

ASEAN CORPORATE GOVERNANCE SCORECARD

NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES
2023 - 2024

LEVEL 1

A. Rights and Equitable Treatment of Shareholders

This section is a combination of the previous Parts A and B of the 2017 ASEAN Corporate Governance Scorecard

| A.1 | Basic Shareholder Rights | Guiding Reference | Answer | Remarks / Reference |
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| A.1.1 | Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days. | G20/OECD Principles of Corporate Governance (2023): II.A. Basic shareholder rights should include the right to: 6) share in the profits of the corporation. | Yes | <p>It is the Company's policy to declare dividends regularly with the pay-out determined by the Company's performance as well as by the availability of unappropriated retained earnings for distribution. No dividends were declared in Fiscal Year 2023.</p> <p>Nat Re's Dividend Policy</p> <p>SEC 17-A Annual Report as of December 31, 2023 Dividends, PDF Page 16/194</p> <p>On May 16, 2013, the Company declared cash dividends of P0.02 per share for a total amount of P42, 472,112 which was paid on June 14, 2013. Payment is made within 30 days after declaration.</p> |
| A.2 | Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings. | | | |
| A.2.1 | Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners? | G20/OECD Principles of Corporate Governance (2023): II.C.5. Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known, including through votes at shareholder meetings, on the remuneration of board members and/or key executives, as | Yes | <p>A majority vote of the outstanding capital stock is needed to approve bonuses including Directors per diem.</p> <p>Amended By-Laws Board of Directors - Directors' Fees, Article III, Section 8, PDF Page 18 / 32</p> <p>2024 Notice of Annual Stockholders' Meeting Agenda item 7, Increase in Directors' Per Diem for</p> |

| A.2 | Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings. | Guiding Reference | Answer | Remarks / Reference |
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| | | applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval. | | Attendance in Board and Committee Meetings, PDF pages 1 & 2 / 5 <u>Minutes of the June 30, 2022 Annual Stockholders' Meeting</u> <i>Item 8, Increase of per diem of Regular and Independent Directors in Committee Meetings, PDF page 6 / 15</i> Stockholders approved the increase in per diem of directors. |
| A.2.2 | Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners? | | Yes | Non-controlling shareholders have the right to nominate candidates for board of directors. <u>Amended By-Laws</u> (1) <i>Number, Term of Office, Manner of Elections, Article III, Section 1, PDF Pages 15 – 16 / 32</i> (2) <i>Nomination for Directors, Manner of Elections, Article III, Section 4, PDF Page 17 / 32</i> <u>Nat Re's Board Nomination and Election Rules</u> <i>Nomination of Candidates, Rule 3, Section 1&2, PDF Page 2 - 3</i> <u>Revised Manual on Corporate Governance</u> <i>Principle 13: Promoting Shareholder Rights, PDF Page 34 / 37</i> |
| A.2.3 | Does the company allow shareholders to elect directors/commissioners individually? | | Yes | Cumulative voting is allowed by the company. <u>Amended By-Laws</u> <i>Election of Directors, Article II, Section 7,</i> |

| A.2 | Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings. | Guiding Reference | Answer | Remarks / Reference |
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| | | | | <p>PDF Page 14 / 32</p> <p>2024 Proxy Form</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024</p> <p><i>Voting Procedures, Item 18(b). Item 6 Election of Directors PDF Pages 63 - 64 / 314</i></p> |
| A.2.4 | Does the company disclose the voting procedures used before the start of meeting? | <p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.C. Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings, and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>ICGN (2021) PRINCIPLE 10:</p> <p>10.4 Meeting procedures</p> <p>Companies should publish meeting procedures (either in person, by proxy or by virtual electronic means) alongside the publication of the AGM Notice. This should include information on the meeting format, registration, access, participant identification, shareholding verification, voting options and the approach to asking/ answering questions. All matters on the ballot should be voted by poll and voting by a 'show of hands' should not be permitted.</p> | Yes | <p>The Company disclosed the voting procedure and the method by which votes shall be counted and these are disclosed in the SEC 20-IS report.</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024</p> <p><i>Voting Procedures, Item 18(b), PDF Pages 62 - 64 / 314</i></p> <p>Nat Re's Board Nomination and Election Rules</p> <p><i>Conduct of Elections & Appreciations of Ballots, Rule V, PDF Pages 9 – 12 / 20</i></p> <p>This Rules document is available from the Company's website.</p> |

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| A.2.5 | Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded? | <p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p> <p>ICGN (2021) PRINCIPLE 10: 10.10 Vote disclosure The board should ensure that equal effect is given to votes whether cast in person or in absentia and all votes should be properly counted and recorded via ballot. The outcome of the vote, the vote instruction (reported separately for, against or abstain) and voting levels for each resolution should be published promptly after the meeting on the company website. If a board-endorsed resolution has been opposed by a significant proportion of votes (e.g., 20% or more), the company should explain subsequently what actions were taken to understand and respond to the concerns that led shareholders to vote against the board’s recommendation. At the following AGM, the board should report how the views from shareholders were considered to address the concern and any actions taken.</p> | Yes | <p>Minutes of AGM includes issues and motions raised during the meeting, including questions raised by shareholders and answers given.</p> <p>Draft Minutes of the 2023 Annual Stockholders' Meeting <i>Item 4, Report of the President, PDF page 3 / 9</i> " Upon conclusion of the report of the President, the Chairperson opened the floor for any question regarding said report."</p> <p>Minutes of the June 30, 2022 Annual Stockholders' Meeting <i>Questions and Answers, Annex B, PDF Page 14 – 15 / 15</i></p> |
| A.2.6 | Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM? | <p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions,</p> | Yes | <p>The voting results are posted on the company website the day after the ASM.</p> <p>Summary of Votes - 2023 Annual Stockholders' Meeting</p> |
| A.2.7 | Does the company disclose the list of board members who attended the most recent AGM? | <p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions,</p> | Yes | <p>The AGM Minutes records the list of board directors who attended the meeting.</p> <p>Draft Minutes of the 2023 Annual Stockholders' Meeting <i>Directors Present, PDF page 1</i></p> |

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| | | subject to reasonable limitations. | | SEC Form 20-IS Definitive Information Statement, May 23, 2024 List of Directors, Officers and Stockholders who attended the 2023 Annual Stockholders' Meeting, PDF Page 57 / 314 |
| A.2.8 | Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM? | | Yes | The AGM Minutes records the list of board directors who attended the meeting. Draft Minutes of the 2023 Annual Stockholders' Meeting <i>Directors Present, PDF page 1</i> SEC Form 20-IS Definitive Information Statement, May 23, 2024 List of Directors, Officers and Stockholders who attended the 2023 Annual Stockholders' Meeting, PDF Page 57 / 314 |
| A.2.9 | Does the company allow voting in absentia? | G20/OECD Principles of Corporate Governance (2023): II.C.6. Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia. | Yes | The Company allows voting in absentia and facilitates proxy voting. Notice of 2024 Annual Stockholders' Meeting Voting in absentia is through the online voting facility, the respective link will be emailed after validating the submitted requirements at asm@nat-re.com Amended By-Laws <i>Proxies, Article II, Section 5, PDF page 13 / 32</i> SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Guidelines for Participating via Physical Meeting and Voting in Absentia, Voting through Voting Portal, PDF Pages 72 – 73 / 314</i> |

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| A.2.10 | Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM? | <p>ICGN (2021) PRINCIPLE 10: 10.9 Vote execution</p> <p>The board should clearly publicise a date by which shareholders should cast their voting instructions. The practice of share blocking or requirements for lengthy shareholdings should be discontinued.</p> <p>Companies should ensure accuracy of tracking and reconciling any advance votes received pre-AGM with any live votes cast during the AGM itself.</p> | Yes | <p>The company voted by poll for all resolutions at the most recent ASM.</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024, Voting Procedures, Item 18(b), PDF Page 62 - 64 / 314</p> <p>Summary of Votes - 2023 Annual Stockholders' Meeting</p> |
| A.2.11 | Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM? | | Yes | <p>The Company disclosed its appointment of an independent party to count and/or validate the votes at the ASM.</p> <p>SEC 17-C Board Approval on the 2024 Annual Stockholders' Meeting, Item #3, PDF Page 3 / 3</p> <p>“Appointment of the audit firm, KPMG Philippines, as board of canvassers for this year’s annual stockholders’ meeting.”</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024, Board of Canvasser, Item c, PDF Page 64 / 314</p> <p>“At the regular meeting of the Board of Directors held on February 29, 2024, R.G. Manabat and Co. (KPMG Philippines) was appointed as Board of Canvassers. The Board of Canvassers shall have the power to count and tabulate all votes, assents and consents; determine and announce the result; and to do such acts as may be proper to conduct the election or vote with fairness to all stockholders”</p> |
| A.2.12 | Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions? | <p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.C.1. Shareholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of general meetings, as well as fully detailed and</p> | Yes | <p>The Company disclosed the result of the votes on the next working day after the ASM.</p> <p>ASM – July 5, 2023 Disclosure available to public – July 6, 2023</p> |

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| | | timely information regarding the issues to be decided at the meeting. | <p><u>Summary of Votes - 2023 Annual Stockholders' Meeting 06 July 2023</u></p> |
| A.2.13 | Does the company provide at least 21 days notice for all AGMs and EGMs? | | <p>Yes</p> <p>The Company provides more than 21 days' notice for the AGM.</p> <p><u>Notice of 2024 Annual Stockholders' Meeting, posted at PSE on 29 April 2024</u> Annual Stockholders Meeting – June 26, 2024</p> <p>Notice of meeting is disclosed to the regulatory body (PSE/SEC) initially on April 29, 2024 and published in two newspaper of circulation - BusinessWorld and in Philippine Daily Inquirer on May 27 & 28, 2024 in print and online form, at least 28 days prior to the Annual Shareholders' Meeting:</p> <p>May 28, 2024: BusinessWorld - https://www.bworldonline.com/spotlight/2024/05/28/597269/national-reinsurance-corporation-of-the-philippines-to-conduct-its-annual-stockholders-meeting-on-june-26-2/</p> <p>PhilStar OneNews - https://www.onenews.ph/articles/national-reinsurance-corporation-of-the-philippines-notice-of-annual-meeting-of-stockholders-may-28-2024</p> <p>May 27, 2024: BusinessWorld - https://www.bworldonline.com/spotlight/2024/05/27/597258/national-reinsurance-corporation-of-the-philippines-to-conduct-its-annual-stockholders-meeting-on-june-26/#google_vignette</p> <p>PhilStar / OneNews - https://www.onenews.ph/articles/national-</p> |

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| | | | | reinsurance-corporation-of-the-philippines-notice-of-annual-meeting-of-stockholders-may-27-2024 |
| A.2.14 | Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement? | | Yes | The company provides an explanation of each agenda item for stockholders' approval on the AGM. 2024 Notice of Annual Stockholders' Meeting <i>Annex A, Explanation of Agenda Items, PDF pages 3 – 4 / 5</i> SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Annex A, Explanation of Agenda Items, PDF pages 6 – 7 / 314</i> |
| A.2.15 | Does the company give the opportunity for shareholders to place item/s on the agenda of general meetings and/or to request for general meetings subject to a certain percentage? | G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations. | Yes | The shareholders have the opportunity to place items on the agenda of the ASM. Revised Manual on Corporate Governance <i>Principle 13: Promoting Shareholder Rights, PDF page 34 / 37</i> |

| A.3 | Markets for corporate control should be allowed to function in an efficient and transparent manner. | Guiding Reference | Answer | Remarks / Reference |
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| A.3.1 | In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price? | G20/OECD Principles of Corporate Governance (2023): II.H.1. The rules and procedures governing the acquisition of corporate control in capital markets, extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class. | N/A | The company did not undertake any mergers, acquisitions and /or takeovers during this period. SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Item 12. Mergers, Consolidations, Acquisitions and Similar Matters, PDF Page 53 / 314</i> |

| A.4 | The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated. | Guiding Reference | Answer | Remarks / Reference |
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| A.4.1 | Does the company disclose its practices to encourage shareholders to engage with the company beyond general meetings? | <p>G20/OECD Principles of Corporate Governance (2023): II.D. Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.</p> <p>ICGN (2021) PRINCIPLE 1: 1.4 Dialogue The board, particularly the chair, lead (or senior) independent director and committee chairs, should constructively engage with shareholders and relevant stakeholders (particularly the workforce) for meaningful dialogue. This infers two-way communication between companies and shareholders/ stakeholders and not a unilateral presentation from just one party. Such dialogue should encompass all matters of material relevance to a company's governance, strategy, innovation, risk management and performance as well as environmental and social policies and practices.</p> | Yes | <p>Channels are set up to encourage shareholders to engage and communicate with the company.</p> <p>Nat Re 2023 Sustainability Report <i>2023 Annual Technical Forum, PDF Page 12 / 24</i> Many of the company's shareholders are insurance companies/ members of the industry. Through Nat Re sponsored activities (such as the Annual Technical Forum, disclosed in the Sustainability Report), shareholders are able to engage beyond the ASM.</p> <p>Institutional investors (mainly BPI, MICO, and GSIS) have board seats and regularly attend Board and Board Committee Meetings. They are similarly invited to attend the Annual Technical Forum.</p> <p>Combined Sustainability and Annual Report - 2022 Milestone, PDF pages 15 – 16 / 29</p> <p>Nat Re Contact Us Page Contact details for Shareholder Inquiries and the Investor Services are indicated at this webpage</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Shareholder and Investor Relations, PDF page 98 / 314</i></p> <p>Nat Re Annual Stockholders Meeting Webpage ASM Webpage includes information about the Annual Stockholders Meeting such as the Notice of ASM, how to vote and the related disclosures.</p> |

| A.5 | Shares and voting rights | Guiding Reference | Answer | Remarks / Reference |
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| A.5.1 | Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)? | <p>G20/OECD Principles of Corporate Governance (2023): II.E. All shareholders of the same series of a class should be treated equally. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>ICGN (2021) PRINCIPLE 9: 9.1. Share classes Ordinary or common shares should feature one vote for each share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power or control disproportionate to their economic interests should be avoided or in the event of the existence of such classes, they should be disclosed and explained and sunset mechanisms should be put into place. Dual class share structures should be discouraged, and where they are in place kept under review and should be accompanied by commensurate extra protections for minority shareholders, particularly in the event of a takeover bid. The board should disclose sufficient information about the material attributes of all of the company's classes and series of shares on a timely basis.</p> | N/A | Nat Re has only one class of share (common). |

| A.6 | Notice of AGM | Guiding Reference | Answer | Remarks / Reference |
|-------|--|--|--------|--|
| A.6.1 | Does each of the resolutions tabled at the most recent annual general meeting deal with only one item, i.e., there is no bundling of several items into the same resolution? | <p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.C. Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings, and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>II.C.1. Shareholders should be</p> | Yes | <p>Each resolution in the most recent ASM deals with only one item. Likewise for the upcoming 2024 ASM, each agenda item also requires individual resolution.</p> <p>2024 Notice of Annual Stockholders' Meeting with Explanation on the Agenda Items</p> <p>Draft Minutes of the 2023 Annual Stockholders' Meeting <i>Items 3 – 8, PDF Pages 2 – 6 / 9</i></p> |
| A.6.2 | Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version? | <p>furnished with sufficient and timely information concerning the date, format, location and agenda of general meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting.</p> <p>II.C.2. Processes, format and procedures for general shareholder meetings should allow for equitable treatment of all shareholders. Company procedures should not make it unduly difficult or expensive to cast votes.</p> <p>II.C.5. Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated...</p> <p>II.C.6. Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment</p> | Yes | <p>The Company's AGM notice is in English and each of the Agenda Items are explained properly.</p> <p>2024 Notice of Annual Stockholders' Meeting with Explanation on the Agenda Items</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024</p> <p>Notice of ASM Publication: May 28, 2024: BusinessWorld - https://www.bworldonline.com/spotlight/2024/05/28/597269/national-reinsurance-corporation-of-the-philippines-to-conduct-its-annual-stockholders-meeting-on-june-26-2/</p> <p>PhilStar OneNews - https://www.onenews.ph/articles/national-reinsurance-corporation-of-the-philippines-notice-of-annual-meeting-of-stockholders-may-28-2024</p> <p>May 27, 2024: BusinessWorld - https://www.bworldonline.com/spotlight/2024/05/27/597258/national-reinsurance-corporation-of-the-</p> |

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| | | <p>The Board should comprise a sufficient mix of directors with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making in alignment with the company's purpose, long-term strategy and relevant stakeholders.</p> <p>3.7 Director election process</p> <p>Directors should be elected to the board preferably on an annual basis, or stand for election once every three years, and be accountable to shareholders by approval of a majority of shares voted in favour on each resolution. Boards should disclose the process for director election / re-election along with information about board candidates which includes:</p> <p>a) board member identities and rationale for appointment;</p> <p>b) core competencies, qualifications, and professional background;</p> <p>c) recent and current board and management mandates at other companies, as well as significant roles on non-profit/charitable organisations;</p> <p>d) factors affecting independence, including relationship/s with controlling shareholders;</p> <p>e) length of tenure;</p> <p>g) any shareholdings in the company.</p> <p>9.2 Major decisions</p> <p>The board should ensure that shareholders have the right to vote on major decisions which may change the nature of the company in</p> | <p>philippines-to-conduct-its-annual-stockholders-meeting-on-june-26/#google_vignette</p> <p>PhilStar / OneNews - https://www.onenews.ph/articles/national-reinsurance-corporation-of-the-philippines-notice-of-annual-meeting-of-stockholders-may-27-2024</p> |
| <p><i>Does the notice of AGM/circulars have the following details:</i></p> | | | |
| A.6.3 | <p>Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?</p> | | <p>Yes</p> <p>Profiles of directors are included in the Information Statement and in the company website.</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Profile of Nominee Directors, PDF Page 9 – 18 / 314</i></p> |
| A.6.4 | <p>Are the auditors seeking appointment/re-appointment clearly identified?</p> | | <p>Yes</p> <p>The name of the audit firm is explicitly stated in the Information Statement and Agenda items of the Notice of Meeting</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024 <i>Notice of ASM, Explanation of Agenda Items, Item 6, PDF Page 6 / 314</i></p> <p>2024 Notice of Annual Stockholders' Meeting with Explanation on the Agenda Items <i>Item 6, PDF page 3 / 5</i></p> |

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| A.6.5 | Were the proxy documents made easily available | <p>which they have invested. Such rights should be clearly described in the company's governing documents and include:</p> <p>a) appoint or remove a director, with or without cause, by a majority of votes cast;</p> | Yes | <p>Proxy Forms are available at the Company website and included in the Notice of the Meeting:</p> <p>Nat Re ASM Webpage - Files</p> <p>2024 Proxy Form</p> <p>Copy of the Proxy Form is posted in the Nat Re's Investor Relations ASM Webpage</p> <p>SEC Form 20-IS Definitive Information Statement, May 23, 2024</p> <p><i>Proxy form, PDF Page 19 / 314</i></p> |
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| A.7 | Insider trading and abusive self-dealing should be prohibited. | Guiding Reference | Answer | Remarks / Reference |
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| A.7.1 | Are the directors / commissioners required to report their dealings in company shares within 3 business days? | <p>G20/OECD Principles of Corporate Governance (2023) III.E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN (2021) PRINCIPLE 4: 4.4 Employee share dealing The board should develop clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p> | Yes | <p>The Company requires directors and officers to disclose their dealings in company shares within 2 days from transaction date.</p> <p>Policy on Insider Trading of Company Securities Compliance and Reporting Policies, PDF Page 3 / 3</p> <p>SEC Form 23-B Statement of Changes in Beneficial Ownership of Securities <i>Reported trading of officers in NRCP shares, traded on February 15, 2024 and disclosed on February 16, 2024</i></p> |

| A.8 | Related party transactions by directors and key executives. | Guiding Reference | Answer | Remarks / Reference |
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| A.8.1 | Does the company have a policy requiring a committee of independent directors / commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders? | <p>G20/OECD Principles of Corporate Governance (2023): II.F. Related party transactions should be approved and conducted in a manner that ensures proper management of conflicts of interest and protects the interests of the company and its shareholders.</p> <p>II.F.1. Conflicts of interest inherent in related party transactions should be addressed.</p> <p>II.F.2. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly</p> | Yes | <p>The Company has a Governance and Related Party Transaction Committee composed of independent directors to review material RPTs.</p> <p>RPT Report, GRPT Committee Meeting Minutes Excerpt May 19, 2024</p> <p>Charter of the Governance and Related Party Transaction Committee</p> <p>Related Party Transactions Policy PDF Page 8 <i>"The Governance and Related Party Transaction Committee shall..."</i></p> <p>Policy on Material Related Party Transactions Duties and Responsibilities, PDF Pages 4-5 / 8</p> |

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| A.8.2 | Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted? | <p>affecting the corporation.</p> <p>ICGN (2021) PRINCIPLE 9: 9.3 Conflicts of interest The board should ensure that policies and procedures on conflicts of interest are established, understood and implemented by directors, management, workers and other relevant parties, including members of related business groups. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence. The use of relationship agreements with controlling shareholders are encouraged to ensure that real or potential conflicts of interest are avoided or mitigated and should confirm that transactions involving conflicted parties will be based on customary market terms.</p> | Yes | <p><u>Nat Re's Revised Policy on Conflict of Interest</u> <i>Board of Directors and Officers, Item b, PDF Page 3 / 5</i></p> <p>“If an actual or potential conflict of interest should arise on the part of directors, it should be fully disclosed to the Board. The concerned director should not participate in the decision making of the Board. “</p> <p><u>Minutes of Board Meeting Excerpt - RPT Approval</u> Directors Cariaso and Lukban abstained from voting on certain item being a representative of one of the Nat Re’s Related Party.</p> |
| A.8.3 | Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates? | <p>9.4 Related party transactions The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent directors, either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee. The</p> | Yes | <p><u>Nat Re's Revised Policy on Conflict of Interest</u> <i>Board of Directors and Officers, Item c, PDF Page 3 / 5</i></p> <p>“The Company shall not extend any loans or advances to non-executive directors and major shareholders. Loans to officers and employees shall follow existing policies and procedures available to all Company employees.”</p> |

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| | | committee should review significant related party transactions to determine whether they are in the best interests of the company and, if so, to determine what terms are fair and reasonable. The conclusion of committee deliberations on significant related party transactions should be disclosed in the company's annual report to shareholders. | | |
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| A.9 | Protecting minority shareholders from abusive actions | Guiding Reference | Answer | Remarks / Reference |
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| A.9.1 | Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length? | <p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.E. All shareholders of the same series of a class should be treated equally. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>II.F. Related party transactions should be approved and conducted in a manner that ensures proper management of conflicts of interest and protects the interests of the company and its shareholders.</p> <p>II.G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN (2021) PRINCIPLE 9: 9.3 Conflicts of interest The board should ensure that policies and procedures on conflicts of interest are established, understood and implemented by directors, management, workers and other relevant parties, including members of related business groups. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such</p> | Yes | <p>All Related Party Transactions are fully disclosed and conducted in such a way to ensure that they are fair and at arm's length. Furthermore, quarterly, RPTs are included for reporting to the board for their proper information and notation.</p> <p>RPT Report, Board Meeting Minutes Excerpt, March 26, 2024</p> <p>Likewise, quarterly reporting on RPT is submitted to the Insurance Commission. We also include our RPT disclosure in our Notes to FS for our quarterly financial report submission to both SEC and PSE.</p> <p>SEC 17-A Annual Report as of December 31, 2023 <i>Certain Relationships and Related Transactions, Item 12, PDF page 61 – 63 / 194</i></p> |

an interest and be precluded from voting on the subject or exerting influence. The use of relationship agreements with controlling shareholders are encouraged to ensure that real or potential conflicts of interest are avoided or mitigated and should confirm that transactions involving conflicted parties will be based on customary market terms.

9.4 Related party transactions

The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent directors, either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee. The committee should review significant related party transactions to determine whether they are in the best interests of the company and, if so, to determine what terms are fair and reasonable. The conclusion of committee deliberations on significant related party transactions should be disclosed in the company's annual report to shareholders.

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| <p>A.9.2</p> | <p>In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?</p> | <p>G20/OECD Principles of Corporate Governance (2023): II.G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN (2021) PRINCIPLE 9: 9.5 Shareholder approval of RPTs Shareholders should have the right to approve significant RPTs above an appropriate materiality threshold, and this should be based on the approval of a majority of disinterested shareholders.</p> <p>9.7 Equality and redress The board should ensure that shareholders of the same series or class are treated equally and afforded protection against misuse or misappropriation of the capital they provide due to conduct by the company's board, its management or controlling shareholder, including market manipulation, false or misleading information, material omissions and insider trading. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Proper remedies and procedural rules should be put in place to make the protection effective and affordable. Where national legal remedies are not</p> | <p>Yes</p> | <p>We have set materiality thresholds for the approval of our related party transactions. For transactions amounting to P1.0B and above or 10% of our total assets, this needs to be approved by the Board and submitted for the stockholders' approval. For this period under review, no transaction breached this P1.0B threshold, all RPTs are within the limit set for approval by the Management and these are all fully disclosed in the quarterly report submitted to the Insurance Commission and included in the related Notes to FS in our quarterly financial reports to SEC and PSE.</p> <p><u>SEC 17-A Annual Report as of December 31, 2023</u> <i>Certain Relationships and Related Transactions, Item 12, PDF page 61 – 63 / 194</i></p> <p><i>FS Note 2.17, Related Party Transactions and Relationships, PDF Page 101 / 194</i></p> <p><i>FS Note 28, Related Party Transactions, PDF Page 152 – 155 / 194</i></p> <p><u>Related Party Transactions as of December 31, 2023</u> Report submitted to the Insurance Commission</p> <p><u>Policy on Material Related Party Transactions</u> Section 4 (f) Approval of Material RPTs PDF Page 3</p> |
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| | | afforded the board is encouraged to ensure that sufficient shareholder protections are provided in the company's bylaws. | | |
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