



Harnessing Collective Strengths Toward a Resilient Tomorrow

2022 SUSTAINABILITY REPORT



NATIONAL
REINSURANCE
CORPORATION
OF THE PHILIPPINES



About Our Report

(GRI 2-1, 2-3, 2-4, 2-5, 2-6)

The National Reinsurance Corporation of the Philippines (“the Company” or “the Corporation”), doing business under the names and styles of Nat Re, Philippine National Reinsurance Company and PhilNaRe, recognizes that the actions of its directors, officers, and employees during its regular course of business may have profound impacts on the economy, environment, and society. The Company has come to understand that its responsibilities go beyond the expected services from a reinsurer, which is to provide reinsurance support and advisory services.

As such, Nat Re has conducted an assessment of the wider economic, environmental, social, and governance impacts of its business, focusing on what it has already done and what it can do to encourage positive change and lessen negative outcomes.

This 2022 Sustainability Report, with the theme “Harnessing collective strengths toward a resilient tomorrow,” presents the results of this assessment. This Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. Each topic is tagged with the appropriate GRI code (e.g. GRI 201-1) to denote the material disclosure in the GRI Standards. There are no statement requirements or changes to be disclosed from the year ended 2021 reporting. This report will be updated and released annually. The current reporting covers information during the period January 1 to December 31, 2022. No external assurance provider was engaged for this report. Nat Re’s Risk and Compliance Department is the contact point for any questions about this report, with email address at compliance@nat-re.com.

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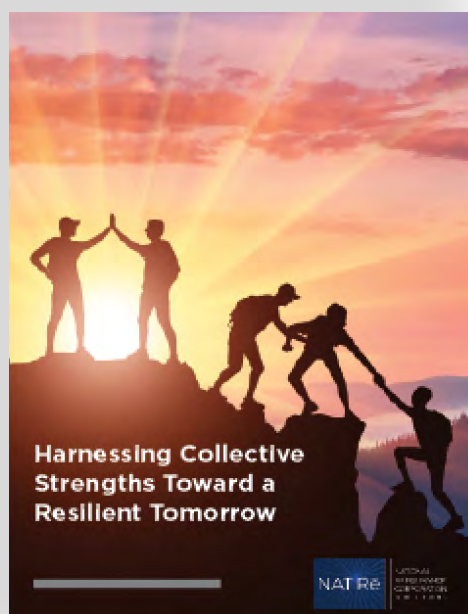
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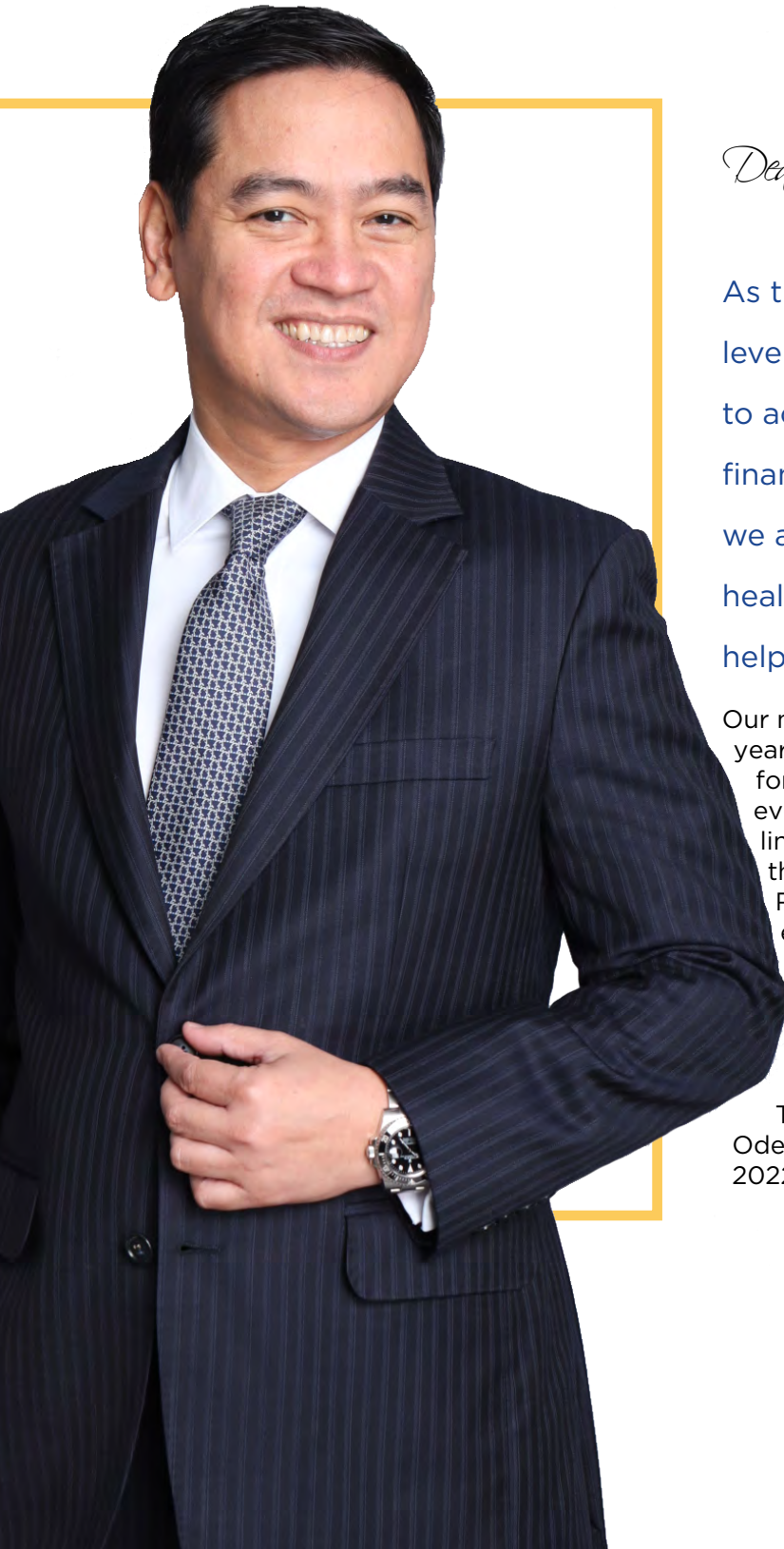
About the Theme

As the country's only national reinsurer, Nat Re actively seeks dynamic collaborations with its partners in the public and private sectors, joining forces with them to pursue a resilient and sustainable future. We constantly leverage our strengths and synergies with our partners in order to give value to our stakeholders and help them achieve their goals.



Message from the President and CEO

(GRI 2-22)



Dear shareholders,

As the country's national reinsurer, Nat Re leverages synergies and catalyzes collaboration to achieve greater resilience and wider financial inclusion. Our mission requires that we anticipate and manage risks to promote the healthy growth of the insurance industry and help create a resilient tomorrow for all.

Our mettle has been put to a test in the past three years when individuals and companies worldwide were forced to face various types of risks that affect almost everyone, everywhere, all at once. In addition to the lingering economic and health impact of COVID-19, there are the risks from the ongoing war between Russia and Ukraine, the supply chain disruption that ensued, and the geopolitical tension between the world's two economic powers, the United States and China. In 2022, these were compounded by other headwinds such as climate change-related catastrophic events, high inflation and volatile financial markets, and interest rate hardening. The surge in claims servicing on super typhoon Odette, which hit the Visayan region in late 2021, came in 2022.

Amidst these unprecedented challenges, Nat Re continually evolves to meet the moment. In 2022, we brought our experience and knowledge in navigating reinsurance in the country and in the region to bear. Together with our stakeholders, we pooled our collective strengths, skills, and capabilities to overcome the challenges and manage the risks to continue to service the needs of the insuring public. We continued our collaboration with the Insurance Commission (IC) and the Philippine Insurers and Reinsurers Association (PIRA) on disaster risk financing and climate change adaptation, as well as with other organizations such as the East Asian Insurance Congress (EAIC), where Nat Re's CEO served as President in 2022, the Actuarial Society of the Philippines (ASP) and the Insurance Institute for Asia and the Pacific (IIAP) to foster insurance education and an exchange of ideas on insurance theory and practice.

To sustain the growth and resilience of our business, we continue to diversify our portfolio by spreading our risks geographically and by having a balanced mix of catastrophe and non-catastrophe risks. In 2022, we further grew our profitable life and health insurance portfolios as well as expanded into other non-life product lines such as cyber and aviation insurance. We sought the IC's approval for Nat Re to reinsure Health Maintenance Organizations (HMOs) under the regulatory sandbox framework. This would allow us to support innovative HMO products, coverages, services, and delivery mechanisms that will better address Filipinos' health insurance needs.

We pursued all these efforts while stepping up in our sustainability journey. To us, sustainability is a strategic long-term value driver. It is essential to our ability to adhere to our economic, environmental,

social, and governance (EESG) principles without compromising future growth.

In 2022, we refreshed our roadmap towards sustainability in underwriting, investing, and in Nat Re's own operations as we redefined sustainability goals, strategies, and metrics. This included reinvigorating our CSR program by resuming our tree-planting activity in 2022, after outsourcing the task the previous year. We also renewed our active engagements and initiatives to champion stakeholder interest, especially on mental health issues. These face-to-face activities became possible again with the further easing of mobility restrictions in 2022.

By pursuing our sustainability ambitions, we also seek to make significant contributions to the attainment of the United Nations Sustainable Development Goals, specifically those related to mitigating climate risk, advancing the energy transition, and building societal resilience. We recognize that being the country's only Filipino-owned professional reinsurer puts Nat Re in a unique position and responsibility to help uplift lives through driving reinsurance with technological solutions. Our complementary business mix, deep expertise, strategic reach, and collaborative approach remain our winning combination. As we continue to sharpen our focus, we will deliver even greater results for our stakeholders to ensure a resilient future for all.

(Original signed)
Allan R. Santos
President and CEO



The Nat Re Annual Technical Forum held 23 September 2022 was a highly anticipated industry event attended by public and private stakeholders, and organized by Nat Re officers and employees.

About Nat Re

(GRI 2-1, 2-2, 2-6)

Nat Re provides life and non-life reinsurance capacity as well as consultancy, technical, and advisory services to direct insurers in the Philippines and neighboring insurance markets. Its services allow clients to better manage their retentions and capital, to maximize their net premiums given their risk appetites, and to execute their roadmaps to competitiveness. The Company promotes regional and international cooperation in insurance.

Nat Re also stimulates know-how transfer in the industry by helping build its clients' capabilities in underwriting, product development, pricing, retention setting, and reinsurance program analysis. The Company continuously derives insights from experience and shares with its partners its knowledge of the Philippine insurance market and curated global best practices in reinsurance.

The Company was incorporated in 1978 pursuant to Presidential Decree No. 1270 to provide a well-coordinated and efficient machinery in reinsurance for the purpose of achieving a higher national retention in the Philippines.

On April 27, 2007, Nat Re was listed with the Philippine Stock Exchange using the ticker symbol "NRCP".

Its main and only office is located in Makati City, Philippines, where it operates. Nat Re is not a part of any conglomerate or group.

Life Business

The Company helps its clients develop new products for new markets or new distribution, build underwriting and administration capabilities, and review and refine existing products. Its team members' extensive experience in direct writing companies, particularly in credit life, employee benefit, and medical lines allow the Company to refine pricing to match with the appropriate underwriting approach of the chosen distribution and/or market. Nat Re offers traditional reinsurance of mortality and morbidity risks, medical programs, catastrophe, and financial reinsurance solutions. Nat Re also provides a venue for the discussion of emerging and current issues in life and health insurance.

Non-Life Business

Nat Re offers a comprehensive range of reinsurance arrangements covering property, motor, casualty, marine, and surety. Its tailored solutions help clients manage their risks and grow their portfolio through treaty and facultative reinsurance programs, as well as provide support for the development of insurance products and services.

In line with its purpose of increasing national retention, the Company created reinsurance facilities that allow for the redistribution of risks within the local insurance industry. Such mechanism enables domestic insurers to maximize their retention and reduce portfolio volatility. Nat Re currently has underwriting facilities for lines of business such as casualty, terrorism, liability, and financial lines.

Through its established local presence, knowledge of regulations, and familiarity with market players and practices, Nat Re is able to provide global reinsurers

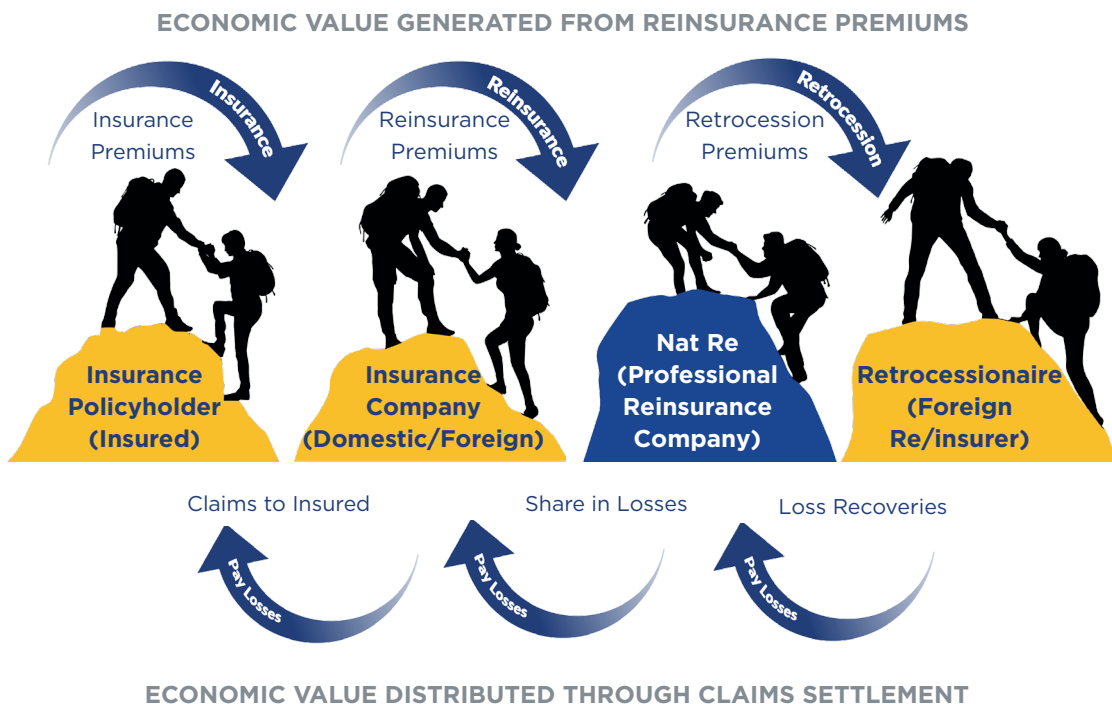
with an efficient and well-diversified platform for access to the local market for the distribution of products and services, deployment of underwriting capacity, and delivery of related services to local insurers.

Nat Re serves as both a domestic and international reinsurer. Predominate risks in the portfolio are situated in the Philippines. Nat Re writes a carefully balanced foreign portfolio under strict probable maximum loss (PML) per country cap. Diversification across products and territories is fundamental to strategy and profitability.

Nat Re strives to be a trusted reinsurance partner in other emerging markets in Asia. Reciprocal arrangements are one way Nat Re has created lasting and mutually beneficial relationships with other insurers and reinsurers. Reciprocal arrangements also enable Nat Re to share learnings and expertise with those partners who have proved valuable for the industry as a whole.

Reinsurance Value Chain

(GRI 2-6)



Material Sustainability Topics

(GRI 3-2, 3-3)

Reporting Process (GRI 3-1)

The general process undertaken in defining the report's content and topic boundaries are described below:



Capacity Building

Created a sustainability team with members who are directly interacting with different stakeholders, collaboratively assessing the needs and requirements, and prioritizing those expectations and needs relative to who will be significantly affected.

Guided by GRI reporting principles on:

1. Sustainability Context
2. Verifiability
3. Completeness



Data Gathering

Identified the sustainability topics by analyzing / reviewing existing performance, policies, activities, and initiatives, and evaluated also the risks and opportunities presented for each of the topics.

Guided by GRI reporting principles on:

1. Balance
2. Completeness
3. Sustainability Context



Materiality Assessment

Assessed the materiality based on the significance of their economic, environmental, and/or social impacts; and their substantial influence on the assessment and decisions of Nat Re's stakeholders.

Guided by GRI reporting principles on:

1. Balance
2. Sustainability Context
3. Comparability



Management Review

Validated and accepted material topics and reported information through deliberation of Senior Management and thereafter obtained board approval.



Guided by GRI reporting principles on:


1. Sustainability Context
2. Completeness
3. Verifiability



Material Sustainability Topics

(GRI 3-2, 3-3)

The following topics are identified by Nat Re as 'High' in materiality:

Topic Description	Topic	Boundaries	Definition and Relevance
<p>Economic Performance</p> <p>Reinsurance Business</p> 	Economic	Within Nat Re, Business Partners, Employees, External Service Providers, Shareholders, Government, Regulators	<p>Nat Re contributes to the growth and stability of its client companies by: providing reinsurance capacity to local insurance companies; serving as a mechanism for the efficient distribution of the reinsurance business locally through the creation of reinsurance facilities; and providing technical assistance and consultancy services to ceding/insurance companies.</p> <p>Nat Re also helps optimize national risk retention for the insurance industry through the efficient distribution and diversification of risks, thereby retaining insurance premiums locally. Claim settlement from catastrophic events help rebuild communities and build resiliency. These eventually contribute to the economic growth and sustainable development of the Philippine economy.</p>
<p>Indirect Economic Impact</p> <p>Investments in Government/ Corporate Bonds/ Green Bond Financing</p> 	Economic	Within Nat Re, External Fund Managers, Shareholders, Banks, Regulators, Government	<p>By investing in government and corporate bonds, Nat Re helps provide funding for government projects and initiatives and helps support business expansions in the private sector. These activities by the government and businesses contribute to the growth of the national economy. Nat Re's investments in the ASEAN Sustainability and Green Bonds support eligible green and social categories like the financing or refinancing of new and existing renewable energy projects.</p>

Topic Description	Topic	Boundaries	Definition and Relevance
<p>Business Resiliency</p> <p>Customer assistance, support and services, and Employee Safety & Welfare</p> 	Economic/ Social	Within Nat Re, Business Partners, Employees, External Service Providers	<p>The Company's reinsurance solutions afford its client companies greater stability and resilience to extreme events.</p> <p>The Company also continues to facilitate capacity building by knowledge sharing conducted through the Annual Technical Forum (a one-day face-to-face event held for underwriters and brokers) and free webinars on selected insurance/reinsurance topics.</p> <p>For its own resiliency and those of its employees, Nat Re has established business continuity plans. Adjustments are made as necessary to ensure that it is able to support and provide quality service to its ceding companies. Nat Re also ensures the health, safety, and well-being of its employees.</p> <p>The development of a succession plan in Nat Re aims to primarily ensure continuity in leadership for key and critical positions in the Company in the event of retirement, resignation, separation, or business expansion.</p>

Topic Description	Topic	Boundaries	Definition and Relevance
<p>Climate-Related Opportunities</p> <p>Various Initiatives with External Parties Financing</p> 	Economic	Within Nat Re, Member Organizations, Government	By continuing to partner with organizations in the public and private sectors, the Company creates effective and affordable solutions for more disaster-resilient communities. Through the Philippine Catastrophe Insurance Facility (PCIF) initiative, the Company, in collaboration with the Insurance Commission (IC) and the Philippine Insurers and Reinsurers' Association (PIRA), analyzed inherent risk levels and came up with research-based risk zones to develop more risk-appropriate and sustainable premium rates as an update to the current minimum tariff rates for catastrophe risks.
<p>Data Security</p> <p>Information Protection and Data Privacy</p> 	Economic/Social	Within Nat Re, Business Partners, Employees, External Service Providers, Regulators	The integrity of data is crucial to Nat Re. Controls in place are continuously being assessed to ensure data protection and data privacy.

Management Approach on Material Topics (GRI 3-3)

The following are the strategies and activities identified by Nat Re in improving the Company's performance in various sustainability aspects. These strategies are reviewed annually:

Strategy	2022 Activities
ECONOMIC	
Promote financial inclusion and serve as an effective mechanism for distributing risk and capital management within the insurance industry which leads to higher and sound national risk retention.	<p>Provided reinsurance capacity and risk management solutions.</p> <p>Created reinsurance facilities for personal cyber insurance, casualty, sabotage & terrorism, and financial lines.</p>
Promote and develop a strong national insurance industry by serving as a primary source of support and expertise to the local and regional insurance industry through top-notch products and services.	<p>Retained domestic premiums of Php2,125 million in 2022.</p> <p>Delivered value-added and much-needed support to the insurance industry at home and in the region by offering reinsurance advice and solutions for clients (promoting risk and capital management), and actively contributing to the review of catastrophe tariffs, fostering learning and development via dialogues on relevant industry issues.</p> <p>Continued supporting the growth of mutual benefit associations and cooperative insurers through microinsurance products, technical assistance, and risk management solutions.</p>
Develop new products in response to current market needs in both non-life and life insurance businesses by providing reinsurance solutions and value-added services, support capacity building, and improve internal processes toward greater operational efficiency.	<p>Began Nat Re's expansion into health insurance with the IC's approval to participate in a Regulatory Sandbox Framework for Innovations in the Insurance, Health Maintenance Organizations (HMOs), and Pre-Need Industries with a Second Layer Medical Program or Individual Excess-of-Loss Coverage innovation. For this purpose, Nat Re collaborates with Health Maintenance, Inc. (HMI) in accordance with the Second Layer Medical Care Program Agreement signed by Nat Re and HMI.</p> <p>Launched the Nat Re personal cyber insurance facility, providing capacity to local insurers and helping them develop this business line, with the goal of providing cyber insurance protection for the general public amid recent growing exposure to cyber risks.</p>

Strategy	2022 Activities
Promote and help strengthen disaster and climate risk reduction through financing programs by promoting and actively participating in related initiatives with external partners.	<p>Paid reinsurance claims of Php 2,232M in 2022; covered Typhoon Odette gross reinsurance claims of Php 1,815M.</p> <p>Continued involvement in initiatives, such as the Philippine Catastrophe Insurance Facility (PCIF), aimed at promoting climate risk insurance and advancing risk-informed decision-making for stronger disaster resilience.</p> <p>Catastrophe risk insurance pools such as the PCIF, along with other disaster risk finance solutions available in the country, will complement the government’s risk reduction efforts in addressing unmitigated risks. One of the expected benefits of the PCIF is the expansion of local catastrophe insurance capacity and protection, especially for the most vulnerable to natural catastrophic events. In line with this, Nat Re participated in consultations on the Adoption of the Revised Schedule of Minimum Catastrophe Rates together with the insurance industry and other relevant stakeholders.</p> <p>Held a Catastrophe Modeling Workshop that helped provide in-depth information on various catastrophe models, and ensured stakeholders are equipped with knowledge and tools for more informed decision-making.</p>
Manage key risks (e.g. purchase of XOL, risk assessment exercise).	<p>Continued managing underwriting risks through the excess of loss (XOL) program that is bought. The Nat Re portfolio is diversified through reinsurance exchange arrangements and product mix.</p> <p>Conducted annual risk and control assessments, identified control gaps, and agreed on key risk indicators to mitigate and improve risk management actions.</p>
Boost technology and operational resilience to secure business operations.	<p>Continued enhancing Nat Re’s business continuity management system, continuing policy documentation and process reviews toward improving operational efficiency and effectiveness.</p> <p>Continued providing employee access to the cloud, allowing employees to work remotely in an effective manner by providing access to company systems and emails.</p> <p>Offered a WeBill arrangement to provide a value-added service beneficial to both Nat Re and its partner cedants, contributing to the integrity and reliability of the reported bordereaux and reducing cedants’ workload, helping them focus on business-as-usual work.</p>

Strategy	2022 Activities
Strengthen data security to ensure the integrity of data and maintain data privacy.	<p>Performed Privacy Impact Assessment to identify and assess data privacy risks and established the required policies and guidelines and needed actions to resolve data security issues.</p> <p>Continuously reviewed the security vulnerabilities of Nat Re's Network and Systems through the conduct of Vulnerability Assessment and Penetration Testing and prioritized and addressed any critical security issues identified.</p> <p>Implemented regular information dissemination of various technology topics relating to cyber threats, data breaches, devices, etc. to increase awareness in support of Nat Re's asset protection and security.</p>
Engage various stakeholders to identify and address material issues.	<p>Continued advancing mutual cooperation within the insurance industry in the region and pursuing mutually beneficial agreements with fellow reinsurers.</p> <p>Continued providing technical trainings and orientations through webinars for business partners on topics such as specialized insurance lines or products as part of value-added services. Employees were also provided the opportunity to attend specialized and/or publicly-run seminars to enhance their competency and thus contribute to their professional growth.</p> <p>Held the 2022 Nat Re Annual Technical Forum, Nat Re's first physical external stakeholder event since 2019, alongside other physical and virtual engagements.</p> <p>Conducted physical courtesy calls with cedants and business partners in line with the reopening of the economy during the pandemic.</p> <p>Spearheaded the planning and execution of the East Asian Insurance Congress Diamond Jubilee Conference (chaired by Nat Re President and CEO Mr. Allan R. Santos).</p>
Promote the safety and health of employees.	<p>Strongly encouraged employees to be vaccinated and boosted against COVID-19. Provided employees with free COVID-19 antigen test kits twice a month for their safety, as part of the Company's hybrid work arrangement.</p> <p>Conducted regular webinars related to Health and Wellness to improve and sustain employee awareness.</p> <p>Continued the hybrid work arrangement of employees to ensure their safety and good health.</p>

Strategy	2022 Activities
SOCIAL	
Continue to develop capabilities and professional competence of employees to improve talent retention and develop leaders and mentors in the (re)insurance industry.	<p>Participation and attendance of Nat Re employees/officers at the 2022 Annual Meeting of the Asia Guarantee & Credit Insurance Association (Seoul, Korea); the 2022 Actuarial Society of the Philippines (ASP) Convention; and the 18th Singapore International Reinsurance Conference (SIRC).</p> <p>HR activities in 2022 included, but were not limited to, the Nat Re Kwentuhan, Sexual Orientation and Gender Identity Expression (SOGIE) webinar, and a Team Building activity.</p>
ENVIRONMENTAL	
Promote a culture of awareness on environmental sustainability within the organization by encouraging practices either in the office or at home that help promote environment sustainability and the safety and well-being of employees.	Contributed to protecting and restoring terrestrial ecosystems through tree planting and vegetable garden growing. This activity was implemented in coordination with a non-government organization, further expanding Nat Re's carbon sequestration efforts and concretely supporting the expansion and development of the critical Sierra Madre mountain range.



Economy

(GRI 3-2, 3-3)

The Economic and Social Value of Nat Re’s Business

(GRI 3-3)

Nat Re, as the country’s national reinsurer, makes a unique contribution to promoting economic development through its business of providing reinsurance solutions, consultancy services, and related mechanisms for stimulating the healthy development of the local insurance industry.

Nat Re also enables disaster-resilient and financially inclusive communities primarily through its partnerships with various external stakeholders such as insurance companies, reinsurance brokers, health maintenance organizations (HMOs), cooperatives and mutual benefit associations, national government agencies, and international aid agencies.

Nat Re provides insurers with reinsurance capacity so they may manage volatility of their underwriting results and pay claims promptly to their policyholders, especially when large individual losses or catastrophic events occur. This service aids insurers’ solvency and also helps insuring families, businesses, and governments recover financially from accidents, disasters, or family crises.

Since 2017, Nat Re has been offering its life clients access to the Nat Re Online Risk Manual (NORM), the first web-based life underwriting tool that accounts for unique Philippine conditions.

Nat Re also hosts capability-building activities for its clients to help develop the domestic insurance market.

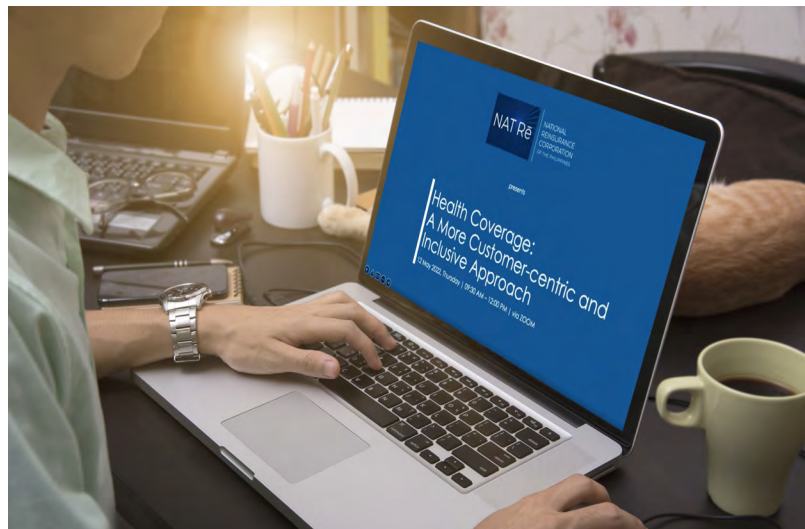
In 2022, the Non-Life Reinsurance team launched the personal cyber insurance facility, which aims to provide capacity to local insurers and assist them in developing this line of business. Ultimately, this facility will help create access to cyber insurance protection for the general public, given the increasing exposure to cyber risks in recent years. Nat Re, together with its reinsurance partners, also facilitated training sessions designed to equip insurers with the necessary technical expertise to underwrite this line of business.

The team also conducted the 6th Annual Technical Forum. With the theme: “Thriving in the New Era of Underwriting,” the forum served as a platform for deeper discussion within the local industry on topics such as sustainable underwriting of climate risk and exploring the opportunities of cyber risk insurance. As the availability of these product lines grows, so will the access to better insurance protection.

In 2022, Nat Re’s Life Reinsurance Team conducted two webinars related to the Life and Health Business. On May 12, there was a webinar on Health Coverage: A More Customer-Centric and Inclusive Approach and last November 9, the webinar was on Rethinking Mental Health. The first webinar discussed health insurance and medical underwriting, product design and digital distribution, and how to make health protection products more inclusive and accessible to the public. The second webinar, on the other hand, tackled the role of the government in Mental Health Care and insights on the private mental clinical practice.

Last September 23, 2022, Life Reinsurance Team also brought back the Annual Technical Forum (ATF). Themed “Future Challenges and Approaches to Health Risk Management,” the ATF featured an infectious disease expert and a healthcare management CEO who presented COVID-19 long term effects on mortality and morbidity, and the impact of technology on healthcare management and remote patient monitoring, respectively.

To maximize premium retention within the country, Nat Re created underwriting facilities backed by domestic industry capacity. These facilities provide a mechanism for the redistribution of risks to local companies. Facultative risks ceded to Nat Re are retroceded to interested authorized companies based on their risk appetite and financial strength. These facilities allow Nat Re to increase its underwriting capacity and provide insurers a mechanism to increase premium retention by way of small shares in a broad number of risks written by other insurers.



With the Philippines being one of the world’s most catastrophe-exposed countries, Nat Re has also been actively involved in the creation of a Philippine Catastrophe Insurance Facility (PCIF) to increase the country’s catastrophe resilience through a more inclusive access to catastrophe protection and with adequate and sustainable premium rates for catastrophe perils.

Nat Re also has a long history of supporting the micro-insurance market with two mutual benefit associations being decades-old clients of the Company. Through these entities, Nat Re gives high risk-exposed members of the military, police, and peace-and-order keeping personnel; low income religious service members; and senior citizens and their families and dependents access to modern insurance products. The Company also covers cooperatives based in provinces outside Metro Manila.

Amid the ongoing pandemic, Nat Re developed group and travel products that satisfy societal need for COVID-19 protection. These products provide financial help for hospital confinement, adverse vaccine side effects, and death due to COVID-19.

Direct Economic Value Generated and Distributed

(GRI 2-6, 201-1)

Disclosure Items <i>(in millions of Philippine pesos)</i>	2022	2021
Direct Economic Value Generated	3,202	3,242
Net Written Premium	2,987	2,838
Investment and Other Income, Net	215	404
Direct Economic Value Distributed	3,142	3,113
Claims Paid and Outstanding	1,937	1,962
Reinsurance Commission	827	861
Employee Wages and Benefits	187	160
Payment to External Providers	80	63
Taxes to Government	111	67
Investment to Community	0.23	0.13

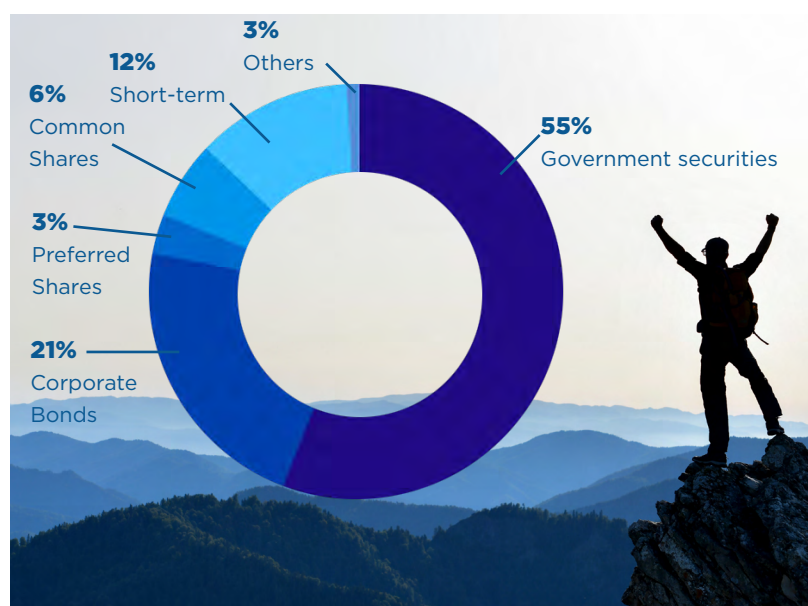
Capitalization

Total Assets	18,338	16,441
Total Liabilities	12,738	10,777
Stockholders' Equity	5,600	5,664

Indirect Economic Impact

(GRI 203-1 / 203-2)

Fifty-five percent (55%) of Nat Re's Php9.2-billion investment portfolio is invested in government security bonds, allowing the Company to support funding of government infrastructure projects and social services. The remaining 45% of the Company's investment portfolio consists of corporate bonds, equities, and short-term deposits to support the private sector's growth. A portion of the total investment in Corporate Bonds amounting to Php62.09 million is invested in ASEAN Sustainability and Green bonds.



Resiliency Through Nat Re’s Business Continuity Plan

(GRI 3-3)

Nat Re understands that because of the nature of its business, it is expected to be operational even at times of crisis and disaster in order to make available its financial services to clients. For this reason, Nat Re takes planning for disaster and disruptive events seriously.

Nat Re’s business continuity plan addresses issues such as technology outages, alternate resource allocation, alternate work site readiness, emergency response procedures, continuity of critical business functions, and utilization of recovery procedures for the quick restoration of critical business processes.

Nat Re maintains and is currently implementing a Business Continuity Plan (BCP) that addresses risk scenarios and events of varying scope including, but not exclusively, loss of services or infrastructure, denial-of-service and cyberattack. Nat Re’s BCP is focused on maintaining critical processes, including fulfilling contractual and regulatory requirements, safeguarding reputation and brand image, providing customers with financial security and maintaining effective communications with customers, staff, and other stakeholders. Critical business processes, associated Recovery Time Objectives and Recovery Point Objectives, critical records and recovery teams are documented in departmental Business Impact Assessments (BIAs). In the event that operations cannot be continued from its main premises, Nat Re can revert to a work-from-home (WFH) arrangement for all its employees as it did during the beginning of the COVID-19 pandemic. Nat Re had been able to successfully operate on a WFH arrangement since the start of the Enhanced Community Quarantine (ECQ) in 2020 until early 2022. The Company now has a hybrid work setup, keeping in mind not only

the continuation of business operations but also the safety of its employees. Nat Re is committed to serve its business partners to the best of its capabilities.

Business Continuity Plan Leverages Technology

With the continuing spread of coronavirus of different variants even as the economy opens up, management decided on a hybrid work arrangement beginning March 2022, utilizing their Company-issued laptops and Internet connection. Access to the Internet is either on a Company-sponsored prepaid arrangement or the employee’s existing personal connection.

Nat Re continues to provide laptops to new employees with access to company files, documents, and emails. Employees are able to work remotely as the Company’s systems and emails are in the cloud, making them accessible with only an Internet connection. Redundancy measures, put in place in 2020, remained on back-end services, allowing access to critical systems anytime via virtual private network (VPN).

Under the hybrid work set-up, employees were given the option to redirect office phone calls to employee mobile numbers so as not to miss important business calls. The company has continued its subscription to online services, such as Zoom and Google Meet, to facilitate employees’ collaboration with each other, with clients, and with other business partners. A secure file transfer facility is in place for clients opting to send large electronic documents.

As part of the BCP, the Technology team ensures that employees with critical functions but without access to Internet were provided with mobile internet devices. Technology support is continually being provided via remote sessions to ensure that the workforce is equipped with the necessary software and hardware to process transactions even while employees are working from home.

Nat Re's Handling of Data Security (GRI 3-3)

With the employees working remotely on scheduled days of the week, cybersecurity risks especially involving data privacy, network vulnerability, and removable storage devices continue to be areas of heightened awareness for Nat Re.

Nat Re continues to conduct its regular Privacy Impact Assessment (PIA), helping the company understand personal data flows within the organization and take any necessary action to address privacy risks. This included making an inventory of company-held personal data and identifying processes that act on this data. The PIA includes activities such as consultation with stakeholders, analysis of risks and control gaps, and recommendations for specific action plans to minimize or mitigate risks. The PIA revealed some risk exposures and management has identified related mitigating action plans. These are monitored and reported upon to ensure implementation of plans.

Nat Re also continues to conduct a Vulnerability Assessment and Penetration Testing (VAPT), aimed to review the security posture of Nat Re's network and systems. The results of the VAPT identified vulnerabilities and control gaps in the Company's current applications and services that may hinder the ability to provide the necessary IT services to its stakeholders.

The Company has also instituted the adoption of the USB (Universal Serial Bus) Policy which outlines the appropriate use of USB devices in all company-issued computers (all external storage devices shall be disabled, only authorized devices up to the level of the President/CEO will be permitted) to ensure there is no unauthorized copying of data and to prevent the spread of malware.

Finally, Nat Re implemented a Clean Desk Policy to ensure all sensitive and restricted information (whether it be on paper, on a storage device, or on a hardware device), are properly stored when a workstation is not in use. Nat Re also strengthened its CCTV (closed circuit television) system, primarily for security and safety purposes.

Climate-related opportunities: Initiatives with external partners (GRI 2-28)

Nat Re values forging meaningful relationships with both its private and public sector partners to help develop the reinsurance industry and promote disaster risk financing and insurance and environment sustainability. By leveraging its combined resources and know-how, the Company and its partners can create effective and affordable solutions for more disaster-resilient communities.

The Oasis Project

Nat Re is the local project manager of The Oasis Platform for Climate and Catastrophe Risk Assessment in Asia Project ("The Oasis Project"), a two-year initiative which culminated in December 2020. It brought together the Philippine government, academe, non-profit, development, and insurance sectors in developing the first open-access catastrophe model for flood in the Philippines. It also built long-term capacity among participants in the Philippines to develop, understand, and sustain catastrophe models. Nat Re will soon distribute software licenses of the flood model to Philippine stakeholders and provide the service of running ad hoc model analyses for stakeholders. Nat Re also continued to provide stakeholders training on catastrophe modeling and using the software.

East Asian Insurance Congress (EAIC)

The EAIC was founded in 1962 with the aim of furthering and developing international collaboration in the field of insurance of every sort. EAIC's objectives are to exchange ideas and information on all kinds of insurance among the members; to foster and encourage mutual understanding and friendship among the members; and to discuss subjects of mutual interest relating to insurance theory and practice with particular application to East Asian economic conditions.



Nat Re President and CEO Mr. Allan R. Santos served as EAIC President until 2022. In the same year, Nat Re served as an organizer for the EAIC 2022 Diamond Jubilee Conference, which was attended by various insurers and reinsurers across the region and worldwide. In his welcome address, Mr. Santos reiterated that the aim of the Congress was to further develop international collaboration among insurance practitioners in the region.

ASEAN Reinsurance Working Committee (ARWC)

The ASEAN Reinsurance Working Committee (ARWC), created by the ASEAN Insurance Council, serves as an avenue for best practices sharing among national reinsurers in the region and it promotes reinsurance education and talent development. It aids regulators in making more guided decisions and harmonizing regulation within ASEAN. It also fosters a healthy and cooperative environment within the (re)insurance industry and creates opportunities for collaboration such as regional pooling. Currently, the committee is also looking to create a regional facility for insuring assets that generate renewable energy like windmills, solar farms, etc.



In 2022, Nat Re (represented by Mr. Allan R. Santos, who served as ARWC Chairman from 2018 to 2020) attended the 5th ARWC meeting (part of the 48th ASEAN Insurance Council Meeting) in Bangkok, Thailand, with Mr. Santos sharing with regional peers key updates on market developments in the Philippines.

GIZ Climate Risk Insurance National Task Force



The Climate Risk Insurance National Task Force was created under the RFPI Asia III project of the German development aid agency GIZ. Through this project, GIZ aims to engage the Philippine government to support the insurance industry in developing sustainable climate risk insurance solutions for low-income groups, the most-at-risk, and micro, small, and medium enterprises. Nat Re President and CEO Mr. Allan R. Santos is a member of this Task Force composed of members of the public and private sectors. Nat Re also serves as a member of the Task Force's Technical Working Group (TWG).

Philippine Insurers and Reinsurers Association (PIRA)



Nat Re champions the development of the Philippine non-life insurance industry, hence its active membership in PIRA. It provides insurers an avenue for enriching dialogue with each other, with regulators, and with other groups; and helps insurers harness opportunities that will better serve their customers. Nat Re President and CEO Mr. Allan R. Santos is the immediate past Chairman of the Board of Trustees of PIRA (until 2021), and Nat Re was also represented on PIRA's Finance Committee, International Financial Reporting Standards-17 TWG, and Data Privacy Council.

Securities and Exchange Commission (SEC)

Aligned with the goals and initiatives set by the SEC as the country’s corporate regulator, Nat Re has also consistently complied with the SEC’s Sustainability Reporting Guidelines for Publicly-Listed Companies (PLCs). These guidelines help PLCs like Nat Re assess and manage non-financial performance across Economic, Environmental, and Social aspects, among other goals.

Other Organization Memberships

Nat Re is a member of the Technical Working Group (TWG) and the Oversight Committee of the Philippine Catastrophe Insurance Facility (PCIF). The PCIF is an initiative of the IC, PIRA, and Nat Re which aims to increase the country’s financial resilience against natural disasters. The facility will also help boost insurers’ capacity to take in more catastrophe risks and encourage insurers to more actively promote catastrophe insurance. The regular meetings of the TWG formally commenced in January 2020, while the Oversight Committee was formed in September 2022.

Nat Re is also a TWG member of the public-private crop insurance pilot project of the Philippine Crop Insurance Corporation. In this TWG, Nat Re helps in designing a program that will encourage private insurers to develop and distribute crop insurance.

Nat Re also continues to be an active member of other associations such as the Actuarial Society of the Philippines (ASP), of which Nat Re CEO and President Mr. Allan R. Santos and other Nat Re employees serve as committee members. Nat Re is also a member of the Management Association of the Philippines (MAP), Association of Insurers and Reinsurers in Developing Countries (AIRDC), the Federation of Afro-Asian Insurers & Reinsurers (FAIR), and the Insurance Institute for Asia and the Pacific (IIAP), where Nat Re President and CEO Mr. Allan R. Santos served as a board member and where Nat Re supported the IIAP in its various events and seminars, including sponsorship of the 2nd Virtual Philippine Insurance Summit.

Nat Re Recognitions and Ratings for 2022

Nat Re was recognized regionally several times for its contributions to the (re)insurance industry, a reflection of the company’s sustained commitment to its corporate values and good governance.

Most notably, Nat Re was awarded at the 2022 Annual Golden Arrow Awards for Insurance Companies last September 23, 2022, being a 2-Golden Arrow Awardee, and as one of the Top-Performing Insurance Companies in the Philippines, and a Top-Performing Company in the Non-Life Sector in the Philippines, both under the 2021 ASEAN Corporate Governance Scorecard.

Nat Re was also named by the *Philippine Daily Inquirer* and Statista as a 2022 Growth Champion. The Philippines’ Growth Champions 2022 is a list of Top 25 Philippine companies that have achieved the highest percentage growth in revenues between 2016 and 2019.

Nat Re was also held in high regard by major rating institutions such as the Philippine Rating Services Corporation (PhilRatings) and AM Best, reflecting broad-based investor confidence in the Company.

Under PhilRatings, Nat Re bagged a financial strength rating of PRS A, with a Stable Outlook. A PRS A rating means that an insurer has strong financial security characteristics but is somewhat more likely to be affected by adverse business conditions compared to higher-rated insurance companies. A Stable Outlook is defined as: “The rating is likely to be maintained or to remain unchanged in the next twelve months.”

The assigned financial strength rating and outlook take into consideration the following: a) Nat Re’s solid market franchise; b) the important role it plays in the development of the domestic and regional insurance industry; c) its shareholders of good standing; d) its experienced management; e) its sound investment portfolio; f) its more than adequate capital; and g) external headwinds.

AM Best, meanwhile, affirmed Nat Re’s Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of “bbb” (Good), with a “Stable” outlook.

The ratings reflect Nat Re’s balance sheet strength, which AM Best (the world’s first credit rating agency) assesses as strong, as well as its adequate operating performance, neutral business profile, and appropriate enterprise risk management.

External Engagements with Stakeholders

Despite the continued challenges of the COVID-19 pandemic, Nat Re worked hard in 2022 in pursuit of various external engagements that offered added value to its stakeholders.

2022 marked the return of the much-anticipated Nat Re Annual Technical Forum (ATF). The ATF is a key industry event that gathers CEOs, actuaries, underwriters, and marketing officers of Nat Re clients, as well as Insurance Commission representatives. During the 2022 ATF, industry experts shared important insights on two relevant topics: sustainable underwriting, modeling, and climate risk pricing, as well as opportunities in cyber risk insurance.

In 2022, Nat Re hosted three relevant learning sessions, namely Health Coverage: A More Customer-Centric & Inclusive Approach, Rethinking Mental Health, as well as a Catastrophe Modeling Workshop.

(From left) Insurance Commissioner Atty. Dennis B. Funa and Nat Re President and CEO Mr. Allan R. Santos at the 2022 Nat Re Annual Technical Forum held at the New World Makati, Makati City

These sessions offered a wealth of knowledge and insights to insurance industry participants (public and private sector alike) from Nat Re officers. In addition, these webinars also allowed insurance industry players to network and learn from each other in a safe and convenient manner.

As an award-winning company, Nat Re (represented by Compliance team members) also shared valuable knowledge and best practices on corporate governance at the 2022 ASEAN Corporate Governance Scorecard Workshop for Insurance Companies, hosted by the Institute of Corporate Directors last March 18, 2022.

For the third time, Nat Re also virtually conducted its Annual Stockholders Meeting, gathering the Company’s valued stockholders in a safe online space in order for them to gain updates on the Company’s performance in the past year. The values of transparency and accountability were strongly manifested in this online exercise as Nat Re President and CEO Mr. Allan R. Santos delivered his report to the Company stockholders, detailing the Company’s efforts to continue providing value and quality service amid a trying time.



Governance

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18)



Nat Re firmly believes that implementing a good corporate governance framework is vital to fulfill its fiduciary duties to its stockholders and stakeholders. The Company has developed its governance rules and guidelines in accordance with the regulations of the Philippine Stock Exchange (PSE), Securities and Exchange Commission (SEC), and Insurance Commission (IC) as primary regulators. Good governance within the Company is supported by the proper structure, effective policies, well-defined processes, adequate tools to implement those policies, and a competent and engaged Board.

As a demonstration of its exemplary corporate governance, Nat Re earned an ASEAN Corporate Governance Scorecard score of 99.43 points at the 2022 Annual Golden Arrow Awards for Insurance Companies, winning Two Golden Arrows for this achievement.

Board of Directors

The Board of Directors is mainly responsible on matters of governance and in managing the business of the Corporation. The Board exercises its powers and duties in the best interest of the Corporation, its customers, its shareholders, other stakeholders, society, and the environment.

The Board of Directors is the highest governing body tasked to formulate and approve the Company's business objectives and strategies and to oversee the development of priority activities identified to help achieve and implement such objectives and strategies. The Board fulfills these responsibilities to sustain the Company's long-term viability and strength.

The Board consists of thirteen (13) directors, three (3) of whom are independent, nine (9) are non-executive, and one (1) executive. The Chairman is a non-executive director. There are six (6) board committees namely the Audit Committee, the Risk Oversight Committee (ROC), the Governance and Related Party Transaction (GRPT) Committee, the Underwriting Committee, the Investment & Budget Committee, and the Nomination and Compensation Committee (NCC). The composition of the Board and Board Committees are available in the Company's website under the Corporate Governance/[Board Governance page](#).

The members of the Board are nominated and elected by the Company's stockholders annually. In 2022, Nat Re had five (5) female directors and eight (8) male directors. In March 2022, Nat Re as a publicly listed company (PLC) in the Philippines, was

awarded by the SEC for *Most Women Directors* for its outstanding gender-inclusivity.

The Board is responsible for formulating clear and focused policies which integrate the guiding principles on sustainable development into the Company's activities, and which require the disclosure of material and reportable non-financial information and sustainability issues. Nat Re annually conducts the performance assessment of its Board of Directors, its different board committees, and its individual directors. The result of the assessment is presented and discussed.

Senior Leaders

Nat Re's officers or Senior Leaders are responsible for identifying and implementing priority activities to help achieve the business objectives and implement the strategies approved by the Board.

In addition to this, the Senior Leaders also ensure that the Company:

- Engages its stakeholders in protecting the environment in a positive and progressive manner;
- Promotes business and environment sustainability practices in its workplace;
- Adopts a globally recognized standard/framework in reporting sustainability and non-financial issues such as the GRI (Global Reporting Initiative) Sustainability Reporting Standards; and
- Discloses material and reportable non-financial and sustainable issues.

All new members of the Board of Directors and Senior Leaders are required to attend relevant annual seminars on corporate governance and/or related topics, including sustainability matters.

Remuneration of Board of Directors and Senior Executives (GRI 2-19, 2-20)

The Directors do not receive any compensation except for reasonable per diem for every meeting they attend. The amount is duly approved by the Company's shareholders during the annual stockholders' meeting.

The Senior Leaders, as Company employees, receive a regular and fixed monthly basic salary. They also receive variable performance incentive (the amount is approved by the Board of Directors) based on the achievement of performance targets. They are also entitled to Company benefits such as retirement pay. The NCC fixes the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel.

Enterprise Risk Management

Nat Re continues to embed processes, resources, and structures to address risk management needs. These range from internal audit function systems, insurance and risk finance, IT security, compliance processes, quality management, and line management interventions. Nat Re's Enterprise Risk Management policy document provides high-level statements on its risk management philosophy and overarching principles.

The Company's risk management policy applies to all levels of the organization from its staff to the Board of Directors. It is in Nat Re's culture to cooperate with the Board's intent to maintain risk management excellence. The Company's commitment to these sound practices is unwavering – and Nat Re's Board of Directors helps ensure that the Company performs up to the best risk management standards.

Climate-Related Risks (GRI 201-2)

Catastrophic events brought on by natural disasters, such as typhoons and floods, are Nat Re's biggest climate-related risk exposures as this may lead to large financial losses for the Company. This is one significant risk for Nat Re. A substantial portion of the portfolio is in the domestic market. The Company, through its reciprocal arrangements with other reinsurers and foreign portfolio, is also exposed to global catastrophic events. Nat Re has put in place several measures to help manage these risks.

The Company has invested in catastrophe modeling tools that assess and quantify its exposures to natural catastrophes and monitors the results on a



regular basis. The catastrophe modeling tools are updated based on the latest version, to promote timely and relevant decision-making, to align with current environmental trends, as well as to reflect the evolving impact of climate change. Exposure and impact to extreme weather events are also being evaluated using a deterministic approach.

Nat Re’s actuary and an independent certified actuary regularly review the adequacy of its loss reserves. To promote risk diversification, the Company engages in reciprocal arrangements with other reinsurers. Furthermore, a catastrophe XOL cover is purchased, for both the Life and Non-Life domestic portfolios, to protect the Company from the financial impact of extreme catastrophe events. In addition, Nat Re’s maximum acceptance from any one event loss per foreign country is Php200 million.

The Underwriting Committee assists the Board in the development and oversight of the underwriting and reinsurance requirement program of Nat Re.

The ROC oversees the implementation of the risk management system and that the Company’s risks are being identified, managed, and monitored effectively.

The Oasis Platform for Climate and Catastrophe Risk Assessment in Asia Project, or *the OASIS Project*, which is project-managed by Nat Re, aims to co-develop new and open catastrophe risk models for flood in the Philippines.

Critical Concerns (GRI 2-16)

Critical concerns are discussed with the respective Board Committees for evaluation. Related resolutions, if any, are endorsed to the Board of Directors.

There were no critical incidents during this reporting period.

Compliance (GRI 2-23, 2-24, 2-27)

Nat Re considers strict and consistent adherence to applicable laws and regulations, market standards, and business ethics as a fundamental aspect of its corporate culture. With this practice, Nat Re expects to sustain the trust of its stakeholders and to promote a safe working environment for all employees.

The Company establishes policies and guidelines for responsible business conduct. Policy commitments apply to all of the organization’s activities and business relationships. All of the approved policies are disseminated to employees through email and is available either in the Company’s website or an all-employee accessible shared folder. An Annual Compliance Declaration Form is signed off by each employee confirming that they have read and understood the meaning and scope of all the Company’s regulatory-related policies. *Nat Re Policies* required by regulatory agencies, duly approved by the Board of Directors, are posted on the Company website, <https://www.nat-re.com/>.

Since 2018, Nat Re is an active member of the Good Governance Advocates & Practitioners of the Philippines (GGAPP). Activities participated include GGAPP’s online regular meetings, technical forums, and trainings.

There were no reports of significant non-compliance with laws and regulations in 2022.

Ethics and Integrity (GRI 2-26)

Nat Re’s Code of Conduct and its Code of Ethics (*The Code*) describe the Company’s ethical principles and standards of conduct that serves as a guide for employees to observe the right business conduct. The Codes include aspects to manage and care for the environment, labor rights, proper conduct towards stakeholders, commitment to human rights, the right to privacy, anti-fraud, anti-bribery and corruption prevention measures.

The employees are provided with orientations and training on the proper observance of the Company’s business conduct and ethics.

Conflict of Interest (GRI 2-15)

Nat Re believes that only fair and impartial business transactions should be conducted for the benefit of the Company and all stakeholders. In this regard, the Company ensures that any situation with a potential or actual conflict of interest is addressed accordingly. It also ensures that all transactions are conducted at arm’s length with consideration paid or received by the Company, and on terms no less favorable than that made available to a non-related party under the same or similar circumstances.

Nat Re Policy on Conflict of Interest is available at <https://www.nat-re.com/>.

Anti-Bribery and Corruption (GRI 205-2 / 205-3)

The Company does not condone any bribery or corruption and promotes integrity in its business activities. There was no reported incident of bribery or corruption in 2022. Further, Nat Re conducted an Anti-Fraud, Bribery, and Corruption training for the Company’s Directors and Officers last October 2022. The *Anti-Bribery and Corruption Policy* is also posted on the [Company’s website](#).

Anti-Competitive Behavior (GRI 206-1)

There is no reported violation of the Philippine Competition Act (Republic Act No. 10667) or any international law designed primarily for the purpose of regulating anti-competitive behavior or anti-trust or monopoly practices.

Whistleblower Policy (GRI 2-25, 2-26)

Nat Re has its Whistleblower Policy encouraging directors, officers, employees, and other parties (such as clients, consultants, contractors, and suppliers) to come forward and raise serious concerns about misconduct and malpractices and to mitigate risk and losses through early discovery of irregular activities. Both the reporting channels and protection from retaliation are provided for in the policy. No case was reported in 2022.

The *Whistleblower Policy* is posted on Nat Re’s website, <https://www.nat-re.com/>.

Human Rights (GRI 406-1 / 408-1 / 409-1)

There is no case of employee discrimination reported in 2022. The Company does not employ minors, engage in forced or compulsory labor, or deal with clients employing minors.

Impact to Local Communities and Political Contributions (GRI 413-2 / GRI 415-1)

Nat Re’s operations do not have any significant actual or potential negative impact on the local communities. The Company did not in any way directly or indirectly make financial or in-kind political contributions.

Marketing of Products and Services (GRI 417-1 to 417-3)

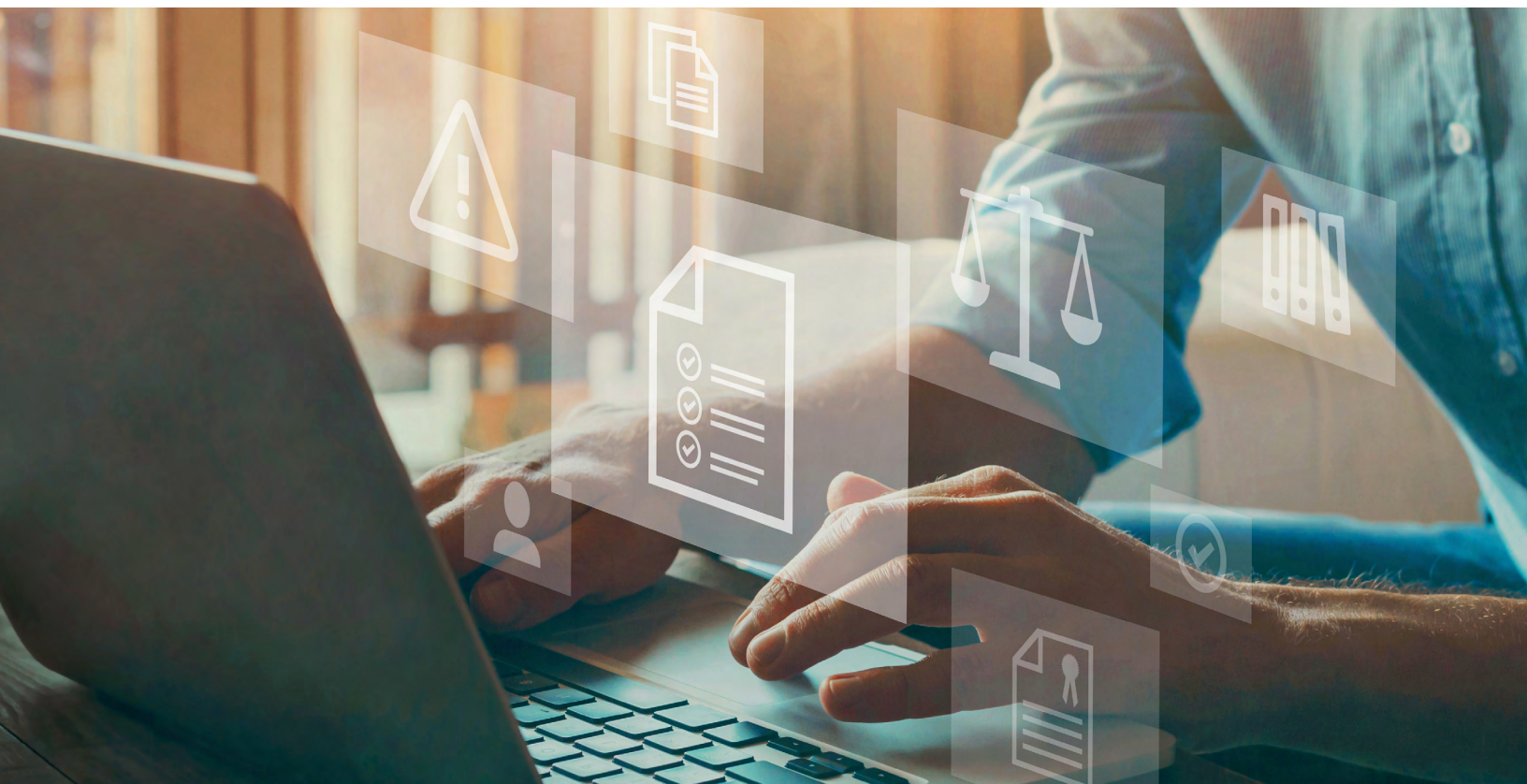
There is no incident of non-compliance concerning marketing communications. The Company complies to the Circulars and Guidelines issued by the Insurance Commission on Market Conduct.

Customer Privacy (GRI 418-1)

Nat Re has established a standard Non-Disclosure Agreement with its business partners. There were no complaints concerning breaches of customer privacy nor reports of any losses of customer data in 2022.

Government Tax (GRI 207-1 to 207-3)

Nat Re is classified among the large taxpayers in the Philippines. The Company is committed to comply with the Bureau of Internal Revenue (BIR) Rules and Regulations. Nat Re commits to paying taxes correctly and promptly.



Stakeholders

(GRI 2-29)



Nat Re’s stakeholders include its cedants, regulatory agencies, stockholders, board of directors, employees, business partners, reinsurers or retrocessionaires, reinsurance brokers, suppliers, consultants, credit rating agencies, fund managers, external auditors, and legal counsel.

Approach to Stakeholders (GRI 2-29)

Nat Re conducts various meetings/events to regularly engage different kinds of stakeholders:

Meeting/Event	Target Stakeholder	Frequency
Board and Board Committee meetings	Board of Directors	Monthly / Quarterly
Annual Stockholders’ Meeting	Stockholders	Annually
Webinars Related to Insurance/ Reinsurance Topics	Business Partners and the insurance regulator	Annual Technical Forum Life and Health Reinsurance - Two (2) webinars Catastrophe Management - One (1) webinar
Town hall meetings	Employees	Quarterly
Various external meetings and business correspondence exchanges	Business partners, regulators, and other required parties	As needed

Key Topics and Concerns Raised (GRI 2-29)

The Senior Leaders reviewed the key concerns raised by various stakeholders and proposed courses of action to address them.

Area	Key Topics and Concern	Topic/Concern raised by	Status
Technological and Operational Efficiency	Support and Enhancement of Hybrid Work Arrangement	Management/ Employees	<p>Keeping its employees' welfare in mind, Nat Re continued to balance its employees' health and safety with the government's thrust to safely reopen the economy by adopting a hybrid work setup (two workdays in the office, later increased to three work days as more mobility restrictions were relaxed).</p> <p>As online meetings continued to be a part of the hybrid work setup, office and employee Wi-Fi connections were continued and upgraded for excellent connectivity necessary for a productive work environment.</p>
	Creation and updating of Policies and Procedures	Board of Directors, Compliance and Internal Audit Team	There were 11 Policies, Guidelines, and Procedures (PGPs) created/updated in 2022. Completed PGPs in prior years were also assessed for possible updates.
Employee Health and Safety	Health and Safety of Employees in a Hybrid Work Arrangement	Management / Employees	<p>With the further easing of COVID-19 restrictions and the implementation of Alert Level 1 in Metro Manila and many other places in the country, management updated Nat Re's Hybrid Work Arrangement Guidelines. On-site masking continues to be encouraged and monthly antigen test kits (for testing every two weeks) are provided for employees' convenience, health, and peace of mind.</p> <p>To actualize the Company's approach to mental health, Nat Re finalized and approved its Mental Health in the Workplace Policy for employees.</p>

Area	Key Topics and	Topic/Concern	Status
Regulatory	Amendments to the Company's Articles of Incorporation on the secondary purpose for business with HMOs	Management/ Board of Directors/ Shareholders/ Regulators	<p>During the Company's Annual Stockholders meeting on June 30, 2022, the stockholders approved the amendment of the secondary purpose clause (Article II) of the Amended Articles of Incorporation by providing for an additional secondary purpose clause (clause 6).</p> <p>This is to allow the Company to offer capacity or financial protection to Health Maintenance Organizations (HMOs) and similar entities, and thereby renumbering the succeeding secondary purposes of the Company.</p> <p>The Amended Articles of Incorporation was approved by the IC and SEC last September 28, 2022 and October 25, 2022, respectively.</p>
	PFRS 9 & 17 Requirements	Management/ Employees	<p>In preparation for the adoption of PFRS 9 & 17, accounting standards for insurance contracts, and financial assets & liabilities, learning sessions were conducted by SGV & Co. in August & October 2022 respectively, in a hybrid setup. It was attended by the employees who handle, administer, and record the financial instruments, reinsurance contracts, and Investments.</p>
Client Relationships	Client intimacy, defined as understanding, satisfying, and supporting clients' needs and goals, to be Nat Re's value proposition:	Board of Directors and President/ CEO/Clients	<p>To develop strong relationships with clients and provide solutions to meet their needs, Nat Re created reinsurance facilities as well as other value-added services for clients. This included the launch of new personal cyber insurance and casualty products that meet client demand for relevant services during the pandemic.</p>

Area	Key Topics and Concern	Topic/Concern raised by	Status
	<ul style="list-style-type: none"> • <i>Advance clients' goals, support their growth objectives, help manage their risk and capital, and help them build knowledge and expertise; and</i> • <i>Promote the healthy growth of the Philippine insurance industry and achieve a higher and sound national risk retention.</i> 		<p>The easing of pandemic restrictions allowed Nat Re's support groups to do more client visits, including meetings with the IC. These visits encourage closer discussions with stakeholders and help partner cedants clarify matters on technical accounts, claims, and/or collections.</p> <p>Nat Re also supported clients by processing and paying out claims relating to Typhoon Rai (Odette).</p> <p>Nat Re's Life Reinsurance and Data Administration teams launched a WeBill service, providing clients with collection efficiency and other value-added services.</p>
Board Per Diem	Benchmarking of the Directors' Per Diem on board committee meetings	Board/ Management/ Stockholders	Stockholders approved the increase of Directors' Per Diem last June 30, 2022 at the Annual Stockholders Meeting. This is in recognition of the time and effort exerted by directors during board committee meetings as the discussions and deliberations are more extensive and comprehensive.



Area	Key Topics and Concern	Topic/Concern raised by	Status
Events	Health and safety concerns relating to physical annual stockholders' meetings	Board/ Management/ Stockholders	The Company successfully held its third (3rd) virtual Annual Stockholders' Meeting last June 30, 2022, via Zoom.
Offsetting of Makati Office greenhouse gas emissions	Sustained Efforts for a Cleaner and Healthier Environment	Office of the President/ Human Resources & Office Services/ Risk & Compliance	On November 25, 2022, Nat Re employee volunteers planted 500 trees at the University of the Philippines Laguna-Quezon Land Grant, effectively expanding and further developing the Sierra Madre mountain range and contributing to carbon sequestration activities in the area.

People



Employee Management (GRI 2-7)

Nat Re considers its people as its most important asset because they drive the Company’s operations and help ensure the organization’s continued profitable growth. In contributing to the growth and profitability of the Company, Nat Re employees are responsible for carrying out the Company’s mission of promoting and developing a strong national insurance industry and supporting its integration in the country’s economic and social development. The Company therefore ensures the promotion of the welfare and development of its employees and the creation of a culture that fosters sustainable practices, compliance, innovation, and service excellence.

Employee Data

By Gender

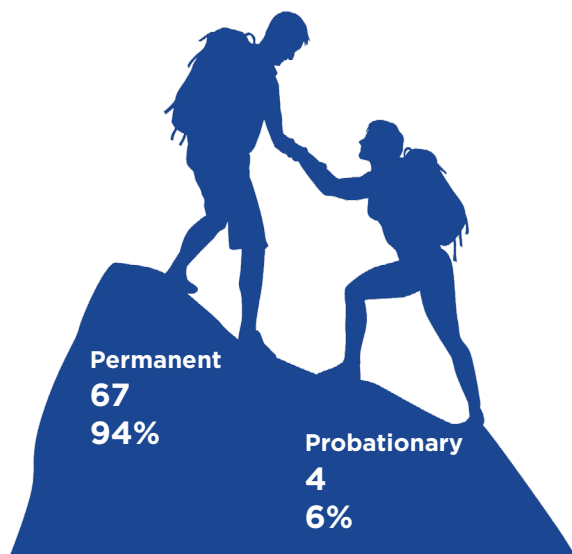
Total Employees			Senior Leaders		New Hires		Employee Separations	
Category	Count	%	Count	%	Count	%	Count	%
Male	26	37%	4	40%	5	23%	3	18%
Female	45	63%	6	60%	17	77%	14	82%
Total	71	100%	10	100%	22	100%	17	100%

By Age

Total Employees			Senior Leaders		New Hires		Employee Separations	
Age	Count	%	Count	%	Count	%	Count	%
< 30	21	30%	0	0%	10	45%	8	47%
31 - 50	41	58%	6	60%	12	55%	5	29%
> 50	9	12%	4	40%	0	0%	4	24%
Total	71	100%	10	100%	22	100%	17	100%

By Employment Status

Total Employee Count: 71



The Senior Leaders are composed of department heads directly reporting to the President and CEO. Nine (9) of 10 Senior Leaders were hired locally.

There is no employee from an indigenous community and/or vulnerable sector nor a part-time/temporary employee. The Company engages service providers for its janitorial, messengerial, and other technical services requirements. Currently, there are eight (8) employees of these service providers who are providing services to the Company.

List of Employee Benefits

Statutory Benefits Description	# of female employees who availed for the year	# of male employees who availed for the year
13th Month Pay	59	28
PhilHealth Medical Benefits	2	1
Maternity/Paternity Leaves	0	1
Gynecological Leaves	0	-
Pag-IBIG Benefits	0	0
Solo Parent Leaves	0	0
SSS Maternity Benefits	0	-
SSS Sickness Benefits	0	0
SSS - Other Benefits*	0	0

*Disability, Retirement, Death, Funeral, Employee's Compensation Program

Additional Employee Benefits Description	# of female employees who availed for the year	# of male employees who availed for the year
14th Month Pay	51	28
Rice Allowance	51	28
Medical Allowance	51	28
Uniform Allowance	51	28
Leave Conversion	51	28
Vacation Leaves	42	22
Sick Leaves	36	16
Emergency Leaves	6	1
Flexible working hours	49	28
HMO (aside from PhilHealth)	51	28
Executive Check Up for AVPs and above	4	3
Maternity benefits	0	-
Group Term Life Insurance	49	28
Retirement Fund (aside from SSS)	3	1
Bereavement Assistance	2	1
Calamity Assistance	0	0
Gas Allowance (for managers and up)	22	15
Officer's Mobility Program (managers and up)	16	8
Company Car Program (SVP to President/CEO)	0	2

Company benefits are only provided to permanent employees. Probationary employees may enjoy these benefits as soon as their employment status becomes permanent.

All employees are entitled to take a maternity or paternity leave. One (1) employee availed of a paternity leave for the period ended 2022.

Salaries and Wages (GRI 2-21)

Annual Total Compensation Ratio	
Ratio of the annual total compensation of the top five highest-paid individuals to the median annual total compensation for all employees (excluding the top five highest-paid individuals)	4.66
Percentage increase in the top five highest-paid individuals' compensation from prior period to the reporting period	2.31%
Percentage increase of the median annual total compensation from the previous reporting period to the current reporting period	1.50%
Ratio of the annual total compensation percentage increase of the top five highest-paid individual to the median annual total compensation percentage increase for all employees	1.55

GRI 405-2

Ratio of Basic Salary and Remuneration of Women to Men (as of December 31, 2022)	%
Officers (AVP and above levels)	
Male	46
Female	54
Rank and File (Sr. Manager and below levels)	
Male	40
Female	60

Training and Education (GRI 404-1 to 404-3)

Nat Re conducts an annual performance assessment of all employees' skills and competencies in relation to the performance of their duties and responsibilities. Employees can tap into an annual training budget and attend capacity-building seminars both in the Philippines and abroad. They are expected to echo learnings from these training to their colleagues.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	1,212	hours
b. Male employees	517	hours
Average training hours provided to employees		
a. Female employees	30.29	hours/employee
b. Male employees	20.68	hours/employee

Average hours of training per year per employee (as of December 31, 2022)	
Officers	17.47
Male employees	15.75
Female employees	18.61
Rank and File	29.33
Male employees	22.24
Female employees	33.68

Health, Safety, and Welfare of Employees

(GRI 3-3 / 403-1 to 403-5 / 403-7 / 403-8 / 403-9, 403-10)

The Company is committed to provide a safe, secure, and healthy work environment for its employees. In turn, employees are expected to work safely and to take care of their health. Employees are urged to report to their immediate superior or to Office Services any accidents, conditions, or practices that are deemed unsafe, whether or not these may result in a personal injury.

To promote health and well-being, all permanent employees receive health care benefits which include coverage by a health insurance provider, an annual medical examination as well as medical allowance. The Company also provides sick leave and vacation leave benefits to all permanent employees.

Amid easing pandemic restrictions, the Company implemented a hybrid work arrangement, with specific guidelines that include on-site masking and bimonthly free COVID-19 antigen tests. This ensures employees remain safe and secure, with minimum exposure to the virus, even as the economy reopens.

Nat Re promotes positive mental health and general well-being among its employees through the issuance of safety reminders and health guidelines. The Company has an improved health maintenance organization (HMO) benefit to cover illnesses caused by the pandemic for employees and their dependents (at no additional cost to the employees).

Nat Re kept the employees engaged and addressed the social well-being concerns of its employees through various activities facilitated by the Human Resources and Office Services (HROS) Team. The Nat Re Viber group is an active communication tool that ensures quick and timely delivery of messages, news, announcements, and reminders to employees not only on work-related concerns but also on personal matters such as greeting birthday celebrants, sharing good wishes, and keeping employees up-to-date on relevant current news and events. Virtual meet ups were also continued, allowing employees to hold virtual meetings or group chats, even in a hybrid work set-up. The Nat Re Kwentuhan is held every Friday. This is an after-office activity aimed to give employees a venue to relax while keeping in touch with one another, to enjoy each other's company through virtual games, singing, exchanging stories, or simply just having fun.

Nat Re continued to celebrate annual events that employees were accustomed to such as the Company Anniversary, Team Building, Trick or Treat, Year-End Party, and the Year-End Toast.

To encourage camaraderie, employees are involved in deciding, planning, and implementing employee activities and programs such as sports events, summer outings, and company parties. To promote work-life balance, employees are entitled to at least 15 vacation leaves a year and are expected to work only on weekdays.

Nat Re has also expanded and formalized its Drug-Free Workplace and Anti-Sexual Harassment policies. This is part of the Company's commitment to provide a safe workplace for all its employees.

Succession Planning

(GRI 3-3)

In order to ensure continuity in leadership and sustained business operations, the Company formalized and adopted a Succession Planning System. This system facilitated the identification of key executive and management positions as well as high-potential candidates for the positions. It likewise included the identification of learning and development plans and programs that would help the high-potential talents to develop their leadership skills and to prepare them to assume higher levels of management.

Health Promotion Services

(GRI 403-6)

Nat Re believes that developing healthier employees will result in a more productive and engaged workforce. To create a healthier workplace culture and to maintain or even improve the overall health and well-being of its staff especially during the pandemic, the Company:

- Partnered with a reputable non-government organization and hosted a Sexual Orientation and Gender Identity Expression (SOGIE) webinar for employees;
- Disseminated medical bulletins, updates, advisories, and information from Maxicare, the Department of Health, and the World Health Organization on different health topics;
- Provided advisory updates on Maxicare Helpdesk Sites, Schedules, Teleconsulting, COVID-19 testing and vaccination, Free Flu Vaccination, and hospitals on full capacity due to COVID-19; and
- Monitored and followed up employee COVID-19 booster shots.

2022 Employee Engagement Survey Results

Nat Re employee engagement continued to be a significant force in the Company's day-to-day operations in 2022. Nat Re employees' perception of the Company, reflected in an employee engagement score, remains an important benchmark in the Company's journey toward a more resilient tomorrow.

Despite the dip in Nat Re’s engagement score (2022 versus 2021), Nat Re employees’ perception of the Company in 2022 remains more favorable versus 2019 (pre-pandemic). This reflects the long-term impact of Nat Re’s robust investments in programs and developments affecting employees over a period of time. This also mirrors the global trend toward mixed engagement results in the past years, as described by various reputable human resource solutions providers in the past two years.

As the world embraces a new normal amid the pandemic, Nat Re has continued to innovate and fine-tune its engagement approach to meet employee needs.



In 2022, Nat Re’s Mental Health in the Workplace Policy was finalized and approved, in a bid to actualize the Company’s approach to mental health and wellness. Accordingly, Nat Re has engaged a group of psychologists to help plan and implement the Company’s mental health-related programs in 2023.

Improved relationships and better communication among teams continued to contribute to a more harmonious work environment, especially in a hybrid work set-up. The Company’s virtual engagement activities such as the virtual Nat Re Kwentuhan and Trick or Treat, the hybrid Year-End Toast, and the physical Team-Building Activity continued to sustain employees by providing a venue for much-desired social interaction among colleagues.

In a bid to sustain learning and development during the pandemic, relevant international and local trainings continued to be offered to employees online, resulting in a 178% increase in employees’ average training hours, or twenty-five (25) hours in 2022 from a mere nine (9) hours in 2021. Nat Re Senior Leaders were also more than willing to mentor employees, while employees also shared their learnings with one another.

Despite the challenges of the year, Nat Re continued to disburse merit increases and performance incentives to deserving employees. Nat Re also participated in the 2022 WTW Salary Survey for insurance companies, to help management ensure employee salaries remain competitive against the market. These gestures were concrete manifestations of Nat Re’s inherent concern for its employees, the driving force behind the Company’s overall success in 2022.

Retirement Benefit

(GRI 201-3)

Nat Re provides retirement benefits to its employees. The normal retirement benefit, which employees can avail upon reaching 60 years old, is equivalent to 175% of the employee’s basic monthly salary at the time of retirement multiplied by the number of years of service.

Employees can avail of the retirement benefit equivalent to 25% of the normal benefit rate, if one has rendered at least five (5) years of continuous service to the Company.

Actuarial valuations are conducted annually to update the retirement benefit costs and determine the amount of contribution to the fund. As of December 31, 2022, the Fair Value of the Plan Asset stood at Php77.7 million while the Net Defined Benefit Liability was at Php2.0 million.

Labor Management Relations

(GRI 2-30)

The Company is non-unionized. Management provides employees with opportunities to take part in planning and implementing activities that affect them through employee committees. The Company values and respects the opinions of employees, thus, employees are likewise encouraged to give feedback and suggestions regarding employee policies and procedures as well as activities through the employee suggestion box, regular evaluation of employee activities, the quarterly town hall as well as the annual employee engagement survey and focus group discussions. These modes of communication promote two-way communication and involve employees in the employee program and policy development process. Being actively involved in the process of discussing employee concerns, assessing employee activities and policies help the Company in making more responsive decisions and employee programs.

Cultivating a Sustainable Community

(GRI 413-1)

Despite the challenges of the current pandemic, Nat Re continued to support advocacies and foster awareness on issues of importance to the Company and society.

Collaborating with Fostering Education & Environment for Development, Inc. (FEED), Nat Re employee volunteers planted 500 seedlings at the University of the Philippines Laguna-Quezon land grant in the Sierra Madre Mountains last November 2022. Several vegetables were also planted in the grant's vegetable gardens.

The planted seedlings, which have a target 85% upwards survival rate, form part of FEED's "Living Legacy" program which helps offset carbon directly through the air by means of large-scale tree-planting, contributing to the reduction of future carbon emissions in the country by 2030 (Philippine national target is 70% emissions reduction). With this, site maintenance partners for locations such as FEED's Laguna-Quezon land grant are required to report in line with Executive Order No. 193 (Series 2015) as part of "Expanding the Coverage of the National Greening Program" (ENGP), which expanded the coverage of the NGP to cover the country's remaining unproductive, denuded, and degraded forestlands and extended the program's implementation period from 2016 to 2028.

In addition to the planted seedlings, Nat Re was also able to directly contribute to the FEED Climate Change Action Scholarship Fund, which provides direct scholarship assistance to financially challenged graduate and post-graduate students pursuing studies in Agriculture, Farming, Forestry, Fisheries, Development, Social Enterprise, Sustainability, and sciences/themes related to work in water, food, and energy security for the Philippines.

Previously, Nat Re had already planted 370 trees in 2019 and 500 trees in 2021 - bringing the Company's total contribution to 1,370 trees planted to-date (with an estimated 95% survival rate).

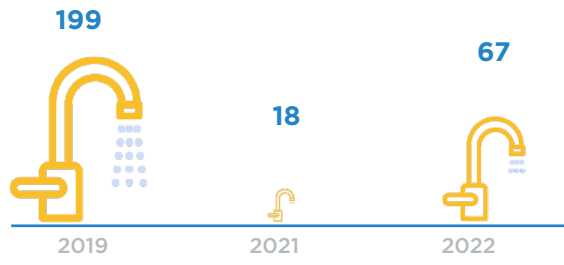
Care for the Environment Through Resource Management

The Company implemented measures of conserving supplies that will contribute to the preservation of natural resources.

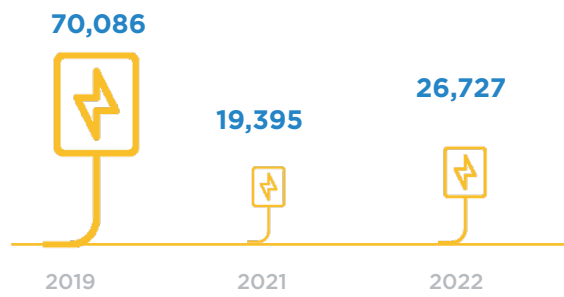
Fuel consumption also rose by 38% in 2022, in line with the implementation of a hybrid work arrangement that replaced the work-from-home arrangement in 2021. However, this is still 10% lower than 2019 fuel figures.

Similarly, electricity and water consumption also increased year-on-year by 38% and 272%, respectively, but these also both remain below 2019 figures (62% and 66%, respectively).

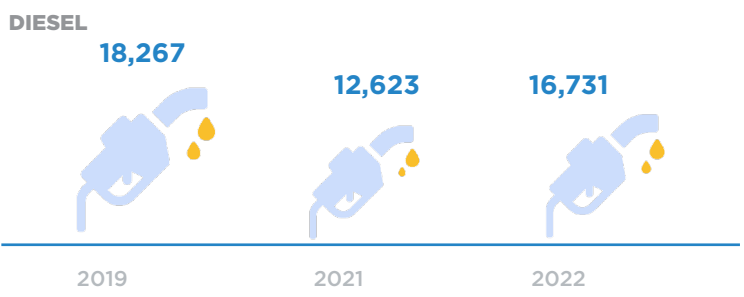
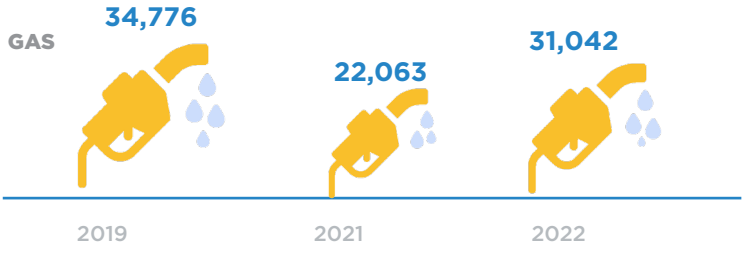
Water Consumption (in cu.m.)




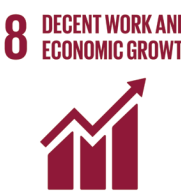
Electricity Consumption (in KWh)







Fuel Consumption (in liters)
Managers and up




Contributions to the UN Sustainable Development Goals

Sustainability Development Goal (SDG) and Target		Nat Re's Contributions
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages (https://sdgs.un.org/goals/goal3)</p>	<p>Expanded product offerings on early and intermediate stages of critical illnesses.</p> <p>Provided reinsurance on travel-related products with COVID-19 coverages.</p> <p>Conducted “Rethinking Mental Health” webinar to reacquaint the industry on the role of the government in Mental Health Care and insights on the private mental clinical practice.</p> <p>Amended Nat Re’s Articles of Incorporation to allow the participation in the HMO Regulatory Sandbox Framework and to take on risks from and provide capacity or financial protection to HMOs and other similar institutions or entities.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 percent gross domestic product growth per annum in the least developed countries.</p> <p>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<p>Earned total Gross Written Premiums (GWP) of Php4,709 million, of which Php3,798 million came from its local business, Php911 million from its foreign business.</p> <p>Nat Re paid Php187 million worth of employee wages and benefits. The average length of employees’ tenure is 6.12 years.</p> <p>All Nat Re employees received salaries above the minimum wage. The salary of Nat Re’s lowest-paid employee is 69% higher than the minimum wage. (GRI 202-1)</p> <p>Nat Re employed 71 individuals as of December 31, 2022. All of whom are locally based.</p>

Contributions to the UN Sustainable Development Goals

Sustainability Development Goal (SDG) and Target		Nat Re's Contributions
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Invested around Php5.1 billion in government bonds and Php4.1 billion in other commercial investments.
<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	Ensure access to affordable, reliable, sustainable and modern energy for all.	Invested Php12.09 million in Green Bonds where net proceeds of the First Tranche Bonds will be used to finance or refinance new and existing renewable energy projects that are considered Eligible Green Projects under the EDC Green Bond Framework.
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	Make cities and human settlements, inclusive, safe, resilient and sustainable.	Invested Php50 million in Sustainability Bonds to support the asset growth, refinance maturing liabilities, and general funding purposes. Such funds will be used and/or allocated to finance the bank's loan to customers or its own operating activities in Eligible Green and Social Categories. Paid claims worth Php2,232 million and recorded movement in outstanding claims and claims reserves worth Php295 million.
<p>13 CLIMATE ACTION</p> 	Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries.	Participated in various public and private sector projects and initiatives towards disaster resilience, including The Oasis Platform for Climate and Catastrophe Risk Assessment in Asia Project, or the Oasis Project, a fully funded project by the International Climate Initiative (IKI) of the German federal government.

Contributions to the UN Sustainable Development Goals

Sustainability Development Goal (SDG) and Target	Nat Re's Contributions
<p data-bbox="235 604 349 655">13 CLIMATE ACTION</p> 	<p data-bbox="1058 527 1507 953">For the past four years, Nat Re, along with Oasis Loss Modelling Framework (Oasis LMF), the Geodetic Engineering Department of the University of the Philippines - Diliman, the Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA), the Potsdam Institute for Climate Impact Research (PIK), KatRisk, Willis Towers Watson, and other local and international partners, worked together in building the first open-access catastrophe model for flood in the Philippines.</p> <p data-bbox="1058 984 1507 1467">This newly developed catastrophe model will build in-country scientific expertise in catastrophe risk modelling to strengthen the capabilities of the local insurance industry, government, and academe for catastrophe and climate risk modelling and analysis. This will aid in underwriting and risk selection, portfolio management and monitoring, technical pricing, risk reduction and mitigation, financial protection, disaster risk management, infrastructure planning, existing research augmentation, climate change and loss scenario analysis, among others.</p> <p data-bbox="1058 1499 1507 1696">Helped derive and introduce a new schedule of minimum tariffs for property catastrophe perils that vary by property risk attributes. Such rating structure incentivizes climate risk reduction, which contributes to climate change adaptation.</p> <p data-bbox="1058 1728 1507 1892">Helped promote the results of an Earth Security Group study on mangroves' protective capacity and the strategic value of natural protection toward resilience and climate change adaptation.</p>

Contributions to the UN Sustainable Development Goals

Sustainability Development Goal (SDG) and Target	Nat Re's Contributions
 <p>15 LIFE ON LAND</p>	<p>By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.</p> <p>Nat Re implemented the measures of conserving supplies that will contribute to the preservation of natural resources.</p> <p>Planted an additional 500 trees in partnership with non-government organization, FEED, Inc., in the Sierra Madre mountain range. This is in addition to the planted trees in 2019 and 2021. This will contribute to the reduction of future carbon emissions in the country by 2030.</p>



Nat Re Tree-Planting Activity 2022 at the University of the Philippines Laguna-Quezon Land Grant.

GRI Content Index

Statement of Use	National Reinsurance Corporation of the Philippines has reported the information cited in this GRI content index for the period January 1 to December 31, 2022 with reference to the GRI Standards.	
GRI Used	GRI 1: Foundation 2021	
GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About Our Report: PDF page 2 of 54 About Nat Re: PDF pages 6-7 of 54
	2-2 Entities included in the organization's sustainability reporting	About Our Report: PDG page 2 of 54 About Nat Re: PDF pages 6-7 of 54
	2-3 Reporting period, frequency and contact point	About Our Report: PDF page 2 of 54
	2-4 Restatements of information	About Our Report: PDF page 2 of 54
	2-5 External assurance	About Our Report: PDF page 2 of 54
	2-6 Activities, value chain and other business relationships	About Our Report: PDF page 2 of 54 Reinsurance Value Chain: PDF page 7 of 54 Direct Economic Value Generated and Distributed: PDF page 18 of 54
	2-7 Employees	People: Employee Management, PDF page 34 of 54
	2-8 Workers who are not employees	People: Employee Management, PDF page 34 of 54
	2-9 Governance structure and composition	Governance: PDF page 24 of 54
	2-10 Nomination and selection of the highest governance body	Governance: PDF page 24 of 54
	2-11 Chair of the highest governance body	Governance: PDF page 24 of 54
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance: PDF pages 24-25 of 54
	2-13 Delegation of responsibility for managing impacts	Governance: PDF pages 24-25 of 54
	2-14 Role of the highest governance body in sustainability reporting	Governance: PDF pages 24-25 of 54
	2-15 Conflicts of interest	Conflict of Interest: PDF page 27 of 54
	2-16 Communication of critical concerns	Critical Concerns: PDF page 26 of 54
	2-17 Collective knowledge of the highest governance body	Governance: PDF page 24 of 54
	2-18 Evaluation of the performance of the highest governance body	Governance: PDF page 24 of 54

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Remuneration of Board of Directors and Senior Executives: PDF page 25 of 54
	2-20 Process to determine remuneration	Remuneration of Board of Directors and Senior Executives: PDF page 25 of 54
	2-21 Annual total compensation ratio	Salaries and Wages: PDF page 36 of 54
	2-22 Statement on sustainable development strategy	Message from the President and CEO: PDF pages 4-5 of 54
	2-23 Policy commitments	Compliance: PDF page 27 of 54
	2-24 Embedding policy commitments	Compliance: PDF page 27 of 54
	2-25 Processes to remediate negative impacts	Whistleblower Policy: PDF page 27 of 54
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblower Policy, Ethics and Integrity: PDF page 27 of 54
	2-27 Compliance with laws and regulations	Compliance: PDF page 27 of 54
	2-28 Membership associations	Climate-related opportunities: Initiatives with external parties: PDF page 20 of 54
	2-29 Approach to stakeholder engagement	Stakeholders: PDF page 29 of 54 Approach to Stakeholders: PDF page 29 of 54 Key Topics and Concerns Raised: PDF pages 30-32 of 54
	2-30 Collective bargaining agreements	Labor Management Relations: PDF page 40 of 54
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Reporting Process: PDF page 8 of 54
	3-2 List of material topics	Material Topics on Nat Re's Sustainability: PDF pages 9-11 of 54
	3-3 Management of material topics	Material Topics on Nat Re's Sustainability: PDF pages 9-11 of 54 Management Approach on Material Topics: PDF pages 12-15 of 54 The Economic and Social Value of Nat Re Business: PDF pages 16-17 of 54 Resiliency through Nat Re's Business Continuity Plan: PDF page 19 of 54 Nat Re's Handling of Data Security: PDF page 20 of 54
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Direct Economic Value Generated and Distributed: PDF page 18 of 54
	201-2 Financial implications and other risks and opportunities due to climate change	Climate-Related Risks: PDF pages 25-26 of 54
	201-3 Defined benefit plan obligations and other retirement plans	Retirement Benefit: PDF pages 39-40 of 54
	201-4 Financial assistance received from government	There is no financial assistance received from the government.

GRI Standard	Disclosure	Location
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Sustainability Development Goals, SDG 8 Decent Work and Economic Growth: PDF page 42 of 54
	202-2 Proportion of senior management hired from the local community	Employee Management: PDF page 34 of 54
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Indirect Economic Impact: PDF page 18 of 54
	203-2 Significant indirect economic impacts	Indirect Economic Impact: PDF page 18 of 54
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Only our Company's application systems and tools were obtained from foreign vendors, negotiations/communications were dealt remotely. Others are sourced locally.
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	The Company conducted the Risk and Control assessment related to corruption and its residual risk is low.
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Bribery and Corruption: PDF page 27 of 54
	205-3 Confirmed incidents of corruption and actions taken	Anti-Bribery and Corruption: PDF page 27 of 54
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-Competitive Behavior: PDF page 27 of 54
GRI 207: Tax 2019	207-1 Approach to tax	Government Tax: PDF page 28 of 54
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Nat Re, as a financial services company, does not use a large amount of materials in its ordinary course of business.
	301-2 Recycled input materials used	
	301-3 Reclaimed products and their packaging materials	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Care for the Environment Through Resource Management: PDF pages 40-41 of 54
	302-2 Energy consumption outside of the organization	

GRI Standard	Disclosure	Location
GRI 302: Energy 2016	302-3 Energy intensity	Nat Re, having only one operational site, does not consume a large amount of energy in its ordinary course of business. The Company's Policy on Sustainability adopts a guiding principle to conserve energy and resources in the office and in the conduct of its business to help reduce carbon footprint.
	302-4 Reduction of energy consumption	
	302-5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Care for the Environment Through Resource Management: PDF pages 40-41 of 54
	303-2 Management of water discharge-related impacts	Nat Re, having only one operational site, does not consume a large amount of energy in its ordinary course of business. The Company's Policy on Sustainability adopts a guiding principle to conserve energy and resources in the office and in the conduct of its business to help reduce carbon footprint.
	303-3 Water withdrawal	
	303-4 Water discharge	
	303-5 Water consumption	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Nat Re has only one operational site (its office) which is not located in or adjacent to protected areas and areas of high biodiversity value.
	304-2 Significant impacts of activities, products and services on biodiversity	
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Nat Re, a financial services company, does not expel a significant amount of greenhouse gases.
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	Care for the Environment through Resource Management: PDF pages 40-41 of 54
	305-4 GHG emissions intensity	
	305-5 Reduction of GHG emissions	
	305-6 Emissions of ozone-depleting substances (ODS)	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	

GRI Standard	Disclosure	Location
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Nat Re, as a financial service company, does not expel hazardous waste products.
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	The Company's Policy on Sustainability adopts the guiding principle of making suppliers aware of Nat Re's sustainability Policy and encouraging them to adopt sound sustainable management practices.
	308-2 Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Management: PDF page 34 of 54
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Management, List of Employee Benefits: PDF pages 35-36 of 54
	401-3 Parental leave	Employee Management, List of Employee Benefits: PDF pages 35-36 of 54
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Should there be any operational changes, this will be discussed at the Senior Level and any required notice on the changes will be communicated to employees in a timely manner. For any changes in Nat Re's reinsurance operation, business partners are notified promptly.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, Safety, and Welfare of Employees: PDF pages 37-38 of 54
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	

GRI Standard	Disclosure	Location
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health Promotion Services: PDF page 38 of 54
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Education: PDF page 37 of 54
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Governance: PDF page 24 of 54 People: PDF page 34 of 54
	405-2 Ratio of basic salary and remuneration of women to men	Salaries and Wages, Ratio of Basic Salary and Remuneration of Women to Men: PDF page 36 of 54
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights: PDF page 28 of 54
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labor Management Relations: PDF page 40 of 54
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights: PDF page 28 of 54
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights: PDF page 28 of 54
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	The Company does not employ security personnel as security is in place administered by the Building Admin.
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no indigenous people employed in 2022.


GRI Standard	Disclosure	Location
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Cultivating A Sustainable Community: PDF page 40 of 54
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Impact to Local Communities and Political Contributions: PDF page 28 of 54
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Nat Re's Procurement Policy will be revisited to ensure that sustainability criteria/considerations are included.
	414-2 Negative social impacts in the supply chain and actions taken	
GRI 415: Public Policy 2016	415-1 Political contributions	Impact to Local Communities and Political Contributions: PDF page 28 of 54
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Nat Re's reinsurance services do not directly impact the health and safety of its client companies' employees.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Marketing of Products and Services: PDF page 28 of 54
	417-2 Incidents of non-compliance concerning product and service information and labeling	
	417-3 Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy: PDF page 28 of 54


Nat Re's Commitment to Promoting Sustainable Development


We at Nat Re are fully committed to consciously managing our business' impact on the economy, the environment, and the greater society, and monitor our contributions to achieving universal sustainability goals. Nat Re's Board of Directors, senior management, and employees are dedicated to proactively integrate a philosophy of sustainable development into the company's corporate, business, and functional strategies and day-to-day activities. For 2022, Nat Re's Sustainability Report highlights our continuing contribution toward a stronger economy, a cleaner environment, and a healthier society.



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