organization Industry Classification Code: **Insurance**
7. **31st Floor, BPI Philamlife Makati 6811 Ayala Avenue Makati City** **1227**
Address of principal office Postal Code
8. **8988-7400**
Issuer's telephone number, including area code
9. **NA**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	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 of the corporation, and to sustain its competitiveness and profitability 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	<u>Nat Re Board of Directors Charter</u> Governance, Composition of the Board, Document Pages 2-3/19, PDF Page 3-4/20 <u>Board of Directors</u> <i>Our website provides comprehensive information on the background, qualifications and business experience of all our directors. It shows that our directors have the appropriate mix of competence and expertise and that all are qualified for their respective position and collectively they fulfill their roles and responsibilities and respond to the needs of the organization.</i>	
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	<u>SEC 17-A Annual Report as of December 31, 2022,</u> Business Experience of the Directors, Document page 35-40, PDF Page 36-41 /196	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	<u>Board of Directors</u> <i>Out of total thirteen (13) directors, Mr. Allan R. Santos, President & CEO, is the only executive director of the Company while the rest of the directors are all non-</i>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		executive directors, and of which three (3) are independent directors.	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>Nat Re Board of Directors Charter, Orientation and Continuing Education Programs, Document Page 13/19, PDF Page 14/20</p> <p><i>Directors are required to undergo training, more specifically annual corporate governance training and other continuing education programs to further their knowledge and assist in their development as Directors of the Company.</i></p> <p>Revised Manual of Corporate Governance Governance and Related Party Transactions, On Corporate Governance Responsibilities, 3.3.1 (d)</p> <p><i>GRPT Recommends continuing education/training programs for directors.</i></p> <p>SEC 17-A Annual Report as of December 31, 2022 Annual Continuing Training of Directors and Key Officers, Document page 44 – 53, PDF page 45-54/196</p> <p><i>We disclosed in our 2022 SEC Form 17A, Annual Report the 'annual continuing training of directors and key officers'. We provide yearly budget for our directors and officers for their annual professional training on various areas such as corporate governance, risk</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<i>management, data privacy, and other relevant training program, etc.</i>	
2. Company has an orientation program for first time directors.	Compliant	<p><u>Nat Re Board of Directors Charter</u> Orientation and Continuing Education Programs, Document Page 13/19, PDF page 14/20</p> <p><i>Nat Re reassures the availability of orientation program for first-time directors.</i></p> <p><u>Nat Re Board Book</u> We have a Board Book which provides new directors relevant information about the company-such as its overview, history, mission, vision and commitment, shareholding structures, products and services and many more.</p> <p><u>Nat Re Board Materials for New Directors</u> New directors are given an orientation on the Company's business. In addition, their attendance to our regular monthly board meeting serves as an effective on-boarding avenue for newly appointed directors to assimilate the business, the operations and all the relevant matters and workings about the company.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
3. Company has relevant annual continuing training for all directors.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Annual Continuing Training of Directors and Key Officers, Document page 44 – 50, PDF page 45-51/196	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	<p><u>Amended By-Laws</u>, Article III, Section 2, Qualification of Directors, Document Page 9, PDF Page 16/32</p> <p>Our policy on diversity is defined under our By-laws on qualification of directors.</p> <p>Directors shall be possessed of the necessary skills, competence, and experience, in terms of management capabilities and <u>preferably in the field of insurance or insurance related disciplines</u>.</p> <p>The Nat Re Board is composed of a mix of (8) male and (5) female directors of different ages with knowledge and competence in various fields especially in insurance and other insurance related disciplines. The Chairperson and vice-chairperson of the Board are both female. The composition of the Board ensures that optimal decision making is achieved.</p> <p><u>Nat Re Board of Directors Charter</u> Governance, Composition of the Board, Board Competencies and Diversity, Document Pages 2-3/19, PDF Pages 3-4/20</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p>The Board shall include a balance of executive and non-executive directors, including independent non-executive directors, having a clear division of responsibilities, such that no individual or small group of individuals can dominate the Board's decision making.</p> <p>Subject to existing laws, non-Filipino nationals may become members of the Board of Directors to the extent of the foreign participation in the equity of the Corporation. (Amended By-Laws, Article 3, Section 2)</p> <p><u>Nat Re Award on SEC's Gender and Development (GAD)</u></p> <p>Nat Re was awarded with "Most Women Directors" for its outstanding gender-inclusivity as a publicly listed company.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p><u>Amended By-Laws</u> Article III, Section 2, Qualification of Directors, Document Page 9, PDF Page 16/32</p> <p>Our policy on diversity is defined under our By-laws on qualification of directors.</p> <p>Directors shall be possessed of the necessary skills, competence and experience, in terms of management capabilities and <u>preferably in the field of insurance or insurance related disciplines.</u></p> <p><u>Nat Re Board of Directors Charter</u> Governance, Composition of the Board, Board Competencies and Diversity, Document Page 2/19, PDF Page 3/20</p>	
2. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives		<p>The Board shall include a balance of executive and non-executive directors, including independent non-executive directors, having a clear division of responsibilities, such that no individual or small group of individuals can dominate the Board's decision making.</p> <p><u>Profile and business experience of our directors</u> Currently, we have 5 female directors out of 13 directors.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		The backgrounds and the various & extensive business experiences of our directors are very diverse as some are underwriters, bankers, accountants, policymaker, , engineer and insurance experts.	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	<u>Corporate Secretary - Atty. Noel A. Laman</u> <u>Assistant Corporate Secretary - Atty. Ma. Pilar M. Pilares-Gutierrez</u> Atty. Noel A. Laman and Atty. Ma. Pilar Pilares-Gutierrez are our corporate secretary and Assistant corporate secretary respectively.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors and Executive Officers of the Issuers, List of Corporation's Key Executive, (Jacqueline C. Dy, Vice President and Head of Risk and Compliance & Atty. Noel A. Laman, Corporate Secretary), Document Page 34 / PDF Page 35/196 <u>Jacqueline Michelle C. Dy</u> Head of Risk and Compliance <u>Atty. Noel A. Laman</u> Corporate Secretary	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors and Executive Officers of the Issuers, List of Members of the Board; List of Corporation's Key Executive, Document Page 34, PDF Page 35/196 <u>Atty. Noel A. Laman</u> Corporate Secretary <u>Board of Directors</u> We have 13 board members, and the Corporate Secretary is not a member.	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Annual Continuing Training of Directors and Key Officers – Atty. Noel A. Laman (Corporate Secretary) and Atty. Ma. Pilar M. Pilares – Guitierrez (Assistant Corporate Secretary), Item 15 & 16, Document page 50-51, PDF Page 51-52 of 196 Corporate Secretary and Assistant Secretary attended trainings on corporate governance.	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<u>2022 Notice of Board Meeting - Excerpt</u> <i>We distribute meeting materials at least (5) days before the scheduled Board meetings.</i>	
Recommendation 1.6			

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. Board is assisted by a Compliance Officer.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors Including Independent Directors and Executive Officers, List of the Corporation's Executive Officers, Document Page 34, PDF Page 35/196	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant	<u>Jacqueline Michelle C. Dy</u> Head of Risk and Compliance <i>Compliance Officer has a rank of Vice President. She is not a member of the Board of Directors, but she directly reports to the Governance and Related Party Transaction and Risk Oversight Committees of the Board.</i> <u>Amended By-Laws</u> Article 4, Section 8, Document Page 17-18, PDF Page 24-25/32 <i>This section describes the duties and responsibilities of the Compliance Officer</i>	
3. Compliance Officer is not a member of the board.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors Including Independent Directors and Executive Officers, List of the Corporation's Executive Officers, Jacqueline Michelle C. Dy, Vice President and Head of Risk and Compliance, Document Page 34, PDF Page 35/196	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<u>Jacqueline Michelle C. Dy</u> Head of Risk and Compliance <i>Jacqueline C. Dy is not a member of the Board.</i> <u>Board of Directors</u>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Annual Continuing Training Attended by Officers, Jacqueline Michelle C. Dy, item 18, Document Page 52, PDF Page 53/196 <u>SEC Form 20-IS Definitive Information Statement</u> Annual Continuing Training Attended by Officers, Jacqueline C. Dy, item 18, Document page 22, PDF Page 42 Jacqueline Michelle C. Dy attended the Corporate Governance Seminar, Targeted Financial Sanctions (TFS) Webinar, Anti-Fraud Session, and the 9 th SEC & PSE Corporate Governance Forum in 2022.	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
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 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	Evidence of director performance of duties include the following: Attendance of the Directors in 2022 Board and Board Committee Meetings Certification of the directors' attendance to the Board and Board Committee meetings for the year 2022 SEC Form 17-C Matters Approved by the Board dated March 31, 2022 <i>Disclosure showed several resolutions approved during the March 31, 2022 Board Meeting and duly disclosed to the SEC</i>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	The Board oversees development, review and approval of the company's business objectives and strategy and monitors its implementation during the monthly board meetings. Nat Re Board of Directors Charter	
2. Board oversees and monitors the implementation of the company's	Compliant		

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
business objectives and strategy in order to sustain the company's long term viability and strength.		<p>Responsibilities of the Board of Directors, Duties Powers and Attributes of the Board, item b. Business Plan, Document Page 7/19, PDF Page 8/20</p> <p><i>The Board approves the medium term and long-range plans of the Corporations and policies to guide management in the conduct of the business.</i></p> <p><u>Attendance of the Directors in 2022 Board and Board Committee Meetings</u> Monthly meeting attendance to discuss financial results and other business matters for consideration requiring board guidance.</p> <p><u>2022 Notice of Board Meeting - Excerpt</u> Notice of Regular Monthly Meetings</p> <p><u>2022 Board Meeting Agenda Items - Excerpt</u> Board Approval on meeting agenda</p> <p><u>Board Meeting Excerpt on the Approval of the 2023 Financial Plan (16Feb2023)</u></p> <p><u>Board Meeting Excerpt on the Approval of 2022 Business Plan (27Jan2022)</u></p> <p>Board resolutions on the review and approval of the operating/ financial plans for years 2022 and 2023 in</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		the Regular Board Meeting dated January 27, 2022 and February 16, 2023 respectively.	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<u>Our vision, mission and values</u> Vision mission core values <u>SEC 17-C Board Approval on the Company Vision and Mission</u> The Board approved the Company's updated Vision and Mission in its December 2022 regular Board meeting.	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<u>2022 Board Meeting Agenda Items - Excerpt</u> Monthly board meetings discuss the monthly performance, details of business results vs. targets, issues and problems encountered and relevant matters affecting results and performance moving forward and if there are changes in the strategy to be implemented.	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<u>SEC Form 20-IS Definitive Information Statement 23 May 2022</u> Business Experience of the Directors, Document Page 6, PDF Page 25/317 Mr. Wilfredo C. Maldia, Chairman of the Board since December 2017 to January 2023	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p><u>SEC 17-A Annual Report as of December 31, 2022</u> Business Experience of the Directors, Document Page 35, PDF Page 36/196 Mr. Jose Arnulfo A. Veloso, Chairman of the board since July 2022 to February 2023</p> <p><u>Ms. Evelina G. Escudero is the Chairman of the Board.</u> Ms. Evelina G. Escudero took over as Chairman of the Board effective March 2023.</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p><u>Succession Planning Policy and Guidelines</u> The company adopted policy and guidelines on succession planning.</p> <p><u>Board Meeting Minutes May 27, 2021 Succession Planning Excerpt</u> Discussion of the Nomination and Compensation Committee to the Board on Succession Planning Guidelines</p> <p><u>Nat Re Board of Directors</u> Our three major shareholders see to it that their nominees are all qualified to be appointed as directors of the Company and have passed the review and evaluation conducted by the Nomination Committee. They tap their respective pool of executives within their</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		group to ensure that nominees are highly competent and are each an expert in their respective fields of specialization.	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p><u>SEC 17-A Annual Report as of December 31, 2022</u> Directors Including Independent Directors and Executive Officers, Document Page 34, PDF Page 35/196</p> <p>Our Board allows its directors to serve the Company regardless of retirement age as long as they are able to provide their expert advice on the best strategy to be implemented given their business experience, competence and exposure in their varying fields and therefore they are very helpful in providing a lot of insights in shaping the future of the Company.</p> <p><u>Nat Re 2022 Sustainability Report</u> People/Retirement Benefits, Document Page 37, PDF Page 39/54; Additional Employee Benefits, Retirement Fund, Document Page 34, PDF Page 36/54</p> <p>For key officers, the Company provides a retirement benefit for those reaching the age of 60, in accordance with the Company's retirement plan.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors and Executive Compensation, Document Pages 54-55, PDF Page 55-56 / 196 The Board receives their per diem for attendance in meetings based on a schedule as disclosed in the Company's SEC Form 17A or the Annual Report.	
2. Board adopts a policy specifying the relationship between remuneration and performance.		<u>SEC Form 20-IS Definitive Information Statement</u> Directors and Executive Compensation, Document Page 33-34, PDF Page 53-54 <u>Revised Performance Appraisal Form 2022</u> The Board approved the Company's Performance Bonus program for key officers and employees. Merit increases for key officers and employees are based on performance. The total Performance-based Incentive Bonus award each year is subject to the approval of the Board based on actual company performance while the total merit increase each year is approved by the Board as part of the annual budgeting process. <u>Employee Bonus Policy</u>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p><u>Nomination and Compensation Committee (NCC) Charter</u> Document Page 4, PDF Page 4</p> <p>The NCC recommends to the Board the granting of performance bonus to the Company's officers and staff depending on company and individual performance.</p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p><u>Nat Re Board of Directors Charter</u> Board Effectiveness, Directors Fees, Document Page 12/19, PDF Page 13/20</p> <p>Directors shall not participate in the final determination of their own per diems or compensation, which is subject to approval by stockholders representing at least a majority of the outstanding capital stock.</p> <p><u>Amended By-Laws</u> Board of Directors, Directors' Fees, Article III, Section 8, Document Page 11, PDF Page 18</p> <p>The Board shall not participate in the final determination of their own remuneration as this matter is subject to the stockholders' approval.</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> Directors and Executive Compensation, Document Pages 54-55, PDF Page 55-56 / 196</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<u>SEC Form 20-IS Definitive Information Statement</u> Compensation of Directors and Executive Officers, Document Pages 33-34, PDF Pages 53-54	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	<p><u>Amended By-Laws</u> Article V, Section 4, Nomination and Compensation Committee (NCC), Document Page 19, PDF page 26/32</p> <p>The NCC may establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors and provide oversight over remuneration of senior management and other key personnel.</p> <p><u>Nomination and Compensation Committee Charter</u> The Board approves through the Nomination and Compensation Committee the compensation package of the Senior Executive Officers.</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	<u>Minutes of Stockholders' Meeting of June 2008</u> Item 7, PDF Pages 2-3/4 <i>Performance remuneration is tied to meeting business and performance targets, some of which have long-term effects on the Company.</i> <u>Employee Bonus Policy</u> Performance-Based Incentive Bonus, Item 3, Document Page 3, PDF Page 2	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	<u>Nat Re Board of Directors Charter</u> Nomination / Election of Directors, Document Page 5-6/19, PDF Page 6-7/20 The Directors shall be elected by the Corporation's stockholders entitled to vote at the annual meeting in accordance with the By-Laws and Rules of Procedures for Annual Stockholder's' Meeting. Pursuant to the Corporation Code, any shareholders, shall have the right to nominate candidates for the Board, subject to compliance for nomination under the Company's Article of Incorporation.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	<u>Revised Manual of Corporate Governance</u> Nomination and Election Process, Document Page 9-14, PDF Page 11-16/37	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	It is the Board's responsibility to develop a policy on board nomination, which should encourage shareholder's participation by including procedures on how the Board accepts nominations from the minority shareholders.	
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.	Compliant	<u>Nomination and Election Rule</u> The Nomination and Election Rules provide for the Company's nomination and election policy. It provides the qualifications for directors both for regular and independent directors and the guidelines in assessing their qualifications.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	Current members of the Board show the diversity of their competence, business experience/background, knowledge and skills set. <u>Nat Re Leadership</u>	
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when	Compliant	Our major shareholders have an established director databases and tap their pool of qualified and competent directors for possible source of candidates for nomination to the Company's Board of directors. This can be observed from the different knowledge and competence of our directors in various fields especially in insurance and other insurance related disciplines. We are able to maintain a good mix of	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
searching for candidates to the board of directors.		both male and female directors. Their extensive work experience and background serves the company well in fulfilling its role in the insurance industry. <u>Nat Re Leadership</u>	
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	<u>Related Party Transaction Policy</u> The Board of Directors have the overall responsibility in ensuring transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations, to protect the interest of clients, claimants, creditors and other stakeholders.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Annex A of the policy discusses the materiality threshold, PDF Page 10/17 Nat Re is not part of a group.	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	The in-placed RPT policy has been approved by the Board of Directors on October 19, 2017. <u>Material Related Party Transactions Policy</u> RPT Policy provides for the responsibilities at different levels of the organization, from the Board, the Governance Committee and the Management, as to the requirement to review and approve material and unusual RPTs and it encompasses all entities within the	

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The Board's Governance Responsibilities			
		group, taking into account the size, structure, risk profile and complexity of the operations.	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	<p><u>Related Party Transaction Policy</u> Annex A, PDF Page 10/17</p> <p>Related threshold for RPT approval is also provided in the related Annex.</p> <p><u>Material Related Party Transactions Policy</u></p>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	<p><u>Nat Re Material Related Party Transactions Policy</u> All individual material RPTs shall be approved by at least two thirds (2/3) vote of the board of directors, with at least a majority of the independent directors voting to approve the material RPT. In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote</p>	

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		<p>of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> Item 12, Certain Relationship and Related Party Transaction, Document Pages 58-60, PDF Page 59-61 / 196</p> <p>Certain relationships and related transactions are disclosed accordingly. Should there be any material related party transaction, the same is included in this report. Furthermore, to avoid any possible conflict of interest, only non-related parties vote on or approve related party transactions.</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> Note 28 – Related Party Transactions, Document Page 78-81, PDF Page 157–160/196</p> <p>Provides detailed disclosure of related party transactions.</p>	

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The Board's Governance Responsibilities			
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	<p><u>Amended By-Laws</u> Article IV, Section 1, Officers, Document Page 14, PDF Page 21 / 32</p> <p>The by-laws of the Company provide that key /senior officers of the Company shall be appointed during the organizational meeting of the Board of Directors.</p> <p><u>Amended By-Laws</u> Nomination Committee, Article V, Section 4, Document Page 19, PDF Page 26 / 32</p> <p>The Nomination and Compensation Committee screens and endorses key/senior officers to the Board for approval.</p> <p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u></p>	
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	Compliant	<p><u>Amended By-Laws</u> Nomination Committee, Article V, Section 4, Document Page 19, PDF Page 26 / 32</p> <p>Generally, the Nomination and Compensation Committee approves and endorses to the Board the compensation package of Senior Executive Officers. Related performance appraisal is also subject to their review and evaluation. Any merit increases and</p>	

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The Board's Governance Responsibilities			
Compliance Officer and Chief Audit Executive).		<p>performance bonus of the Company is endorsed by the NCC to the Board for approval.</p> <p>The performance of the CEO is assessed by the NCC and endorsed to the Board for approval. That of the Chief Risk and Compliance Officer and the Head of Internal Audit are assessed by the Governance and Risk Committees and the Audit Committee, respectively.</p> <p><u>Nat Re Board of Directors Charter</u> Guidelines in Conducting Performance Assessments of the President and other key management officials, item 4, Document Page 18 / 19, PDF Page 19/20</p> <p><u>Revised Performance Appraisal Form 2022</u></p> <p><u>Revised Audit Committee Charter</u> Authority, Document Page 3-4, PDF page 3 - 4 / 9</p> <p>The Audit Committee reviews and evaluates the performance of the Chief Audit Executive per related Audit Committee Charter.</p> <p>The performance appraisal of the Head of Risk and Compliance is reviewed by the CEO and being concurred by the members of the GRPT & Risk Oversight Committee.</p>	

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The Board's Governance Responsibilities			
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p><u>Nat Re Board of Directors Charter</u> Responsibilities of the Board of Directors, Duties, Powers and Attributes of the Board, item u. Performance Management, Document Page 9/19, PDF Page 10/20</p> <p>The Board adopts a policy specifying the relationship between remuneration and performance of key officers.</p>	
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	<p>Guidelines in Conducting Performance Assessments, item 4, Document Page 18 / 19, PDF Page 19/20</p> <p><u>Nat Re Performance Management Policy</u> It is the Company's policy to plan, regularly monitor, review and evaluate the performance and work progress of its employees through the adoption of a Performance Management System.</p> <p><u>Revised Performance Appraisal Form 2022</u> The Company utilizes a performance management template for evaluating performance. An improved performance management measurement system has been introduced in 2018 which is more specific in defining key performance objectives and specific targets and expected deliverables from each employee.</p>	

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The Board's Governance Responsibilities			
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> This oversight function is delegated to the Board's Audit Committee, who is responsible to oversee the company's internal control system. An Audit Committee Certification for 2022 is provided as reference.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<u>Conflict of Interest</u> It is the responsibility of each director, officer and employee to promptly notify the Board, through the Corporate Secretary, of any actual or potential conflict of interest as soon as they become aware of it. The Board's approval shall be required before the Company may enter into such transaction where a conflict of interest is identified.	
3. Board approves the Internal Audit Charter.	Compliant	<u>Internal Audit Charter</u> The Internal Audit Charter is herewith provided as reference. This was approved by the Audit Committee and endorsed to the Board. <u>Board Meeting Minutes, March 31, 2022, Internal Audit Charter Approval Excerpt</u>	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to	Compliant	<u>Revised Manual of Corporate Governance</u> Item 2.11, Document Page 14, PDF Page 16/37	

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The Board's Governance Responsibilities			
effectively identify, monitor, assess and manage key business risks.		The Board should oversee that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess, and manage key business risks.	
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	<p>Risk Oversight Committee Charter</p> <p>Nat Re Risk Management Framework Nat Re Enterprise Risk Management Policy</p> <p><i>Risk Oversight Committee ("ROC") Charter; ERM Policy are provided for reference.</i></p> <p><i>The Board through the ROC oversees the Company's ERM framework, risk exposures and effectiveness of the risk management measures.</i></p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	<p>Nat Re Board of Directors Charter</p> <p>The Board Charter of the Company generally serve as guidance to the Board in fulfilling its responsibilities and in carrying out its fiduciary role. It guides our directors in performing their roles and responsibilities.</p>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		

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The Board's Governance Responsibilities			
3. Board Charter is publicly available and posted on the company's website.	Compliant	It is publicly available and posted in the Nat Re website (https://www.nat-re.com/corporate-governance).	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<u>Policy on Insider Trading of Company Securities</u> The Board has a clear Insider Trading Policy.	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Non-Compliant		While the Company has no specific written policy allowing the granting of a loan to any director nor forbidding the practice, there was never an instance in the past where this was allowed by the Company. We are currently guided by our <u>Conflict of Interest Policy</u> . This policy generally requires that transactions with related parties are carried on an arm's length basis and the same is subject to an approval and/or a reporting process.

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2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p><u>Amended By-Laws</u> Article III, Section 9, Duties and Powers of the Board of Directors, Document Page 11-13, PDF Pages 18 – 20 / 32</p> <p><u>Nat Re Board of Directors Charter</u> Responsibilities of the Board of Directors/Duties, Powers and Attributes of the Board, Document Page 7-9/19, PDF Page 8-10/20</p>	
<p>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.</p>			
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	<p><u>Amended By-Laws</u> Article V, Board Committees, Document Page 18-20, PDF Page 25-27 / 32</p> <p>The Board Committees are established by the Board to aid in the optimal performance of its roles and responsibilities.</p> <p><u>Board Committees</u></p>	

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The Board's Governance Responsibilities			
		Board Committee charters are posted in the Company's website (www.nat-re.com/corporate-governance)	
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	<p><u>Amended By-Laws</u> Article V, Section 3, Audit Committee, Document page 19, PDF Page 26 / 32</p> <p><u>Audit Committee Charter and Committee Members</u> The Board established 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.</p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	<p><u>Members of Audit Committee</u></p> <p>All members of the Audit Committee are the Independent Directors: Messrs. Medel T. Nera, Roberto G. Manabat and Rex Maria A. Mendoza. They all possess the relevant background, knowledge, skills and experience in the areas of accounting, auditing and finance.</p>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant		

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The Board's Governance Responsibilities			
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p><u>Medel T. Nera</u> <i>Chairman of the Audit Committee</i></p> <p>Mr. Medel T. Nera is the Chairman of the Audit Committee while Ms. Evelina G. Escudero is the Chairperson of the Board.</p> <p><u>Ms. Evelina G. Escudero</u> <i>Chairperson of the Board</i></p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> Business Experience of the Directors, Document Page 35, PDF Page 36/196 Mr. Jose Arnulfo A. Veloso, Chairman of the board since July 2022 to February 2023</p> <p><u>SEC Form 20-IS Definitive Information Statement 23 May 2022</u> Business Experience of the Directors, Document Page 6, PDF Page 25/317 Mr. Wilfredo C. Maldia, Chairman of the Board since December 2017 to January 2023</p>	

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Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p><u>Revised Audit Committee Charter</u> Responsibilities, Item 4 -External Audit (f), Document Page 7, PDF Page 7/9</p> <p>"4. External Audit</p> <p>a. Review and confirm the independence of the External Auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors, annually"</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> External Audit Fees, Other Assurance and Related Services, Document Page 33, PDF Page 34</p> <p>Non-audit fee is related to the Board of Canvasser service.</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p><u>Report of the Audit Committee for the Year Ended December 31, 2022</u></p> <p>The Audit Committee met seven (7) times during the year and had meetings with the external auditors and also met with them exclusively without management.</p>	

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Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> The Audit Committee met seven (7) times during the year.	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<u>Revised Audit Committee Charter</u> Authority, Item (C)(2), PDF Page 3 / 9 #2 Authority: Approve the Head of internal Audit's (HIA) appointment, replacement, compensation, and salary adjustment relative to annual performance evaluations and ensure that there are no unjustified restrictions or limitations thereto. <u>Organizational Chart</u> Organizational chart also shows the direct line of the Internal Auditor to the relevant Board Committee (Audit 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	<u>Amended By-Laws</u> Article V, Section 5, Governance and Related Party Transaction Committee, Document Page 19, PDF Pages 26 / 32 <u>Governance and Related Party Transaction (GRPT) Committee</u> The GRPT Committee oversees our compliance with our Manual on Corporate Governance. It also reviews	

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		<p>all of our material Related Party Transactions to provide reasonable assurance that these transactions comply with laws, rules, and regulations; are conducted on an arm's length basis; and, do not unduly disadvantage any stakeholder.</p> <p><u>Governance and Related Party Transaction Committee Charter</u> The Board established the Governance and Related Party Transaction Committee who oversees the corporate governance responsibilities of the Board.</p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Item 6, Document Page 3, PDF Page 5/6</p> <p>In 2022, the Members of the Governance and Related Party Transaction Committee are all the Independent Directors: Rex Maria A. Mendoza, Medel T. Nera and Roberto G. Manabat.</p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Item 6, Document Page 3, PDF Page 5 / 6</p> <p>Mr. Mendoza is the Chairman of the Governance and Related Party Committee, and he was elected by the</p>	

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		shareholders as Independent Director (Document Page 2, PDF Page 4 / 6).	
Optional: Recommendation 3.3			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	<u>Certification of Directors Attendance in the 2022 GRPT Committee Meetings</u> The Governance and Related Party Transaction Committee (GRPT) had four (4) meetings in 2022 – March 21, May 16, September 16, and December 6, 2022.	
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	<u>Amended By-Laws</u> Article V, Section 6, Risk Oversight Committee, Document page 19, PDF Page 26 / 32 The Board established a separate Risk Oversight Committee. <u>Risk and Oversight Committee Charter</u>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Item 5, Document Page 3, PDF Pages 5 / 6 In 2022, the Risk Oversight Committee is composed of the following:	

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The Board's Governance Responsibilities			
		<p>Chairman is Mr. Roberto G. Manabat. Independent Director</p> <p>Members are:</p> <p>Rex Maria A. Mendoza (Independent Director)</p> <p>Medel T. Nera (Independent Director)</p> <p>Maria Consuelo A. Lukban</p> <p>Allan R. Santos</p> <p><i>Evelina G. Escudero, effective March 2023</i></p> <p>As of December 31, 2022, three (3) of the members are IDs out of five (5) members therefore, majority are Independent Directors.</p>	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u></p> <p>Item 5, Document Page 3, PDF Pages 5/6</p> <p><u>Roberto G. Manabat</u> Chairman of the Risk and Oversight Committee</p> <p><u>Ms. Evelina G. Escudero</u> <i>Chairman of the Board</i></p> <p>The Chairman of the ROC is not the Chairman of the Board or of any other committee.</p>	

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4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p><u>SEC 17-A Annual Report as of December 31, 2022</u> Business Experience of Directors during the past five (5) years, Document page 39-40, PDF Page 40-41 /196 –</p> <p>All the three IDs who are members of the Risk Oversight Committee have relevant experience and competence relative to the subject matter of risk management.</p>	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p><u>Amended By-Laws</u> Article V, Section 5, Governance and Relate Party Transaction Committee, Document Page 19, PDF Pages 26 / 32</p> <p><u>Governance and Related Party Transaction (GRPT) Committee</u></p> <p><u>Governance and Related Party Transaction Committee Charter</u></p> <p>The Board established the Governance and Related Party Transaction Committee (GRPT) who oversees both the corporate governance responsibilities of the Board and review /evaluation of Related Party Transactions.</p>	

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The Board's Governance Responsibilities			
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u></p> <p>Item 6, Document Page 3, PDF Page 5/6</p> <p>As of December 31, 2022, members of the Governance and Related Party Committee are all the Non-executive Independent Directors: Rex Maria A. Mendoza (Chairman), Medel T. Nera and Roberto G. Manabat.</p>	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p><u>Amended By-Laws</u></p> <p>Article V, Board Committees, Document Page 18-20, PDF Page 25-27 / 32</p> <p>Nat Re's Board Committees are:</p> <ol style="list-style-type: none"> 1. Audit Committee, 2. Risk Oversight Committee, 3. Investment & Budget Committee, 4. Underwriting Committee, 5. Nomination and Compensation Committee, and 6. Governance and Related Party Transaction Committee 	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		

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The Board's Governance Responsibilities			
3. Committee Charters were fully disclosed on the company's website.	Compliant	<u>Board Governance (with Board Charters)</u> All board committees, respective members and related committee charters are posted in the company's website (www.nat-re.com/corporate-governance).	
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	<u>Attendance of the Directors in 2022 Board and Board Committee Meetings</u> Directors' attendance for the year 2022 in all board and board committee meetings	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<u>Board Meeting Minutes with the Approval of Meeting Agenda and Previous Minutes - Excerpt (March 31, 2022)</u>	
3. The directors ask the necessary questions or seek clarifications and	Compliant	<u>Board Meeting Minutes with GRPT Committee Report - Excerpt (March 31, 2022)</u>	

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The Board's Governance Responsibilities			
explanations during the Board and Committee meetings.		The directors review meeting materials and seek clarification and explanations during the Board and Committee meetings.	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Non-Compliant	<p><u>SEC 17-A Annual Report as of December 31, 2022</u> Directorship in Other Listed Companies, Document Page 43, PDF Page 44/196</p> <p>Provides information on the other directorships held by the directors in reporting companies other than the Company, one of the directors with more than five (5) publicly listed companies.</p>	For the coming term 2023-2024, Director Medel T. Nera who is for re-election will be serving as a director in more than five (5) publicly listed companies however, our records show that he has always attended the board and committee meetings and the Annual Stockholders' Meetings of the company. He is committed to his role and responsibility as an ID of Nat Re and that he finds sufficient time to keep abreast of the company's operations, actively participates in meetings, challenges management's views and proposals, and provides meaningful insights to guide Management toward its strategic direction.

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			<u>SEC Form 20-IS Definitive Information Statement</u> , Document Page 53-54, PDF page –73-74 on justification of Mr. Nera's re-election as Independent Director for the Term 2023-2024.
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<u>Sample Request for Directors to Update Business Profile</u> Directors are required yearly to update their business experience and to indicate if they have any change in directorships in other reporting companies.	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	Mr. Allan R. Santos , President/ CEO, is the only executive director. He does not have any other directorship in other listed companies. <u>SEC 17-A Annual Report as of December 31, 2022</u> Directorship in Other Listed Companies, Document Page 43, PDF Page 44/196 Provides information on the other directorships held in reporting companies other than the company showing no more than (5) publicly listed company.	

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The Board's Governance Responsibilities			
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Document Page 4, PDF Page 6/6</p> <p>The Company schedules regular board meeting every last Thursday of the month at 8:30 in the morning.</p>	
3. Board of directors meet at least six times during the year.	Compliant	<p><u>Attendance of the Directors in 2022 Board and Board Committee Meetings</u> Please see director's attendance for the year 2022 in all board meetings. There were twelve (12) regular board meetings during 2022 and one (1) organizational board meeting.</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	<p><u>Amended By-Laws</u> Article III, Section 7, Quorum, Document Page 10 – 11, PDF Page 17 – 18 / 32</p> <p>Per company's By-laws, at least 2/3 of the members of the Board of Directors shall be necessary and sufficient to constitute a quorum.</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p> <p>The Insurance Commission requires its regulated companies to have a Board of Directors composed of at least twenty percent (20%) independent directors.</p>	<p>Non-Compliant</p> <p>Compliant</p>	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Elected Independent Directors, Document page 2, PDF Page 4 / 6</p> <p>The Company has three (3) Independent Directors over thirteen (13) Board of Directors.</p>	<p>While we are short of the recommended CG practice of having a higher composition of Independent Directors in our Board, our current number of having three (3) Independent directors in our Board complies with the SEC's mandatory requirement to have at least 20% of our board size represented by Independent directors (IDs).</p> <p>Though the recommended CG practice is to have one-third of the Board represented by IDs, we believe that we have good control practices and there is good check and balance within our organizational structure as there is no single</p>

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The Board's Governance Responsibilities			
			<p>controlling interest among our shareholders.</p> <p><u>Organizational structure & ownership</u></p> <p>Each of our (3) IDs serves as committee chair for the Audit Committee, Risk Oversight Committee, and the Governance & Related Party Transaction Committee.</p> <p>The Board has also designated a Lead Independent Director, who serves as an intermediary between the Chairman and the other directors when necessary.</p> <p>Reference: <u>Board Governance</u></p> <p><u>Results of the June 30, 2022 Organizational Meeting of the Board</u></p>

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
			<u>appointing Officers of the Company</u>
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<u>Certification of Independent Directors</u> Certification of Independent Directors that they possess all the qualifications and none of the disqualifications.	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Voting Trust Holders of 5% or more and Change in Control Declaration, Document Page 57, PDF Page 58/196 No voting trust holders of 5% or more nor any changes in control that may constrain directors from voting independently.	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Business Profile of Medel T. Nera, Roberto G. Manabat and Rex Maria A. Mendoza, Document Pages 39-40, PDF Pages 40-41/196 <i>Our IDs terms are within the required cumulative term of nine years, reckoned from 2021 (for Mr. Manabat) 2019 (for Mr. Mendoza and Mr. Nera) – reckoned as</i>	<i>After nine (9) years and the Company prefers to retain its independent directors, the board will provide its meritorious justification and will seek the shareholders' approval.</i>
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Non-Compliant		

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The Board's Governance Responsibilities			
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	per IC requirement of term limit from 02 January 2015 (IC CL-2018-36).	<u>SEC Form 20-IS Definitive Information Statement</u> , Annex A, Justification for the re-election of Director Medel T. Nera as Independent Director for the Term 2022-2022, Document Pages 53-54, PDF Pages 73-74
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<u>Amended General Information Statement</u> Directors / Officers, Items 1 (Chairman) and 3 (President and CEO), Document Page 4, PDF Page 4/10 <u>Ms. Evelina G. Escudero</u> Chairman of the Board <u>Allan R. Santos</u> President and CEO The Chairman is Ms. Evelina G. Escudero while the President and CEO is Mr. Allan R. Santos.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<u>Amended By-Laws</u> Article III, Section 11, Duties of the Chairman, Document Page 13-14, PDF Page 20-21 / 32	

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The Board's Governance Responsibilities			
		Article IV, Section 2, Duties of the President, Document Page 15-16, PDF Page 22-23 / 32	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	<p><u>Results of the June 30, 2022 Organizational Meeting of the Board appointing Officers of the Company</u> Lead Director, Document Page 4, PDF Page 6/6</p> <p><i>Mr. Medel T. Nera, an independent Director, is designated as the Lead Director</i></p> <p><u>Revised Manual of Corporate Governance</u> Lead Independent Director, Document Page 25, PDF Page 27</p> <p><u>Nat Re Board of Directors Charter</u> Lead Independent Director, Document Page 3 / 19, PDF Page 4 / 20</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p><u>Conflict of Interest</u> Item 1.2, Document Page 2, PDF Page 2/4</p> <p>Provides that if a director has a material interest in a transaction affecting the company, he abstains from taking part in the approval/decision making required on the subject transaction.</p>	

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The Board's Governance Responsibilities			
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 present to ensure that proper checks and balances are in place within the corporation.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> The Audit Committee (composed of independent directors) met with the Internal Audit Head and the Independent External Auditors in private sessions during the year. The NEDs from the Board or the respective Board Committee freely requests to have executive sessions if there is a need to hold one. No formal recording of the Minutes is made. The same is presided by the Board Chairman; or the respective Chairman of the subject Board Committees.	
2. The meetings are chaired by the lead independent director.	Compliant	<u>Board Meeting Minutes, Executive Session - Excerpts</u> The Board held an executive session to discuss the report of the Nomination and Compensation Committee with the matters and resolutions passed by the Board.	
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	<u>Appointment and Resignation of CEO/President</u> Allan R. Santos is the President and CEO effective August 2018. None of the directors is a former CEO of the company for the past two or more years. <u>SEC 17-A Annual Report as of December 31, 2022</u>	

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The Board's Governance Responsibilities			
		Document page 35-40, PDF Page 36-41/196 <i>Business Profile of Directors showing none of the Non-Executive Directors was a former CEO of the Company in the past five years.</i>	
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 performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<u>Board Meeting Minutes with Board Assessment Excerpt</u> Report on the Performance Assessment of the Board of Directors	
2. The Chairman conducts a self-assessment of his performance.	Compliant	<u>Audit Committee Performance Self-Assessment Result</u>	
3. The individual members conduct a self-assessment of their performance.	Compliant	<u>Board Performance Self-Assessment Template</u> <u>ASEAN CG Scorecard and Compliance</u>	
4. Each committee conducts a self-assessment of its performance.	Compliant	Currently we are using the existing CG Scorecard, Board and Board Committee Assessment, I-ACGR to assess the performance of our Board, Board Committees, Chairman and individual directors. Our Audit Committee as required by the SEC conducts a separate performance assessment yearly and the same is disclosed to the subject regulatory body.	

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The Board's Governance Responsibilities			
5. Every three years, the assessments are supported by an external facilitator.	Compliant	<p>The external validators of the ACGS provide a written report on areas we need to improve on in our CG practices and which we as a Company worked on to implement changes recommended.</p> <p>Starting 2018, we performed a separate self-assessment for our directors through our Governance Committee and thereupon will assess the need to engage an external facilitator.</p>	
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	<p><u>Board Meeting Minutes with Board Assessment Excerpt</u> Report on the Performance Assessment of the Board of Directors</p> <p><u>Audit Committee Performance Self-Assessment Result</u></p> <p><u>ASEAN CG Scorecard and Compliance</u></p>	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	Currently we are using the existing CG Scorecards, PSE and ACGS to assess the performance of our Board, Board Committees, Chairman and individual directors. Our Audit Committee as required by SEC conducts a separate performance assessment yearly and the same is disclosed to the subject regulatory body.	

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The Board's Governance Responsibilities			
		<p>The external valutors of the ACGS provide a written report on areas we need to improve in our CG practices and which we as a company worked on to implement the changes recommended.</p> <p><u>Board Performance Self-Assessment Template</u></p> <p>Starting 2018, we performed a separate self-assessment for our directors through our Governance Committee and thereupon will assess the need to engage an external facilitator.</p> <p><u>https://www.nat-re.com/contact-us/</u> Shareholders Inquiries Investor Services</p> <p>Shareholders may contact our Stock Transfer Agent and Investor Relations Officers for their shareholdings/investment inquiries.</p>	
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	Compliant	<p><u>Board Meeting Minutes, January 27, 2022, Code of Ethics Approval Excerpt</u> <u>Code of Ethics</u> <u>Code of Conduct</u></p> <p>These Codes provide standards for professional and ethical behavior.</p>	

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The Board's Governance Responsibilities			
practices in internal and external dealings of the company.			
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<u>Code of Ethics</u> <u>Code of Conduct</u> The Codes are properly disseminated to the Board, Senior Management and Employees. These are also available in our website. <u>Annual Compliance Declaration Form</u> Annually, employees confirm that they have read and understood Company policies.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<u>Code of Ethics</u> <u>Code of Conduct</u> These Codes are published in the Company website.	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<u>Anti-Bribery and Corruption Policy</u> The Anti-Bribery and Corruption Policy is posted on the website. For 2022, through the annual compliance declaration activity, there is no instance of bribery or corruption.	

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The Board's Governance Responsibilities			
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<u>Whistleblower Policy</u> <i>The Whistleblower Policy is in place so that any exception observed by employees can be raised to the appropriate officials.</i>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> The Audit Committee assists the Board of Directors in carrying out its responsibilities as they relate to the oversight of the Company's Internal Control functions. The Audit Committee ensures compliance with Company's internal policies. For 2022 there was no whistleblowing report made.	
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			
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	Compliant	<u>Nat-Re Corporate Governance website page</u> The webpage includes all the required disclosures for stockholders and other stakeholders that give fair and complete picture of the Company's financial condition, results and business operations.	

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The Board's Governance Responsibilities			
complete picture of a company's financial condition, results and business operations.		The Company, as a Philippine publicly listed company, is fully compliant with mandatory disclosure requirements of the regulators.	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Non-Compliant	<u>Reports and Financial Statements</u> <u>Financial Highlights</u> <u>SEC and PSE Filings</u> <i>Annual Reports (SEC 17-A)</i> <i>Quarterly Financial Reports (SEC 17-Q)</i> <i>We are fully compliant on disclosing the required reports on time.</i>	The SEC requirement is to submit the Annual Report and Financial Statements within 105 days.
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Item 12. Certain Relationships and Related Transactions, Document pages 58-60, PDF pages 59-61/196	

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The Board's Governance Responsibilities			
power and overall equity position in the company.			
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<u>Revised Policy on Insider Trading</u> Insiders Trading Policy requires all directors and key officers to disclose transactions /dealings in company shares within two (2) business days from transaction date.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant		
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	<u>SEC 23-A / 23-B Statement of Beneficial Ownership of Securities</u> Acquisitions and/or disposals of Company Securities by the directors / officers are duly disclosed as mandated by the regulatory bodies through the Statement of Beneficial Ownership of Securities – SEC Form 23-A or B, whichever is applicable.	

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The Board's Governance Responsibilities			
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 judgment.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Part III Item 9- Directors and Executive Officers, Document Page 34-40, PDF Page 35-41/196 Directors and Officers confirm their relevant and material information on an annual basis as part of the SEC 17-A reporting process.	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant		
Recommendation 8.4			
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	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Item 10. Executive Compensation, Document Pages 54-55, PDF Page 55-56 / 196 <u>Nomination and Compensation Committee Charter</u>	

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The Board's Governance Responsibilities			
Governance Scorecard (ACGS) and the Revised Corporation Code.		The Nomination and Compensation Committee establish a formal and transparent procedure for developing a policy on executive remuneration packages of corporate officers and directors.	
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.	Compliant	SEC Form 20-IS Definitive Information Statement Item 6. Compensation of Directors and Executive Officers, Document pages 33-34, PDF pages 53-54	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant		
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring	Compliant	Related Party Transaction Policy Material Related Party Transactions Policy	

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The Board's Governance Responsibilities			
transactions in their Manual on Corporate Governance.			
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Item 12. Certain Relationships and Related Transactions, Document pages 58-60, PDF pages 59-61 / 196 FS Note 28 – Related Party Transactions, Document Page 78-81, PDF Page 157-160/196	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<u>Related Party Transaction Policy with Conflict on Interest</u> Annex B, PDF Page 11-14 <u>Insider Trading Policy</u> All directors, officers, and employees are expected to promote the Company's interest. They shall not compete with the Company, nor shall they allow business dealings on behalf of the Company to be influenced, and or appear to be influenced by their own personal or family interests. It is the responsibility of each director, officer, and employee to promptly notify the Board, through the Corporate Secretary or Compliance Officer, of any actual or potential conflict of interest as soon as they become aware of it.	

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The Board's Governance Responsibilities			
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<u>Related Party Transaction Policy</u> In the review of Related Party Transactions (RPT), Nat Re shall at all times abide by the standard that the RPT is "fair and arms-length" and is in the best interest of the Company.	
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<u>PSE/SEC Disclosures</u> The Company complies with the disclosure requirements of the SEC and PSE. The Company, however, has not acquired nor disposed any significant assets for the year 2022, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	The Company has not acquired or disposed any significant assets for the year 2022. No need for an independent party. <u>Policy on Conflict of Interest</u> It is the policy of the Company that fair and impartial business transactions are concluded for the benefit of the Company and all its stakeholders. In this regard,	

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The Board's Governance Responsibilities			
		the Company seeks to ensure that any conflict of interest situation is addressed and avoided, and all transactions are conducted at arm's length with consideration paid or received by the Company.	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	<u>PSE/SEC Disclosures</u> The Company complies with the disclosure requirements of the SEC and PSE. The Company, however, has not executed, and neither is it aware of any shareholder agreements, voting trust agreements, confidentiality agreements among its shareholders.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<u>Revised Manual of Corporate Governance</u> The Company's Corporate Governance policies and programs are in its Manual of Corporate Governance which was submitted to the SEC and PSE and posted in Company website.	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	<u>Revised MCG filed with the PSE</u>	

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The Board's Governance Responsibilities			
3. Company's MCG is posted on its company website.	Compliant	https://www.nat-re.com/corporate-governance/#a-manual	
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices. The Insurance Commission also requires all its regulated companies to submit their Revised Code of Corporate Governance, IC CL 2020-71, starting May 2021.	Compliant	<u>Revised Manual of Corporate Governance</u> <u>Revised MCG filed with the PSE</u> Submitted to the PSE, SEC and IC.	
1. Does the company's Annual Report disclose the following information:	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> <i>Key Performance Indicator / Financial Soundness Indicator, Document Page 32, PDF Pages 33/196</i> <i>Dividends, Document Page 14, PDF Page 15/196</i> Part III Item 9- Directors and Executive Officers, Document Page 34-40, PDF Page 35-41/196	
a. Corporate Objectives			

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The Board's Governance Responsibilities			
b. Financial performance indicators	Compliant	<u>Nat Re Vision, Mission, and Values</u> <u>Nat Re 2022 Sustainability Report</u> Report for non-financial indicators for economic, social and environment contributions of the Company <u>Nat Re Dividends Policy</u> <u>Attendance of the Directors in 2022 Board and Board Committee Meetings</u>	
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all director's meetings held during the year	Compliant		

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The Board's Governance Responsibilities			
g. Total remuneration of each member of the board of directors	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Directors and Executive Compensation, Document Pages 54-55, PDF Page 55-56 / 196 <u>SEC Form 20-IS Definitive Information Statement</u> Directors' Per Diem, Document Page 34, PDF Page 54	
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Compliance with the Best Practices on Corporate Governance, Document Page 80-81, PDF page 100-101.	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> <i>The Audit Committee assists the Board of Directors in carrying out its responsibilities as they relate to its oversight of the Company's internal control, internal audit function, legal and regulatory requirements, and corporate governance.</i>	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u>	

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adequacy of the company's internal controls/risk management systems.			
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	<u>SEC 17-A Annual Report as of December 31, 2022</u> Item 1.B. Risks, Document Pages 6-8, PDF pages 7–9/196 Notes to FS, Item 4- Risk Management Objectives and Policies, FS Document Page 33 – 49, PDF Pages 112 – 127/196 <i>Underwriting Risks</i> <i>Credit Risk</i> <i>Liquidity Risk</i> <i>Market Risk</i>	
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, removal, and fees of the external auditors.	Compliant	<u>Revised Audit Committee Charter</u> Authority, Item C(4), Document Page 3, PDF Page 3/9 <i>The Audit Committee has the authority to recommend the appointment and compensation of the independent external auditor and oversee their work performance.</i>	

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The Board's Governance Responsibilities			
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.	Compliant	<u>SEC 17-C Approval on the Appointment of External Auditor</u> Item 2, Document page 2, PDF Page 2/2 Board approval on the appointment of external auditor upon recommendation of the Audit Committee and subject to stockholders' ratification during the annual meeting.	
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 disclosure	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Item 18 (b) (4) Voting Procedures, Appointment of Independent External Auditors, Document page 46, PDF page 66 No change or removal of external auditor in 2022.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Item 7 (a), Independent Public Accountant, Document Page 35, PDF Page 55 Mr. Randy Tireso F. Lapidez from KPMG R.G. Manabat & Co. is the assigned engagement partner for the ensuing year. 2022 is KPMG's 3 rd year as Nat Re's auditors. Mr. Lapidez has been the lead engagement partner since 2020-year end audit. Conformably with SRC Rule 68(3)(b)(iv), the Corporation's independent public accountant shall be	

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The Board's Governance Responsibilities			
		rotated, or the handling partner shall be changed, every 5 years. A two-year cooling off period shall be observed in the re-engagement of the same signing partner or individual auditor.	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <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	<p><u>Revised Audit Committee Charter</u> Item F.4 – External Audit, Document Page 7, PDF page 7/9</p>	

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The Board's Governance Responsibilities			
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant		
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Revised Audit Committee Charter Item F.4 – External Audit, PDF page 7/9	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	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	Revised Audit Committee Charter F4.f External Audit, PDF Page 7/9 Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the non-audit fees paid to the External Auditor in relation to the	

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The Board's Governance Responsibilities			
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.	Compliant	<p>total fees paid to them and to the corporation's overall consultancy expenses.</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> External Audit Fees, Document Page 33, PDF Page 34/196</p> <p>The Audit Committee has reviewed the audit services of External Auditor and approved audit-related and permitted non-audit services provided by the External Auditor to the Company and the related fees for such services, in accordance with existing policies, standards and regulatory requirements, and concluded that the non-audit fees are not significant to impair their independence.</p>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p><u>SEC 17-A Annual Report as of December 31, 2022</u> External Audit Fees, Document Page 33, PDF Page 34/196</p> <p>Historical 3-year external audit fees showing that fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	

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The Board's Governance Responsibilities			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p><u>List of SEC Accredited External Auditors as of August 31, 2022, item 204</u></p> <p>Information on company's external auditor:</p> <ol style="list-style-type: none"> Audit engagement partner: Mr. Tireso Randy F. Lapidez Accreditation number: 92183-SEC Date Accredited: 2022 Audit Period Expiry date of accreditation: 2026 Audit Period Name, address, contact number of the audit firm: R.G Manabat & Co. KPMG Center, 6787 Ayala Avenue, Makati 1200 (02) 8885 7000 	

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The Board's Governance Responsibilities			
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	<p>External Auditor agreed to be subjected to SOAR Inspection Program, but no inspection was done by the OGA yet:</p> <ol style="list-style-type: none"> 1. Date it was subjected to SOAR inspection, if subjected; External Auditor, the engagement team, not yet subjected to SOAR inspection 2. Name of the Audit firm: R.G. Manabat & Co. 3. Members of the engagement team inspected by the SEC: n/a 	

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The Board's Governance Responsibilities			
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.	Compliant	<u>Nat Re 2022 Sustainability Report</u> (SR) disclosed the Company's non-financial information with emphasis on the management of economic, environment, social, and governance issues of its business.	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<u>Nat Re 2022 Sustainability Report</u> PDF Page 2 / 54, About Our Report, the Company adopts Global Reporting Initiative (GRI) Standards	
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. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant	Compliant	<u>Nat Re Press Release</u> <u>SEC/PSE Disclosures</u> <i>The Company disseminates and discloses material and relevant information through its website, press releases and disclosures to the PSE and SEC.</i>	

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The Board's Governance Responsibilities			
information to its shareholders and other investors.		https://www.nat-re.com/ Nat Re Website	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:			
a. Financial statements/reports (latest quarterly)	Compliant	SEC Form 17-A Annual Reports SEC 17-Q Quarterly Financial Reports Nat Re Reports and Financial Statements <i>Financial Reports are posted in the Company website including the most recent 2022 Year-end Financial Statement.</i>	
b. Materials provided in briefings to analysts and media	Compliant	Nat Re Press Release <i>Materials provided to media are posted in the Company website, as well as disclosed to regulators.</i> https://www.nat-re.com/investor-relations/ Investor Relations – Nat Re	
c. Downloadable annual report	Compliant	SEC Form 17-A Annual Reports <i>The most recent 2022 Annual Report is posted and downloadable in the company website.</i>	

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The Board's Governance Responsibilities			
d. Notice of ASM and/or SSM	Compliant	<u>Nat Re Notice of 2023 Annual Stockholders' Meeting</u> <u>Nat Re Notice of 2022 Annual Stockholders' Meeting</u> Notice of Annual Stockholders Meeting, as well as its disclosure to regulators, are posted in the company website. <u>Nat Re Annual Stockholders' Meeting / files</u>	
e. Minutes of ASM and/or SSM	Compliant	<u>Draft Minutes of June 30, 2022 Annual Stockholders' Meeting</u> <u>Signed Minutes of the June 23, 2021 Annual Stockholders' Meeting</u> Minutes of Annual Stockholder Meetings are posted in the company website. <u>Nat Re Annual Stockholders' Meeting / files</u>	
f. Company's Articles of Incorporation and By-Laws	Compliant	<u>Amended Articles of Incorporation</u> <u>Amended By-Laws</u> <i>The Company's Amended Articles of Incorporation and By-Laws are posted in the company website.</i>	
Additional Recommendation to Principle 11			

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The Board's Governance Responsibilities			
1. Company complies with SEC-prescribed website template.	Compliant	<u>Nat Re Corporate Governance Webpage</u> Our Company website includes webpages on Corporate Governance in compliance with SEC-prescribed website templates.	
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 and effective internal 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	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> The Report of the Audit Committee is issued yearly, confirming compliance with the Audit Committee Charter which includes the evaluation of the system of internal control. <u>Revised Audit Committee Charter</u> Item F. Responsibilities, PDF Page 4 – 8 / 9 One of the responsibilities of the Audit Committee is to evaluate the system of internal control. The committee meets at least four (4) times a year. <u>Internal Audit Charter</u> Internal Audit (IA) will work closely with Management to identify and assess risk and control. IA will also	

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The Board's Governance Responsibilities			
		<p>coordinate with and provide oversights of other control and monitoring functions.</p> <p><u>Revised Manual of Corporate Governance</u> Internal Control System, Document Page 29-30, PDF Page 31-32</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p><u>Nat Re Risk Management Framework</u> <u>Nat Re Enterprise Risk Management Policy</u></p> <p>It describes Nat Re's ERM and sets out the requirements for management in generating risk management actions.</p> <p><u>Risk Oversight Committee Charter</u> PDF Page 4 – 5 / 6 The Charter sets the Risk and Oversight Committee's responsibilities in the risk management processes.</p> <p>The Committee meets at least once every quarter.</p> <p><u>SEC 17-A Annual Report as of December 31, 2022</u> – Financial Statements, Risk Management Objectives and Policies, Document Page 33-49, PDF Pages 112-128/196</p> <p><i>The most significant financial risks to which the Company may be exposed to are Underwriting Risk, Credit Risk, Liquidity Risk and Market Risk.</i></p>	

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The Board's Governance Responsibilities			
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<p><u>Compliance Charter</u> Responsibilities, Document Page 2-4, PDF Pages 2-4/5</p> <p>Compliance Unit oversees and manages compliance issues within the Company and ensures that the Company complies with regulatory requirements and that the Company and its employees comply with internal policies and procedures.</p> <p><u>Revised Audit Committee Charter</u> Audit Committee Responsibility on Compliance, item F.5, Document Page 7-8, PDF Page 7-8 /9</p> <p>The Audit Committee reviews the effectiveness of the system for monitoring compliance with laws and regulations, also the findings of any examinations by regulatory agencies.</p>	
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	<p><u>Corporate Information Security Policy</u></p> <p>The Company recognizes that information is a critical business asset, and that our ability to manage, control and protect this asset will have a direct and significant impact on our future success.</p> <p><u>Business Continuity Plan</u></p>	

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The Board's Governance Responsibilities			
		<p>Currently, we have put in place our Business continuity plan and finalizing our disaster recovery plan.</p> <p><u>Risk and Oversight Committee Charter</u> Purpose and Scope, Item 2.c, Document page 3, PDF Page 3 6</p> <p>Risk Oversight Committee assist the Board in overseeing the identification and management of Technology Risks and related activities, including but not limited to information security.</p> <p><u>Board Meeting Minutes, Sept 29, 2022, Technology and Cyber Insurance Updates Excerpt</u></p>	
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	<p><u>Internal Audit Charter</u> Purpose and Mission, Document Page 3, PDF page 3 / 7</p> <p>Internal Audit Function is established by the Board to provide independent, objective assurance, and reports to the Audit Committee at least on a quarterly basis.</p> <p>For 2022, the IA function includes the Head and one (1) staff.</p>	

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The Board's Governance Responsibilities			
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<p><u>Revised Audit Committee Charter</u></p> <p><u>Internal Audit Charter</u>, Responsibilities, PDF Pages 6/7</p> <p>The scope of the internal audit function encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal process, as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives.</p> <p><u>Nat Re 2021 Combined Annual and Sustainability Report</u> (Published in 2022) Head of Internal Audit, Document Page 18–19, PDF Page 11/30</p> <p>Role and scope of internal audit work were provided for the Head of Internal Audit, Mr. Mark Quintin G. Nunez. As of December 31, 2022, headed by Ralph Daniel R. Ramos.</p>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion	Compliant	<p><u>Internal Audit Charter</u> Periodic Assessment</p> <p>The CAE will periodically report to Management and Audit Committee on the internal audit activity's</p>	

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The Board's Governance Responsibilities			
that is outsourced to a third party service provider.		purpose, authority, and responsibility, as well as performance relative to its plan.	
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	For 2022, no outsourced internal audit activity.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p><u>Risk Oversight Committee Charter</u> Purpose, Document Page 3, PDF Page 3 / 5</p> <p>The Risk Oversight Committee has been established by the Board to oversee the development and monitoring of the Company's risk management program.</p> <p><u>Enterprise Risk Management Policy Framework</u>, Organization and Governance – Risk Officer, Document Page 5, PDF Page 4/13</p> <p><u>Nat Re Enterprise Risk Management Policy</u></p>	

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The Board's Governance Responsibilities			
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	<u>Risk Oversight Committee Charter</u> Authority, Document Page 4, PDF Page 4/6 Obtain outside legal or other independent professional advice at Company's expense if necessary.	
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	<u>SEC 17-A Annual Report as of December 31, 2022</u> Jacqueline Michelle C. Dy, Head of Risk and Compliance, Document page 34, PDF Page 35 <u>SEC Form 20-IS Definitive Information Statement</u> Jacqueline C. Dy, Head of Risk and Compliance, Document Page 5, PDF Page 25 <u>Enterprise Risk Management Policy Framework,</u> Organization and Governance – Risk Officer (5.2), Document Page 5, PDF page 4/13 The Risk Officer is responsible for monitoring the Company's adoption and implementation of the ERM Framework and related policies and ensuring that the risk management process is aligned with the strategy and corporate objectives of Nat Re. <u>Risk Oversight Committee Charter</u>	

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The Board's Governance Responsibilities			
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	<u>Enterprise Risk Management Policy Framework</u> , Organization and Governance – Risk Officer, (5.2) Document Page 5, PDF Page 4/13 The Risk Officer must be independent from operations and have unrestricted access to all staff, systems, and information needed to perform the role.	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<u>Report of the Audit Committee for the Year Ended December 31, 2022</u> This report includes that a sound internal audit, control and compliance system is in place and working effectively.	
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.	Compliant	<u>Revised Manual of Corporate Governance</u> Promoting Shareholder Rights, Document Page 32-33, PDF Page 34 -35/37 The Company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.	

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The Board's Governance Responsibilities			
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>https://www.nat-re.com/ Website of National Reinsurance Corporation of the Philippines</p> <p>All information for stockholders are disclosed in our website.</p> <p><u>SEC Form 20-IS Definitive Information Statement</u> Shareholder and Investor Relations, Document Page 82, PDF Page 102</p> <p>The Company has set-up communication channels that promote effective communication with its shareholders and the investing community. Aside from the regular reporting and disclosures to the various regulating agencies such as the SEC, PSE and IC, the Company actively maintains its website that provides timely information updates on its governance, operational, new initiatives, programs or developments and financial performance. The Company has also designated Relations Officers to handle investor and shareholder queries and requests, and their contact information can easily be accessed through the Company's website.</p> <p><u>Investor Relations Officer</u> Mr. Santino U. Sontillano with email address at info@nat-re.com for investor relations concern</p>	

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The Board's Governance Responsibilities			
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	<p><u>SEC Form 20-IS Definitive Information Statement</u> Item 4, Voting Securities and Principal Holders Thereof, Document Page 2, PDF Page 22</p> <p>(b) each share of outstanding common stock is entitled to one vote</p> <p><u>Amended By-Laws</u> Election of Directors, Article II, Section 7, Document Page 7, PDF Page 14 / 32</p> <p>One share, one vote is practiced.</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p><u>Amended By-Laws</u> Election of Directors, Article II, Section 7, Document Page 7, PDF Page 14 / 32</p> <p><u>Annual Corporate Governance Report 2016</u>, Treatment of All Shareholders, PDF page 6 / 67</p> <p>The Company has only one class of shares.</p> <p><u>Revised Manual of Corporate Governance</u> Promoting Shareholder Rights, Document Page 32-33, PDF Page 34-35/37</p>	

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The Board's Governance Responsibilities			
		The Company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p><u>Amended By-Laws</u> Election of Directors, Article II, Section 7, Document Page 7, PDF Page 14 / 32</p> <p>The election of directors shall be by secret ballot.</p> <p><u>SEC Form 20-IS Definitive Information Statement</u> Annex B, Guidelines for Participating via Physical Meeting and Voting in Absentia, Document Pages 55-56, PDF Page 75-76</p> <p><u>Guidelines for On-Line voting.</u></p> <p>Stockholders may vote in absentia using the Online Voting Facility or by Proxy sent through email to asm@nat-re.com.</p>	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p><u>Amended By-Laws</u> Article II, Section 4, Stockholders Meeting, Quorum, Document Page 5-6, PDF Page 12-13/32</p> <p>A quorum at any meeting of the stockholders representing at least a majority of the outstanding capital stock except on those cases where the</p>	

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The Board's Governance Responsibilities			
		<p>Corporation Code of the Philippines requires a greater proportion.</p> <p><u>SEC Form 20-IS Definitive Information Statement</u> Annex B, Guidelines for Participating via Physical Meeting and Voting in Absentia, Document Pages 55-56, PDF Page 75-76</p> <p>Stockholders may vote in absentia using the Online Voting Facility or by Proxy sent through email to asm@nat-re.com.</p> <p>Item 18.b Voting Procedure, item 6, approval on the increase of per diem vote required is majority of the outstanding common stock.</p>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p><u>Amended By-Laws</u> Article II, Section 2, Stockholders Meeting, Special Stockholders Meeting, Document page 4, PDF Page 11/32</p> <p>Special meeting of the Stockholders may be called at any time by resolution of the Board of Directors or upon written request of stockholders representing at least one third (1/3) of the outstanding capital stock of the Corporation, setting forth the purpose of such meeting in the notice.</p>	

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The Board's Governance Responsibilities			
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Annual Corporate Governance Report 2016, Respect for the Rights of Minority Shareholders and of Other Stakeholders, PDF page 6 / 67</p> <p>The Company has a mechanism that allows minority shareholders to influence board composition by cumulative voting and nomination of independent directors.</p> <p>Nat Re PSE/SEC Disclosures</p> <p>All required information is fully disclosed through the submissions and filings made to the SEC and the PSE</p> <p>The essence of corporate governance is transparency. The Board believes that the more transparent the internal workings of the corporation are, the more difficult it will be for Management and dominant stockholders to mismanage the corporation or misappropriate its assets. It is therefore essential that all material information about the corporation which could adversely affect its viability, or the interest of the stockholders should be publicly and timely disclosed. Such information includes, among others, earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions, minimum public ownership, direct/ indirect remuneration of members of the Board and Management and other corporate disclosures required for reporting by the regulators.</p>	

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The Board's Governance Responsibilities			
7. Company has a transparent and specific dividend policy.	Compliant	<p><u>Nat Re Dividends Policy</u></p> <p><u>SEC Form 20-IS Definitive Information Statement</u> Dividends, Document page 78, PDF Page 98</p> <p>It is the Company's policy to declare dividends regularly with the pay-out determined by the Company's performance as well as the availability of unappropriated retained earnings for distribution.</p>	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p><u>SEC 17-C Board Approval on the 2023 Annual Stockholders' Meeting</u> Item 3, PDF Page 3/3</p> <p>Appointment of the auditing firm, KPMG R.G. Manabat & Co., Philippines, as board of canvassers for the July 5, 2023 Annual Stockholders Meeting.</p>	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	<p><u>Nat Re Notice of 2023 Annual Stockholders' Meeting</u></p> <p><i>Annual Stockholders Meeting – July 5, 2023</i></p> <p><i>Notice of meeting is disclosed to the regulatory body (PSE) 63 days prior to meeting date.</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p>The Notice of Meeting for the 2022 Annual Stockholders' Meeting was also published in <i>BusinessWorld</i> and in <i>Philippine Daily Inquirer</i> on May 30 & 31, 2022 in print and online form.</p> <p>Business World, Published on May 30, 2022 https://www.bworldonline.com/spotlight/2022/05/30/451251/national-reinsurance-corporation-of-the-philippines-to-hold-annual-stockholders-meeting-virtually-on-june-30/</p> <p>Business World, Published on May 31, 2022 https://www.bworldonline.com/spotlight/2022/05/31/451268/national-reinsurance-corporation-of-the-philippines-to-hold-annual-stockholders-meeting-virtually-on-june-30-2/</p> <p>Inquirer.net, Published on May 30, 2022 https://business.inquirer.net/348776/national-reinsurance-corp-notice-of-annual-stockholdersmeeting-1-of-2</p> <p>Inquirer.net, Published on May 31, 2022 https://business.inquirer.net/348783/national-reinsurance-corp-notice-of-annual-stockholdersmeeting-2-of-2</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	<u>Nat Re Annual Stockholders' Meeting / files</u> <u>SEC Form 20-IS Definitive Information Statement</u> Item 5, Directors and Executive Officers, Document pages 5-11, PDF Page 25-30	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)		Profiles of the Nominees for Election to the Board of Directors for the term 2023-2024, PDF Page 10 – 18 Profile of directors are completely disclosed.	
b. Auditors seeking appointment/re-appointment	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Independent Public Accountant, Item 7, Document page 35, PDF Page 55 The auditing firm of KPMG R.G. Manabat & Co., Philippines will be recommended to the stockholders for appointment as the Corporation's principal independent accountant for the fiscal year 2023.	
c. Proxy documents	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Information Required in a Proxy Form, Document Pages 48-49, PDF pages 68-69	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	<u>Nat Re Notice of 2023 Annual Stockholders' Meeting</u> Explanation of Agenda Items is included in the Notice of Annual Stockholders Meeting, PDF pages 2-3/4	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
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.	Compliant	<u>Summary of Votes - 2022 Annual Stockholders' Meeting</u> This report is disclosed to the PSE right after the meeting and publicly available the next working day.	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	<u>Draft Minutes of June 30, 2022 Annual Stockholders' Meeting</u> <u>Signed Minutes of the June 23, 2021 Annual Stockholders' Meeting</u> Draft Minutes of the current Annual Stockholders Meeting and signed minutes of previous ASM are available in our website within five business days from the end of the meeting.	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> List of Directors, Officers and Stockholders who attended the 2022 Annual Stockholders' Meeting, Document Page 41, PDF Page 61 External Auditor, Board and Officers were present to answer the questions of the stockholders.	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Shareholder and Investor Relations, Document Page 82, PDF Page102 The Company has designated an investor relations officer to handle investor and shareholder queries and requests, and his contact information can easily be accessed through the Company's website. Any further issue will be escalated either to the Management or Board of Directors or if necessary to the legal adviser for proper resolution.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<u>https://www.nat-re.com/contact-us/</u> <u>https://www.nat-re.com/investor-relations/</u> <u>Revised Manual of Corporate Governance</u> Item 13.4 Promoting Shareholders Right, Document Page 32-33, PDF Page 34-35/37	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<u>Investor Relation's Officer - Mr. San Sontillano</u> Nat Re's Investor Relations Officer is: Mr. Santino U. Sontillano, <u>info@nat-re.com</u> (e-mail address), 8988-7495 (contact number)	
2. IRO is present at every shareholder's meeting.	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		Attendance Record of the 2022 Annual Stockholders' Meeting, Mr. Santino U. Sontillano, Head of Finance, Document Page 41, PDF page 61 The Investor Relations Officer was present during the 2022 Annual Stockholders Meeting.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<u>Amended By-Laws</u> Article I, Section 5, Maximum Limit of Shareholding, Document Page 2-3, PDF page 9-10/32 In order to avoid creating a controlling interest group in the Corporation, no stockholder shall own or acquire more than thirty percent (30%) of the outstanding capital stock of the Corporation.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<u>Nat Re Public Ownership Report as of March 31, 2023</u> PDF Page 3/3, Public Ownership Percentage is 47.58%	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Shareholder and Investor Relations, Document Page 82, PDF Page 102 The Company has set-up communication channels that promote effective communication with its shareholders and the investing community. Aside from	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p>the regular reporting and disclosures to the various regulating agencies such as the SEC, PSE and IC, the Company actively maintains its website that provides timely information updates on its governance, operational, and financial performance. The Company has also designated relations officers to handle investor and shareholder queries and requests, and their contact information can easily be accessed through the Company's website.</p> <p><u>Investor Relation's Officer - Mr. San Sontillano</u> Nat Re's Investor Relations Officer is: Mr. Santino U. Sontillano, info@nat-re.com (e-mail address), 8988-7495 (contact number)</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p><u>Amended By-Laws</u> Election of Directors, Article II, Section 7, Document Page 7, PDF Page 14 / 32</p> <p>The election of directors shall be by secret ballot.</p> <p>Electronic voting in absentia was adopted from June 23, 2021 ASM and the following ASM.</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
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	<u>SEC Form 20-IS Definitive Information Statement</u> Shareholder and Investor Relations, Document Page 82, PDF Page 102 The Company has set-up communication channels that promote effective communication with its shareholders and the investing community. Aside from the regular reporting and disclosures to the various regulating agencies such as the SEC, PSE and IC, the Company actively maintains its website that provides timely information updates on its governance, operational, and financial performance. The Company has also designated relations officers to handle investor and shareholder queries and requests, and their contact information can easily be accessed through the Company's website. <u>Nat Re 2022 Sustainability Report</u> Reports on Company's contribution to the Economy, Society and the Environment.	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a	Compliant	<u>Amended By-Laws</u>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
mechanism on the fair treatment and protection of stakeholders.		<p>Article II, Section 2, Special Stockholders' Meeting, Document Page 4, PDF Page 11/32</p> <p><i>Stockholders upon written request representing at least one third (1/3) of the outstanding capital stock of the Corporation setting forth the purpose of such meeting in the notice may call a special meeting at any time.</i></p> <p>Code of Ethics Code of Conduct</p>	
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	<p>https://www.nat-re.com/investor-relations/#analyst Investor Relations Officer – Mr. Santino U. Sontillano, info@nat-re.com (email), 8988-7495 (contact number)</p> <p>Amended By-Laws, Article II, Section 2, Special Stockholders' Meeting, Document Page 4, PDF Page 11/32</p> <p><i>Stockholders upon written request representing at least one third (1/3) of the outstanding capital stock of the Corporation setting forth the purpose of such meeting in the notice may call a special meeting at any time.</i></p> <p>Policies in Place: Whistleblower Policy Anti-Bribery and Corruption Policy Anti-Fraud Policy and Program</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		Code of Ethics Code of Conduct	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	SEC Form 20-IS Definitive Information Statement Shareholder and Investor Relations, Document Page 82, PDF Page 102 Investor Relations Contact Information The Company has designated an investor relations officer to handle investor and shareholder queries, requests or complaints, and his contact information can easily be accessed through the Company's website. Any further issue will be escalated either to the Management or Board of Directors or if needed to the legal advisers for proper resolution.	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being	Compliant	The Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to any corporate governance issue. SEC Form 20-IS Definitive Information Statement Compliance with the Best Practices on Corporate Governance, Document Page –80-81, PDF Page 100-101	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
taken to finally comply with the applicable law, rule or regulation.		<p>Nat Re, being a publicly listed company (PLC), is in full compliance with the rules and regulations of the Securities and Exchange Commission, Philippine Stock Exchange, Insurance Commission, and other regulatory agencies.</p> <p><u>Amended By-Laws</u> Article IV, Section 8, Compliance Officer, Document Page 17-18, PDF Page 24-25/32</p> <p>Compliance Officer monitors compliance with the provisions of government regulatory and reportorial requirements and reports violations of non-compliance with such to the Board of Directors through the Chairman of the Board.</p>	
2. Company respects intellectual property rights.	Compliant	<p><u>Certificate of Nat Re Trademark issued by Intellectual Property of the Philippines</u></p> <p>The Company registers its intellectual property rights and respects the intellectual property rights of others.</p>	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p><u>Annual Corporate Governance Report 2016</u> H. Role of Stakeholders Customers' Welfare, Item H.1, PDF Page 50 / 67</p> <p>The Company is committed in providing and maintaining a safe, secure and healthy work environment.</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<u>Nat Re 2022 Sustainability Report</u> Approach to Stakeholders Key Topics and Concerns Raised Document Page 27-30, PDF Page 29–32/54	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<u>Annual Corporate Governance Report 2016</u> H. Role of Stakeholders Supplier/Contractor Selection Practice, Item H.1, PDF Page 50 / 67 <u>Procurement Policy</u> The Company exercises reasonable and prudent professional judgment when dealing with clients. <u>Nat Re 2022 Sustainability Report</u> Customer Privacy, Document Page 26, PDF page 28/54 Customer Assistance, Business Support and Services, Document Page 8, PDF Page 10/54	
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	Compliant	<u>SEC Form 20-IS Definitive Information Statement</u> Employee Relations, Document pages 82, PDF Page 102	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
company's goals and in its governance.		<p>The Company explicitly articulates its recognition and protection of the rights and interests of its employees through its Employee Manual of Policies and Procedures. The manual also governs employee related matters to ensure uniformity and consistency of interpretation and implementation, promote harmonious employer-employee relationship as well as set-up guidelines in protecting the use of material inside information.</p> <p>Nat Re 2022 Sustainability Report People, Document Page 32–38, PDF Pages 34-40/54</p>	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>Annual Corporate Governance Report Company's Rewards / Compensation Policy, Item 3(d), PDF Page 52/67</p> <p>Revised Performance Appraisal Form 2022</p> <p>The company has its policy on reward / compensation to recognize employees' performance.</p> <p>The Company's Board of Directors approved in its board meeting last December 2018 the granting to all qualified employees of a performance-based incentive bonus (PIB) starting with the applicable year 2019. This is differentiated from the Mid-Year Bonus (MYB) that employees currently enjoy in that the new performance-based incentive bonus payout is subject</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		<p>to the Company's meeting its targets for the year and to individual employee performance evaluation. The aim of this bonus program is to reward employee contribution to the bottom line and to create a performance-driven and accountability-driven culture that will help ensure the sustainability of the Company.</p> <p><u>SEC Form 20-IS Definitive Information Statement</u> Employee Relations, Document Page 82, PDF Page 102</p> <p>The Company provides post-employment employee benefits through a defined benefit plan and various contribution plans. Employees also participate in various industry and regulatory trainings and seminars that are designed for their career advancement and functional development and are linked towards shareholder value creation.</p> <p><u>Nat Re 2022 Sustainability Report</u> People, Document Page 32–38, PDF Pages 34-40/54</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p><u>Nat Re 2022 Sustainability Report</u> Health, Safety and Welfare of Employees; Health Promotions, Document Page, PDF P35-36, PDF Page 37-38/54</p> <p><u>Health Safety and Welfare of Employees</u></p> <p>The Company is committed in providing and maintaining a safe, secure and healthy work</p>	

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The Board's Governance Responsibilities			
		<p>environment. In turn, the employee has the responsibility to work safely, to keep work areas and common areas in the company neat and clean, not just to reduce the chances of injury but also to make the office a more attractive and pleasant place to work in.</p> <p>Employees are urged to report to their immediate superior or to the General Services Department accidents or any condition or practice which is unsafe, whether or not these result in personal injury or no matter how minor they might seem to be. (Reference – Code of Conduct, Policy Provision, Rules of Conduct, Health, Safety, Security and Proper Use of Company Assets, Section III.11.3, page 6)</p> <p>In order to ensure the promotion of employee health and well-being, the company offers health care benefits covered by the health insurance provider of the Company.</p> <p>Employees are involved in deciding, planning and implementing employee activities and programs such as sports and summer outing events, company parties and employee uniform.</p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p><u>Employee Training and Development</u></p> <p>New employees are given an orientation on the Company's policies and procedures and made to undergo basic insurance and reinsurance training.</p>	

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The Board's Governance Responsibilities			
		<p>Depending on their work assignment and employee development plans, employees undergo or are sent to specialized training courses. (Reference – Annual Corporate Governance Report, PDF page 52/67)</p> <p>Nat Re 2022 Sustainability Report People/Training and Education, Document Page 35, PDF Page 37/54</p> <p>Revised Performance Appraisal Form 2022 Employee development is also part of the performance planning template / system.</p>	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>Anti-Bribery and Corruption</p> <p>This document outlines the Company's policy in observing and upholding its position against bribery and corruption.</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>Employee Training and Development</p> <p>New employees are given orientation on the Company's policies and procedures and made to undergo basic insurance and reinsurance training. Depending on their work assignment and employee development plans, employees undergo or are sent to</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT- National Reinsurance Corporation of the Philippines, December 31, 2022

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		specialized training courses. (Reference – Annual Corporate Governance Report, page 50) Nat Re 2022 Sustainability Report People/Training and Education, Document Page 35, PDF Page 37/54	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	Anti-Bribery and Corruption Policy	
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	Whistleblower Policy Protections for retaliation are enumerated in Section IV of the policy. The whistleblower may report formally or anonymously to any of the following designated officers: <ul style="list-style-type: none"> - Head of Human Resources - Head of Risk and Compliance - Head of Internal Audit - Corporate Secretary or Assistant Corporate Secretary Under extraordinary circumstances, the whistleblower may also course the complaint through other reporting	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
		lines, like the President or the Chairman of the Audit Committee.	
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	<u>Whistleblower Policy</u> Reporting Channels in Section VII of the Policy are provided and that the employees have direct access to an independent official.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<u>Whistleblower Policy</u> The evaluation team reviews the report and submits its findings directly to the Board's Audit Committee for disposition.	
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	Compliant	<u>Nat Re 2022 Sustainability Report</u> <u>SEC Form 20-IS Definitive Information Statement</u> Cultivating Sustainable Community, Document Page 82, PDF Page 102 The Company's efforts are currently focused on mitigating the consequences of natural catastrophes.	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
advancement of the society where it operates.		It participates in conferences on this subject and is working with the Philippine non-life insurance industry to put in place mitigation measures. The Company also participates jointly in community related projects undertaken by other entities from time to time. Other environment-related and community involvement programs are being facilitated to further contribute to the insurance industry and the Philippine society.	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<u>Nat Re 2022 Sustainability Report</u> <u>Nat Re Advocacies</u>	
2. Company exerts effort to interact positively with the communities in which it operates.	Compliant	At Nat Re, providing reinsurance capacity is not our only business. We believe that we do ultimately entails giving greater protection to the insuring public and helping them recover financially after natural disasters and other crises. This is why we value forging meaningful relationships with private and public sectors partners in the sphere of disaster risk financing and insurance. By leveraging our combined resources and knowhow, we can create effective and affordable solutions for a more disaster-resilient public.	

SIGNATURE PAGE

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report (I-ACGR) is signed in behalf of the National Reinsurance Corporation of the Philippines by the undersigned, thereunto duly authorized, in the City of Makati, on May 25, 2023.

(Original Signed)

EVELINA G. ESCUDERO
CHAIRMAN OF THE BOARD

(Original Signed)

ALLAN R. SANTOS
PRESIDENT & CEO

(Original Signed)

REX MARIA A. MENDOZA
INDEPENDENT DIRECTOR

(Original Signed)

ROBERTO G. MANABAT
INDEPENDENT DIRECTOR

(Original Signed)

MEDEL T. NERA
INDEPENDENT DIRECTOR

(Original Signed)

JACQUELINE MICHELLE C. DY
VICE PRESIDENT, HEAD OF RISK & COMPLIANCE

(Original Signed)

MA. PILAR M. PILARES-GUITIERREZ
ASSISTANT CORPORATE SECRETARY

SUBSCRIBED AND SWORN to me this _____, 2023, affiants exhibited to me their Passport Numbers, as follows:

Name	Passport Number	Date of Issue	Place of Issue
Evelina G. Escudero			
Allan R. Santos			
Rex Maria A. Mendoza			
Roberto G. Manabat			
Medel T. Nera			
Jacqueline Michelle C. Dy			
Ma. Pilar M. Pilares-Gutierrez			

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Se
SHAIN BIANCA C. EPANAG
Appointment No. M-018
Notary Public for Makati City
Until December 31, 2024
Castillo Laman Tan Pantaleon
& San Jose Law Firm
The Valero Tower, 122 Valero Street
Salcedo Village, Makati City
PTR No. 9563753; 01-03-2023; Makati City
IBP No. 260293; 01-03-2023; Cavite Chapter
Roll No. 79039