

**NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES
Makati City**

Minutes No. 01

25 June 2025

MINUTES

**Minutes of the Annual Meeting of Stockholders of
National Reinsurance Corporation of the Philippines
Held on 25 June 2025, at 2:00 P.M.
at the Kawayan Ballroom,
The City Club, Makati City**

Present:

Total Number of Shares Present in Person and/or Represented by Proxies:	1,525,109,582 shares	71.82%
Absent Shares:	598,496,018 shares	28.18%
Total Number of Outstanding Shares:	2,123,605,600 shares	100 %

Directors Present in Person:

**EVELINA G. ESCUDERO
YVONNE S. YUCHENGCO
ALLAN R. SANTOS
JOLI CO WU
LESTER ONG
MARIA CONSUELO A. LUKBAN
ANTONIO M. RUBIN
RITA E. RIDDLE
EMMANUEL D.L. SAMSON
RAFAEL G. AYUSTE, JR.
ROBERTO G. MANABAT
REX MA. A. MENDOZA
MEDEL T. NERA**

Also Present:

**JACQUELINE MICHELLE C. DY
NOEL A. LAMAN
MA. PILAR M. PILARES-GUTIERREZ
MELINA ROSE GUTIERREZ-NER**

1. CALL TO ORDER

Ms. Evelina G. Escudero, the Chairperson of the Board of Directors, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Noel A. Laman, was Secretary of the meeting and he recorded the proceedings.

2. PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Chairperson requested the Corporate Secretary to confirm whether the notice of the meeting was sent to the stockholders of record of the Corporation. The Corporate Secretary responded in the affirmative. He certified that copies of the Notice of the Annual Stockholders' were distributed in digital format via the company's website and PSE Edge, and also by publication of the Notice of Meeting with the QR code of the Company's Information Statement in two newspapers namely: The Business World and Philippine Star in both print and digital format on May 29 & 30, 2025 in accordance with the requirements of the Securities and Exchange Commission.

The Chairperson then inquired if a quorum was present for the transaction of corporate business. The Corporate Secretary declared that out of a total of 2,123,605,600 shares of stock outstanding and entitled to vote, 110,201 shares were represented at the meeting in person, and 1,524,999,381 shares were represented by proxies or participating in absentia at this meeting, corresponding to a total of at least 71.83% of the Corporation's total outstanding shares. On this basis, the Corporate Secretary certified that a quorum existed for the transaction of corporate business.

3. APPROVAL OF MINUTES OF THE MEETING OF THE STOCKHOLDERS HELD ON JUNE 26, 2024

Upon inquiry of the Chairperson, the Corporate Secretary certified that a copy of the Minutes of the Annual Stockholders' Meeting held on June 26, 2024, has been posted on the company's website since July 02, 2024. Furthermore, it was reported that a summary of the matters taken up during the previous annual meeting was provided in the Definitive Information Statement that was likewise posted on the company's website and on PSE Edge. The Chairperson then opened the floor for any motion for the approval of the Minutes of the Annual Stockholders' Meeting held on June 26, 2024. Upon motion made by a stockholder and duly seconded, the following resolution was approved:

Stockholders' Resolution ASM-2025-01

"RESOLVED, that the Stockholders of NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES (the "Corporation") approve, as they hereby approve the Minutes of the Annual Stockholders' Meeting held on June 26, 2024."

4. REPORT OF THE PRESIDENT

The Chairperson then called on the President of the Corporation, Mr. Allan R. Santos, to deliver the Message to the Shareholders and the Management Report for the year ended December 31, 2024. The full text of the President's Report is appended hereto as Annex "A" and made a part of these minutes.

Upon conclusion of the report of the President, the Chairperson opened the floor for any question regarding said report.

The following questions were asked, preceded by the President's response:

Question 1: Did the company declare dividends this year? If not, when can we expect dividends to be declared?

President: While we continue to achieve positive net income and increase our retained earnings, we did not declare dividends this year as we have yet to meet the minimum threshold requirement of the IC for declaring dividends.

Question 2: How is 2025 shaping up to be for Nat Re?

President: Our 1Q 2025 results filed with the SEC showed that we have generated Gross Written Premiums of P1.3 billion pesos and a Net Income of P195 million pesos, which are slightly above our targets for the period.

For the rest of 2025, we are not allowed to provide financial forecasts unless they have been previously disclosed to the SEC.

There being no other questions raised, and upon motion made and duly seconded, the following resolution was approved:

Stockholders' Resolution ASM-2025-02

"RESOLVED, that the Stockholders of NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES (the "Corporation") hereby note, and order received and filed with the Corporate Secretary the Management Report for the year ended December 31, 2024, in the form as presented."

5. RATIFICATION OF THE ACTS OF THE BOARD OF DIRECTORS/OFFICERS

The meeting proceeded with the ratification of the acts of the Board of Directors and Officers of the Corporation performed or undertaken in the year 2024 and until the date of this meeting as they were recorded in the books and records of the Corporation. It was noted that a summary of the resolutions passed by the Board of Directors was provided in the Definitive Information Statement. There being no objections and upon motion made and duly seconded, the following resolution was formally introduced, seconded, and approved by the vote of at least two-thirds of the outstanding capital stock:

Stockholders' Resolution ASM-2025-03

“RESOLVED, that the Stockholders of **NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES** (the “Corporation”) approve, ratify, and confirm, as they do hereby, all the acts, decisions, and resolutions of the Board of Directors and officers made or undertaken in the year 2024 and until the date of this meeting as these are reflected in the books and records of the Corporation.”

6. ELECTION OF DIRECTORS

The meeting proceeded to the election of members of the Board of Directors of the Corporation for the year 2025-2026. Upon the directive of the Chairperson, the Corporate Secretary informed the stockholders of the provisions of the Articles of Incorporation relating to the nomination and election of the members of the Board of Directors. The Secretary stated that Article Sixth of the Amended Articles of Incorporation of *National Reinsurance Corporation of the Philippines* provides for thirteen (13) seats in the Board of Directors, at least three (3) of whom should be independent directors.

Thereafter, the Corporate Secretary informed the stockholders that the *Nomination Committee* received ten (10) nominees for Regular Directors and three (3) nominees for Independent Directors, and has prepared a Final List of Candidates for Independent Directors in accordance with *SRC Rule 38 (Nomination and Election of Independent Directors)*. The Corporate Secretary also stated that in accordance with Section 23 of the *Revised Corporation Code of the Philippines*, every stockholder is entitled to vote in person (or in absentia) or by proxy the number of stock standing in his own name on the stock books of the Corporation as of the “*Record Date*” which “*Record Date*” had been fixed by the Board on May 13, 2025, and in the manner set forth in said Section 23 of the *Revised Corporation Code*.

At this point, the Chairperson announced that the Board of Directors and *Nomination Committee* received the names of thirteen (13) candidates to the Board of Directors of the Corporation for the year 2025-2026, to wit:

For Regular Directors:

**EVELINA G. ESCUDERO
YVONNE S. YUCHENGCO
ALLAN R. SANTOS
JOLI CO WU
RAFAEL G. AYUSTE, JR.
MARIA CONSUELO A. LUKBAN
LESTER ONG
RITA E. RIDDLE
ANTONIO M. RUBIN
EMMANUEL D.L. SAMSON**

For Independent Directors:

**MEDEL T. NERA
REX MARIA A. MENDOZA
ROBERTO G. MANABAT**

Considering that there were no other valid nominations, the Chairperson said that if there would be no objection, the actual balloting and voting would be dispensed with, and the election would be done through a motion. There being no objections, the Chairperson entertained a motion for the foregoing. A motion was made following the statement of the Chairperson, and the same duly seconded. The following resolution was then approved:

Stockholders' Resolution ASM-2025-04

“RESOLVED, that the Stockholders of NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES (the “Corporation”) elect, as they hereby elect the following, as directors of the Corporation for year 2025-2026, and until their successors are duly elected and qualified:

For Regular Directors:

**EVELINA G. ESCUDERO
YVONNE S. YUCHENGCO
ALLAN R. SANTOS
JOLI CO WU
RAFAEL G. AYUSTE, JR.
MARIA CONSUELO A. LUKBAN
LESTER ONG
RITA E. RIDDLE
ANTONIO M. RUBIN
EMMANUEL D.L. SAMSON**

For Independent Directors:

**MEDEL T. NERA
REX MARIA A. MENDOZA
ROBERTO G. MANABAT”**

7. RE-ELECTION OF MR. MEDEL T. NERA AS INDEPENDENT DIRECTOR

The Chairperson then proceeded to the next item on the agenda, regarding the re-election of Mr. Medel T. Nera as independent director. The Chairperson informed the stockholders that Mr. Nera has been an Independent Director of the Corporation since 2011. As such, he has gained a comprehensive understanding of the specialized business of a professional reinsurance company and has been providing meaningful insights and perspectives which are very helpful during the board and committee meetings. It was reported that Mr. Nera actively chairs the Audit Committee and he actively participates in committee meetings where he is a member, and these include the Risk Oversight Committee, the Governance & Related Party Transaction, and the Investment & Budget Committees. The Audit Committee which he chairs consistently obtained an excellent performance rating mainly because the Committee provides valuable insights and direction to Management and exercises effective oversight over the Company's financial

reporting, internal and external audit. There being no objection, upon motion made and duly seconded, the following resolution was formally introduced, seconded, and adopted:

Stockholders' Resolution ASM-2025-05

"RESOLVED, that the stockholders of NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES (the "Corporation") approve, ratify, and confirm, the re-election of Mr. Medel T. Nera as an independent director for the year 2025-2026.

8. OTHER MATTERS

The Chairperson inquired if there were other matters to be taken up. The Corporate Secretary stated that there were no other items listed on the Agenda.

9. ADJOURNMENT

There being no other matters to be taken up during the meeting, upon motion made and duly seconded, the stockholders' meeting was adjourned. The newly elected directors were informed to proceed to the Banyan Room of the City Club for the organizational meeting of the Board of Directors.

ATTEST:

(ORIGINAL SIGNED)

EVELINA G. ESCUDERO
Chairperson of the Stockholders' Meeting

(ORIGINAL SIGNED)

NOEL A. LAMAN
Secretary of the Stockholders' Meeting

ANNEX A

President's Report Chairman and CEO's Message

Dear Shareholders,

The global reinsurance market saw considerable growth in 2024, posting improved profitability and a stronger capital base in a year marked by both opportunities and challenges. In the face of persistent inflation, continued geopolitical instability, unexpected financial pressure from secondary perils and the added burden brought by the complexity of evolving regulatory landscapes, the global reinsurance market exemplified resilience.

At Nat Re, we believe that building a resilient nation capable of adapting to natural disasters and emerging risks begins with small, deliberate steps. These initial actions, while modest, can collectively create meaningful impact and lead us to a more resilient future. Hence, in 2024, we took an active role in helping build a stronger national insurance industry and creating long-lasting local and regional partnerships that will help advance this cause.

Attaining Sustained Growth Amid the Challenges

Amidst the challenging market, Nat Re reported sustained growth, having recorded a three-percent increase in net profits from PhP 536.1 million in 2023 to PhP 551.3 million in 2024, despite a 13% drop in net underwriting income of PhP 498 million in 2024. Net earned reinsurance premiums increased by 13% from PhP 4.28 billion in 2023 to PhP 4.86 billion in 2024, resulting from the expansion of our Foreign Non-Life business, particularly in agriculture, and the continued growth of our Life business.

Nat Re's 2024 Combined ratio was higher at 97% versus 95% in 2023, as the loss ratio increased by 3% points to 70%, commission ratio increased by 1% point to 20% while expense ratio decreased by 3% points to 7%.

Investment and other income increased by 12% from PhP 476.4 million in 2023 to PhP 533.1 million in 2024, due to higher interest income, an increase in the fair value of held-for-trading securities, and a reversal of impairment allowances related to past reported claims.

Stockholder's Equity grew by nine percent from PhP 6.25 billion to PhP 6.86 billion in 2024, maintaining a healthy risk-based capital (RBC) ratio of 219%. Total assets also continued to soar at PhP 21.07 billion from PhP 20.4 billion in 2023.

Our strong financial position was again recognized by both AM Best and the Philippine Rating Services Corporation (Philratings) this year, as we received a financial strength rating of B++ (Good) with a "Stable" outlook from AM Best and PRS A (strong financial security) with a Stable Outlook from PhilRatings.

Delivering on Our Sustainability Agenda and Expanding Our Reach

While various efforts have been initiated since we added sustainability to our core values in 2017, we more concretely defined our Sustainable and Resilience Agenda in 2022, centered on three key strategies: Sustainable Underwriting, Sustainable Investing, and Sustainable Operations - all

designed to quantify our commitment and deliver tangible outcomes. Our objectives center on climate risk mitigation and adaptation, economic resilience and inclusivity, among others.

Sustainable Underwriting

Aimed at ensuring that we provide real value to our clients and the community, we embedded sustainability into our product offerings under our Sustainable Underwriting strategy, and we made noteworthy strides towards this goal. In 2024, we put emphasis on widening our horizons to create meaningful partnerships and collaborations that would result in new and improved products and services for our clients and the industry as a whole. We also pushed our involvement in the international reinsurance business, resulting in our foreign reinsurance premiums to grow to PhP 2.1 billion, representing 36% of our total gross premiums.

In our Life Reinsurance Segment, we introduced and expanded reinsurance support for health maintenance organization (HMO) plans, medical and critical illness coverage, and financial reinsurance. We also promoted inclusivity and boosted insurance penetration through partnerships with cooperatives and mutual benefit associations. Under these programs, we covered more than 260,000 lives at the end of 2024. Our efforts last year also centered on extending our Life reinsurance services to other markets such as Guam, Indonesia, Malaysia and Vietnam, as we strive to expand our services in the Asia region.

Meanwhile, in our Non-Life Reinsurance segment, we have introduced local pooling facilities, such as Financial Lines and Casualty, to support market development, risk diversification, and optimize national risk retention. We have also deployed our reinsurance capacity to establish the ASEAN Renewable Energy Pool alongside other ASEAN reinsurers, and broadened our foreign agri-business to protect farmers and contribute to food security as we entered reinsurance treaties covering crops in India, China, North America, and Brazil, among others.

Sustainable Investing

Under our Sustainable Investing strategy, we ensure that our investments are strategically and responsibly allocated to instruments and companies that align with our values.

In the medium term, we aim to allocate 5% of our investment portfolio to green and blue bonds. Hence, in 2024, we invested PhP190.6M in the government's Sustainable Bonds to support infrastructure and social service projects. On top of this, we have also allocated PhP149.0M in RCBC sustainable bonds and ESG-labelled bonds.

Halfway through our Agenda's five-year implementation plan, we have already surpassed half of our target for sustainable investments as our total investment portfolio reached 3.4% in 2024. In addition, we strictly adhere to our principle of not investing in businesses harmful to the environment and our communities.

Sustainable Operations

As part of our Sustainability and Resilience Agenda, we are committed to achieving carbon neutrality within our own operations by 2027, utilizing a Greenhouse Gas Equivalencies calculator to determine the number of trees needed to offset our carbon emissions and achieve Net Zero. We also drive internal changes focused on waste and energy reduction, the avoidance of single-use plastics and reduction in the use of paper.

In support of our Net Zero goal, we partnered with non-government organization Fostering Education & Environment for Development (FEED) to plant native seedlings at the UP Laguna-Quezon Land Grant. This partnership has been ongoing for the last six years. Last year, we expanded our efforts to include mangrove planting, engaging a majority of our workforce. To date, we have planted over 3,000 native seedlings, including 400 mangroves.

Strengthening Purposeful Partnerships

Beyond our internal initiatives, we advocated for industry-wide transformation by collaborating with partners to strengthen resilience and promote sustainability in insurance. True to our mission, we continued offering technical support and capacity building activities to our cedants and other stakeholders through various forums and workshops, including our Annual Technical Forum and specialized health and wellness seminars. We also actively engaged with our local regulators and other stakeholders to address pressing concerns and create solutions to new and emerging risks. We closely cooperated with the Insurance Commission, the Philippine Insurers and Reinsurers Association (PIRA), and global reinsurance brokers, particularly to pursue the implementation of the Philippine Catastrophe Insurance Facility (PCIF), among others.

We extended our efforts beyond our national borders, forging international partnerships that will amplify our sustainability initiatives and contribute to the advancement of the insurance industry in the region. We actively participated in regional forums and conferences and maintained our close collaboration with organizations such as the East Asian Insurance Congress (EAIC), the ASEAN Insurance Council Reinsurance Committee and the Insurance Institute for Asia and the Pacific (IIAP) to discuss industry issues, share best practices and promote insurance education and camaraderie.

Gaining Local and Regional Recognition

Our efforts in pushing for the overall development of the insurance industry did not go unnoticed. In 2024, we received the following recognitions as testament to our endeavors:

- ASEAN Reinsurer of the Year (InsuranceAsia News Awards for Excellence 2024)
- Outstanding CEO of the Year Award (InsuranceAsia News Country Awards for Excellence 2024)
- 2 Golden Arrows for Good Corporate Governance (Institute of Corporate Directors)

Creating Small but Meaningful Impacts

In 2024, we continued to expand our reach and champion sustainability both locally and abroad. As we navigate an increasingly complex market defined by new risks, we remain focused in supporting and advancing a robust and sustainable insurance industry. Our small steps have already led to tangible wins, but the journey toward resilience continues.

EVELINA G. ESCUDERO
Chairperson

ALLAN R. SANTOS
President and CEO