Annual Report 2023

PGA Sompo Insurance Corporation

TABLE OF CONTENTS

Theme 3

About PGA Sompo 5

Products & Services 8

A Message from the Chairman 12

President & CEO's Report 15

Message from the Senior Vice-President for Business Operations 18

Message from the Senior Vice-President for Corporate Support & Chief Finance Officer 21

Financial Highlights 24

Confirmation Statements 27

Shareholders' Value 30

Board of Directors 33

Board Meeting Attendance Record 62

Directors' & Audit Fees 65

Board Committees 67

Corporate Officers 78

The Management Team 79

The Leadership Team 82

Ownership Structure 84

Affiliates & Global Connections 85

Corporate Social Responsibility 87

Milestones & Special Features 89

Employees' Corner 95

2024 Outlook 106

Audited Financial Statements 110

Theme

Innovation Meets Success

In our 32nd year, we reflect on the journey of innovation that has propelled us towards unprecedented success. The spiral design of the cover page serves as a visual representation of our continuous ascent, driven by the relentless pursuit of innovation. Break lines of red or green interspersed throughout hint at the bursts of creativity and growth that have propelled us forward.

The past year has been marked by remarkable achievements, underscoring the transformative power of innovation. Each milestone reached has brought PGA SOMPO closer to its vision of sustainable growth and success. PGA SOMPO continues to push the boundaries of what's possible, revolutionizing industries and redefining standards of excellence.

None of our achievements would have been possible without the collective efforts of its team, partners, and stakeholders. Collaboration lies at the heart of innovation, enabling to leverage diverse perspectives, expertise, and resources. With unwavering determination and a commitment, PGA SOMPO is poised to continue our upward trajectory, charting new territories and redefining what's possible.

Looking ahead, PGA SOMPO remains steadfast on its commitment to innovation, poised to tackle emerging challenges and capitalize on new opportunities. With a clear vision and strategic roadmap, PGA SOMPO is prepared to navigate the evolving landscape with agility and foresight, ensuring a legacy of innovation and success.

Conferences and Seminars attended:

- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Reinsurance Reloaded: 15th Singapore International Reinsurance Conference (Singapore Reinsurers' Association, October 29 - November 01, 2018);
- Managing Disruptions, Driving Change: 29th East Asian Insurance Congress (East Asian Insurance Congress, May 06 - 09, 2018);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Maria Rosalina T. Coyiuto

Director

Since 2018

33 years old, Filipino

Ms. Coyiuto obtained her Bachelor's Degree in Marketing Management from De La Salle University Manila in 2011.

Other positions previously held in PGA SOMPO are as follows:

- Management Trainee in 2013
- Executive Assistant for General Affairs from 2013 to 2017 and Officer-in-Charge / Assistant Treasurer from 2017 to 2018

Other positions currently held are as follows:

- President of Pet Perfect Corporation since 2016
- Vice-President of Vertical Green PH, Inc. since 2017
- Assistant Vice-President and Assistant Treasurer of Prudential Guarantee & Assurance, Inc. since 2019
- President of R. Coyiuto Securities Inc. since 2019

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);

OUR PURPOSE, VISION, AND CORE VALUES

Our Purpose

To be the Trusted Partner in Protection, Peace of Mind, and Resilience.

Our Vision

Providing valued clients and digital ecosystems with quality and innovative solutions.

Core Values

COLLABORATION

Working synergistically with others, teams, departments, and boundaries, inside and outside of the organization to achieve a common goal.

LEADERSHIP

Leading, inspiring, motivating, and aligning efforts of self and others with the overall Company direction.

RESILIENCE

Responding effectively to stressful and/or difficult situations while adapting quickly to change and overcoming adversity.

CUSTOMER SERVICE

Providing the highest quality of service to both internal and external customers.

INNOVATION

Creating, reapplying, and implementing ideas that result in the introduction or improvement of new value-adding processes, systems, services, and products.

INTEGRITY

Abiding by the highest quality of moral and ethical principles.

Products & Services

The Company stays true to its purpose to be the Trusted Partner in Protection, Peace of Mind, and Resilience. It ensures to maintain the best quality products that fit its customers' needs and world-class services that exceed their expectations.

Personal Insurance

1. MOTOR VEHICLE INSURANCE

- Comprehensive Motor Vehicle Insurance
- Compulsory Third-Party Liability Insurance (CTPL)

2. PROPERTY INSURANCE

- Residential Insurance
- Householder's Insurance (Home Joy)
- Condo Care Insurance

3. PERSONAL ACCIDENT

- Individual Personal Accident
- Group Personal Accident
- Travel Personal Accident

Business Insurance

1. PROPERTY INSURANCE

- Fire and Allied Perils
- Industrial All Risks
- Business Interruption
- Machinery Breakdown
- Property Floater

2. TRADE CREDIT INSURANCE

3. MARINE CARGO INSURANCE

- Individual Shipment
- Open Policy
- Marine In-land Cargo

4. ENGINEERING INSURANCE

- Contractors All Risk
- Erection All Risks
- Electronic Equipment Insurance

Others

1. MISCELLANEOUS CASUALTY INSURANCE

- Comprehensive General Liability
- Product Liability
- Product Recall Insurance
- Professional Liability
- Directors & Officers Liability
- Money, Securities & Payroll
- Bankers Blanket Bond
- Transport Operators Comprehensive Liability
- Merchandise Floater
- Sabotage and Terrorism Cover
- Cyber Insurance (Commercial & Personal)
- Extended Warranty Insurance
- Tropical Disease Insurance
- Dengue Care
- Specie Insurance
- Pet Insurance
- Gadget Insurance

2. HULL INSURANCE

- Marine Hull
- P&I
- Aviation Hull
- Aviation Liability

3. BONDS

- Performance
- Surety

4. RISK MANAGEMENT SERVICE

- Fire Risk Survey
- Thermography Survey
- Consultancy
- Loss Control Survey
- Risk Management Seminar
- Shock Detection Survey
- Marine Route Survey Seminar

A Message from the Chairman

Dearest shareholders, business partners, and colleagues,

Warmest greetings!

Though it is never without crisis or challenges, the Philippines, as with the rest of the world, continues to move forward and thrive. Opportunities are opening for those who not only look for them but have skill, motivation, and determination to grab them.

I feel this best describes our company. I am happy to report that last year proved to be a banner year for PGA SOMPO. We demonstrated that change is not to be feared but, rather, welcomed in the name of progress. Our belief in the vigor of the Philippine economy – driven by its hardworking people – redounded in success for the company.

Year 2023 saw not just significant growth, but our best results yet in gross written premiums (GWP) totaling almost P4.3 billion, and net profits of P191.8 million.

These record-breaking numbers reflect the sound management of PGA SOMPO, and the wisdom of our strategies and policies driving the organization. We continue to evolve in step with our valued clients' expectations and needs.

We believe this is the key message to highlight in our 2023 annual report, hence our theme, "Innovation Meets Success." We have endeavored to keep this mantra in mind as we strive to be the preferred and trusted partner in Protection, Peace of Mind, and Resilience. Indeed, our company continued to be among the most admired non-life insurance firms.

PGA SOMPO continued to spread its wings in 2023, expanding our portfolio of clients to include not just individual, corporate, and even infrastructure accounts and their kind, but also retail accounts. At the end of the day, we embrace with honor our continued and growing role in nation-building – empowering and securing anyone who invests in the future of our nation and its people.

It is with much pride that I convey my gratitude – together with the PGA SOMPO Board of Directors, Officers, and Management Team – for the unwavering trust of our customers, the constant support of our stakeholders, and the continued dedication of our employees.

We will face the future and its promises by continuing to bank on a culture of innovation – keeping us equipped and ready to deliver only the best and most relevant products and services to our valued clients.

ROBERT COYIUTO, JR.
Chairman

President & CEO’s Report

It is my privilege to share with you PGA SOMPO's exceptional performance in 2023, registering a year-on-year growth in Net Profit of twenty-two percent (22%) and exceeding the annual Net Profit budget by sixteen percent (16%). We recognize our stakeholders as active partners in enabling our Company to achieve positive growth despite the economic strain faced by everyone during the year.

The high Gross Written Premium and Net Profit recorded in 2023 were the fruits of collective dedication across all departments. Our team's unwavering commitment, coupled with fortuitous circumstances such as minimal natural disasters and a low loss ratio, propelled us toward success. These outcomes underscore the effectiveness of our meticulously crafted management plans.

Innovation stands as a cornerstone of our business strategy, particularly in the realm of digital affinity. Our forward-thinking approach and utilization of cutting-edge digital technologies epitomize our commitment to innovation. These endeavors not only distinguish us in the market but also ensure alignment with our long-term business goals. PGA SOMPO remains vigilant in preparing for potential disruptions, emphasizing the collective responsibility of all employees. We recognize that diverse perspectives and agile responses are instrumental in navigating future uncertainties, ensuring our continued success in the insurance industry.

Looking ahead, we remain steadfast in our commitment to enhancing stakeholder relationships and delivering unparalleled value. Embracing the ethos of sanpo-yoshi, we recognize the symbiotic relationship between our company, employees, customers, and society. By nurturing these bonds, we aim to cultivate mutual prosperity and trust in the years to come.

Engagement and core competencies are foundational to our organizational strength. Through initiatives such as restructured ManTeam meetings, we aim to cultivate a cohesive, informed workforce. By empowering departmental leaders and fostering a culture of collaboration, we bolster our collective capabilities and drive sustained growth.

I extend my deepest gratitude to our shareholders, partners, and team members for their unwavering support and dedication. Together, we have achieved remarkable milestones, and I am confident that with our unwavering dedication, strategic vision, and collective efforts, PGA SOMPO will continue to thrive and make significant contributions to the insurance industry.

HIDEO NAKANO
President & CEO

Message from the Senior Vice-President for Business Operations

Message from the Senior Vice-President for Business Operations

The year 2023 saw PGA SOMPO exceed its GWP annual target by twenty-three (23%) percent, with a year-on-year growth of twenty percent (20%). Underwriting results grew by thirty-one percent (31%) in the same period. This growth was facilitated by improvements in business operations through core system enhancements, business process re-engineering, and strengthening of underwriting capabilities. Innovations in product features and delivery channels also enabled PGA SOMPO to expand its market reach.

PGA SOMPO's success in 2023 was driven by key innovations that transformed our business approach. Central to this was the enhancement of our underwriting capabilities, allowing us to expand into Commercial Business and win major infrastructure projects such as the Metro Manila Subway and North South Commuter railway. Through digital delivery, we grew our Consumer Business and formed strategic partnerships, expanding our market reach.

We are dedicated to meeting the evolving needs of our valued clients in an ever-changing market landscape by being agile and embracing the spirit of challenge, driving us to continuously innovate. We invest in cultivating a culture of innovation among our team members, encouraging strong leadership at every level, while at the same time ensuring alignment of our long-term business goals. Innovation guides decision-making processes and strategic planning efforts, all geared toward the realization of our company's purpose and vision.

Looking ahead to the upcoming year, PGA SOMPO's growth strategy centers on leveraging our exceptional underwriting capabilities to bolster our Consumer business portfolio share. This will be complemented by sustained growth in our Commercial business segment, further solidifying our market position. Strengthening our organizational capabilities for Consumer business through digital platforms will enable us to engage with customers more effectively, delivering innovative products and services in collaboration with our Affinity partners.

TAICHI YAMAMOTO
Senior Vice-President for Business Operations

Message from the Senior Vice-President for Corporate Support & Chief Finance Officer

In 2023, PGA SOMPO soared to new heights, achieving its highest Gross Written Premium (GWP) and Net Profit in Company history. It was the year the Company manifested and proved its mission, vision and core values that brought out positive views and results to all stakeholders, employees, and customers.

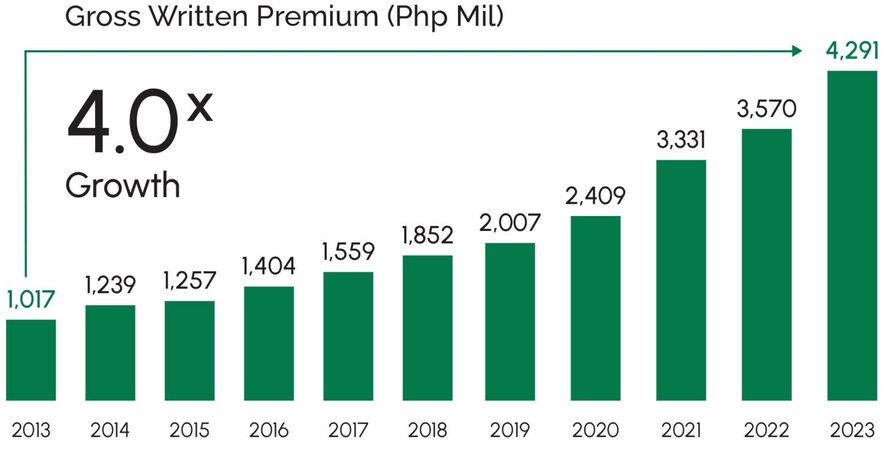
Through the innovative approach customized for market needs, PGA SOMPO entered the competitive arena of insurance business. The continuous initiatives our team has created, impacted the Company's growth and innovate side. Through strategic market positioning and increasing visibility, we've not only bolstered our bottom-line sales but have also significantly enhanced the brand recognition of PGA SOMPO.

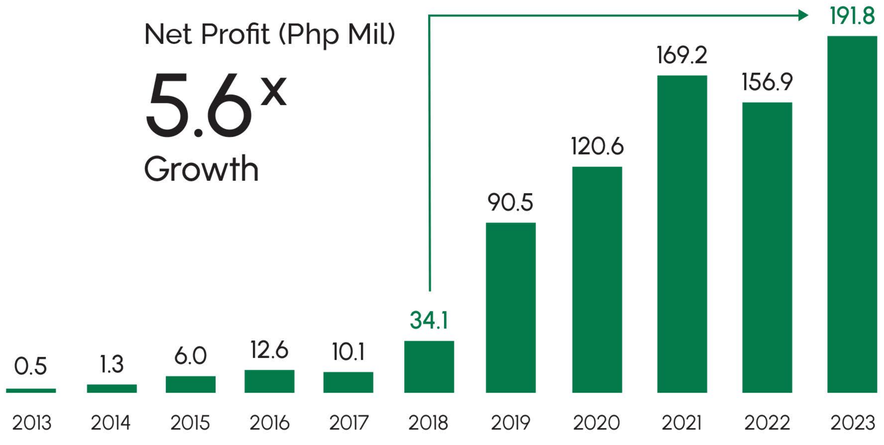
Moreover, the Company instills the best of its abilities to nurture its employees to be effective and determined. Through active employee engagement initiatives and comprehensive development programs, we've cultivated a motivated workforce, each member making a significant contribution to the Company's success.

Looking ahead, PGA SOMPO is committed to showcase its creativeness in its products and services in the coming years. We pursue to make a significant impact in the insurance industry to be the trusted partner in protection, peace of mind and resilience. The achievements of 2023 underscore our unwavering commitment to excellence, innovation, and employee empowerment. With this momentum behind us, we are poised to set new standards of excellence and solidify our position as a trusted leader in the market.

MARIA ROSALINA T. COYIUTO
Senior Vice-President for Corporate Support & Chief Finance Officer

Financial Highlights





In 2023, PGA SOMPO achieved its highest Gross Written Premium (GWP) and Net Profit in Company history.

It exceeded its GWP annual target by twenty-three (23%) percent, with a year-on-year growth of twenty percent (20%). Underwriting results also grew by thirty-one percent (31%) in the same period.

This significant growth reflects the Company's commitment to continue to provide the highest quality services possible to its business partners.

Confirmation Statements

Corporate Governance Confirmation Statement

The Company adheres and gives utmost importance to the principles of corporate governance and leading practices outlined in the Insurance Commission's Revised Code of Corporate Governance to promote the latter's objective in achieving policyholders' and market investors' confidence and sustaining the growth of the insurance industry, thereby contributing to the county's economic well-being.

In view of this commitment, the Company adopts its Manual on Corporate Governance with the objective to institutionalize the principles of good governance in the entire organization. Moreover, the Board of Directors, Management, Employees, and Shareholders believe that corporate governance is a necessary component of what constitutes sound strategic business management and will, therefore, undertake every effort necessary to create awareness across the organization.

Statement on Risk Management and Adequacy of Internal Control

The Company recognizes and acknowledges the importance of risk management and adequate internal control to promote shareholders' confidence, protect assets and business operations and minimize exposure to legal, financial, and reputational liabilities.

In its effort to increase risk awareness in the entire organization, the Company has adopted a risk register, a tool for documenting risk for the entire organization. This tool provides risk indicators to measure the likelihood of risk and form the basis for risk assessment.

Moreover, the Internal Audit of the Company conducts a periodic review to evaluate and improve the effectiveness of its risk management, control, and governance processes.

From these initiatives, the Company hereby affirms with reasonable assurance that risks are identified, assessed and corresponding adequate measures to control each risk were developed and implemented in the entire organization.

Anti-Fraud Policy

The Company has adopted its Anti-Fraud Plan for purposes of preventing, detecting, and investigating suspicious or actual acts of insurance fraud perpetrated against the Company.

The Anti-Fraud Plan defines the responsibilities and actions promoting and observing the Company's policy on fraud and to set out guidance to officers, employees, and business partners on how to prevent, detect and report fraud and how to recognize and deal with fraud in general.

Officers, employees, and business partners can report directly to the Company's anti-fraud email address at report@pgasompo.com.

All reports on suspected fraud will be treated seriously, systematically, and confidentiality.

Shareholders' Value

The Company recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore, the following provisions are issued for the guidance of all internal and external parties concerned, as governance covenant between the Company and all its investors:

Voting Right

Stockholders have the right to elect, remove and replace Directors and vote on certain corporate acts in accordance with the Amended Corporation Code.

Cumulative voting shall be used in the election of Directors.

A Director shall not be removed without cause if it will deny minority stockholders representation in the Board.

Pre-emptive Right

All stockholders have pre-emptive rights, unless the same is denied in the Articles of Incorporation or an amendment thereto. They shall have the right to subscribe to the capital stock of the Company. The Articles of Incorporation laid down the specific rights and powers of stockholders with respect to particular share they hold, all of which is protected by law so long as they are not in conflict with the Amended Corporation Code.

Power of Inspection

All shareholders are allowed to inspect corporate books and records including minutes of the Board meetings and stock registries in accordance with the Amended Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions.

Right to Information

The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Company's shares, dealings with the company, relationships among directors and key officers, and the aggregate compensation of directors and officers.

Moreover, the minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meetings, provided the items are for legitimate business purposes.

Finally, the minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of legitimate purposes.

Right to Dividends

Shareholders shall have the right to receive dividends subject to the following guidelines:

The Company shall be compelled to declare dividends when its retained earnings shall be in excess of 100% of its paid-up capital stock, except: a) when justified by definite corporate expansion projects or programs approved by the Board; b) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; c) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

Appraisal Right

The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under the Amended Insurance Code, under any of the following circumstances:

a. In case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
b. In case of a sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Code;
c. In case of merger or consolidation; and
d. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

Board of Directors

Robert Coyiuto, Jr.

Director / Chairman

Since 1991

72 years old, Filipino

Mr. Coyiuto obtained his Bachelor's Degree in Economics, Major in Management from San Beda College in 1974. In 1990, he was cited as the Most Outstanding Alumnus of the said Institution. He was awarded Bedan of the Century on October 27, 2001, and was presented the Icon of Business Diversification Award on July 02, 2016.

He was first elected President of the Philippine Stock Exchange in 1992, President of the Manila Stock Exchange in 1985 - 1986, 1988, and 1990, and the Chair of the Manila Stock Exchange in 1987, 1989, and 1991 - 1993.

Other positions currently held are as follows:

- Chairman of Prudential Guarantee and Assurance, Inc.;
- Chairman Emeritus for PGA Automobile, Inc. (sole importer principal of Bentley and Lamborghini), PGA Cars, Inc. (sole importer principal of Porsche and Audi), and Hyundai North EDSA;
- Vice-Chairman of First Life Financial Co., Inc.;
- Nominee of R. Coyiuto Securities, Inc., a Member of the Philippine Stock Exchange;
- Vice-Chairman of National Grid Corporation of the Philippines (NGCP), serving as the Chairman of its Accreditation, Bids Evaluation, and Award Committee (ABEAC);

Other positions currently held are as follows:

- Director and President - Chief Operating Officer of Oriental Petroleum and Minerals Corporation, a listed company;
- Chairman and President of Pacifica 21 Holdings, Inc., and of Calaca High Power Corporation;
- Director, Petrogen Insurance Corp.;
- Director, Canon (Philippines) Inc.;
- Vice-Chairman of Synergy Grid and Development Philippines, Inc.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Takashi Kurumisawa

Director / Vice-Chairman

Since 2023

50 years old, Japanese

Mr. Kurumisawa obtained his Bachelor's Degree in History from Keio University, Japan.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023).

Hideo Nakano

Director

Since 2023

52 years old, Japanese

Mr. Nakano obtained his Bachelor's Degree in Business Administration from Meiji University, Japan.

He previously served as Director of the United Insurance Company of Vietnam.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Special Class Qualification (The General Insurance Association of Japan, September 1998)

Celestino L. Ang

Director

Since 1991

75 years old, Filipino

Mr. Ang obtained his Bachelor's Degree in Philosophy from San Beda College in 1971 and his Bachelor of Laws degree from the same institution in 1975, and was admitted to the Philippine Bar in 1976.

He was first appointed as a Director of Prudential Guarantee and Assurance, Inc. on July 01, 2012, concurrent to his appointment as President and Chief Executive Officer and was appointed as Deputy Chairman on December 01, 2018.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);

Conferences and Seminars attended:

- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Managing Disruptions, Driving Change: 29th East Asian Insurance Congress (East Asian Insurance Congress, May 06-09, 2018);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

James G. Coyiuto

Director

Since 1991

70 years old, Filipino

Mr. Coyiuto obtained his Bachelor's Degree in Biology and Psychology from Tufts University in Medford, Massachusetts in 1976.

Other positions currently held are as follows:

- Director of Prudential Guarantee and Assurance, Inc. He was appointed as Deputy Chairman on December 01, 2018 while still concurrently serving as Treasurer;
- Director of R. Coyiuto Securities, Inc., First Life Financial Co., and PGA Cars, Inc. since 1982, 1988, and 2005, respectively;
- Director of Oriental Petroleum & Minerals Corporation, a listed company, since 2005

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021;

Conferences and Seminars attended:

- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Samuel Godwin G. Coyiuto

Director

Since 1991

69 years old, Filipino

Mr. Coyiuto obtained his Bachelor's Degree in Business Administration from La Salle College in Philadelphia, Pennsylvania in 1976.

He was appointed as Chairman of R. Coyiuto Securities, Inc. in 2017 and was first appointed as Director of Prudential Guarantee Assurance, Inc. on October 01, 1981 at the age of 27 and as Executive Vice-President on January 01, 2019.

Other positions currently held are as follows:

- Director of Prudential Guarantee and Assurance, Inc.;
- Director/Treasurer of First Life Financial Co. and PGA Holdings, Inc. since 1988 and 1995, respectively.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);

Conferences and Seminars attended:

- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Risk Management for Insurance Companies (Association of Insurers and Reinsurers of Developing Countries, November 24 and 26, 2021);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Reinsurance Reloaded: 15th Singapore International Reinsurance Conference (Singapore Reinsurers' Association, October 29 - November 01, 2018);
- Managing Disruptions, Driving Change: 29th East Asian Insurance Congress (East Asian Insurance Congress, May 06 - 09, 2018);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Taichi Yamamoto

Director

Since 2021

49 years old, Japanese

Mr. Yamamoto obtained his Bachelor's Degree in Economics from Tokyo University, Japan, and his Master of Business Administration (MBA) from Hitotsubashi University, Japan.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021).

Shun Kaihori

Director

Since 2022

41 years old, Japanese

Mr. Kaihori obtained his Bachelor's Degree in Economics from Keio University, Tokyo, Japan.

Other positions previously held in PGA SOMPO are as follows:

- Technical Advisor of Berjaya Sompo Insurance Berhad, Malaysia in 2018;
- Senior Deputy Manager of Sompo Japan Insurance Inc., Japan in 2013 and Deputy Manager of Sompo Japan Insurance Inc., Japan in 2009

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Level Up Leadership Virtual Workshop (Leadership Program designed by Francis Kong, August 17 - 19, 2022)

Prudencio T. Coyiuto

Director

Since 2011

41 years old, Filipino

Mr. Coyiuto obtained his Bachelor's Degree in Management from Menlo College in Atherton, California in 2006.

Other positions currently held are as follows:

- Director and Senior Assistant Vice-President of Prudential Guarantee and Assurance, Inc.;
- President of Motor and Carriage, Inc. (Hyundai North EDSA);
- Director of PGA Cars, Inc., and PGA Holdings, Inc.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);

Conferences and Seminars attended:

- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Benedicto T. Coyiuto

Director

Since 2023

45 years old, Filipino

Mr. Coyiuto obtained his Bachelor's Degree in International Studies Major in Japanese Studies and Master's Degree in International Studies from De La Salle University.

Other positions currently held are as follows:

- Chairman of Audi Philippines, Inc.;
- President of PGA Holdings, Inc., PGA Cars, Inc., PGA Automobile, Inc., Porsche Philippines, Inc., Oriental Petroleum & Minerals Corporation;
- Director of Manila Polo Club

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- Corporate Governance and Strategic Management (Center for Global Best Practices, February 21, 2018);
- Board Effectiveness and Best Practices (Center for Global Best Practices, January 19, 2017)

Christina Q. Orbeta

Independent Director

Since 2023

72 years old, Filipino

Ms. Orbeta obtained her Bachelor of Arts in Mathematics from the University of the East, Masters in Public Administration from the Harvard University, and Master in Economics (Academic Units) from the University of the East.

She also served as Independent Director of East West Banking Corporation, and Consultant of the World Bank.

Other positions previously held are as follows:

- She previously served as Adviser / Member of the Board of UCPB and UCPB Savings Bank;
- Member of the Board of the UCPB Leasing;
- Deputy General Manager of Credit Lyonnais / Calyon, Manila Offshore Branch

Positions previously held in Government Offices are as follows:

- President / Vice-Chairperson / Executive Vice-President of PDIC;
- Director of the Central Bank;
- Executive Director of the Central Bank Board of Liquidators

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023)
- Corporate Governance (Center for Global Best Practices, 2022)

Francisco M. Bayot, Jr.

Independent Director

Since 2018

69 years old, Filipino

Mr. Bayot Jr. obtained his Bachelor's Degree in Business Administration from Marquette University in 1980 and Masters in Finance from Fordham University in 1986.

Other positions previously held are as follows:

- Correspondent Banking Officer of Irving Trust Company in 1981;
- Account Officer Private Banking of American Express Bank, Ltd. in 1983;
- President and Director of JM Investment Corporation and Josue Corporation in 1990 to present;
- Director of Alabang Commercial Corporation in 1990 to present;
- Director of Alabang Commercial Corporation from 1990 to present. President and CEO and Director of Madrigal Condominium Corporation from 1992 to present;
- Director of Susana Realty, Inc., Septimo Realty Inc., and Porep Realty Inc. from 1993 to present;
- Independent Director of SocResources, Inc.;
- Chairman and President of Madrigal Bayot Development Corporation from 2008 to present;

Other positions previously held are as follows:

- Elected Chairman of The Address At Wack Wack Condominium Corporation in 2019 and President and CEO of the Company in 2013 up to 2019;
- President of Cebu Beacon Storage Corporation from 2021 to present and Director of the Company since 2015

Conferences and Seminars Attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AML) and Counter-Terrorist Financing (CTF) Board of Directors and Senior Management Technical Training, August 27, 2021;
- Basic Concept about establishment of Pandemic BCP, July 29, 2020;
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019)

Anita Victoria M. Ramos

Independent Director

Since 2018

73 years old, Filipino

Ms. Ramos obtained her Bachelor's Degree in Mass Communication in Maryknoll College in 1973.

Other positions previously held are as follows:

- Telephone Sales Representative of Yellow Pages Pty. Ltd. in 1975;
- President of Green Earth Enterprises, Inc. in 1981;
- Administrator / Manager of Avalon Condominium Corporation, Inc. in 1986;
- President of Oregon Insurance Agency (PHIL), Inc. in 1990;
- Trustee / Director & PTA President of Brent International Schools, Inc. (Manila) in 1990;
- Chairman & President of Avalon Condominium Corporation, Inc. in 1995;
- Trustee/Director & Corporate Secretary of Brent International Schools, Inc. (Subic) in 1995;
- Chairman & President of Godofredo P. Ramos Foundation, Inc. in 1997;
- Chairman & President of Avirga Holdings Corp. in 1999;
- Chairman & President of Avirga Enterprises, Inc. in 2002;
- Gasoline Station Dealer of Petron Corporation in 2006;

Other positions previously held are as follows:

- Franchisee of Jollibee Corporation in 2010;
- Consultant of Kalibo Sto. Nino Foundation, Inc. and Aklan Historical and Cultural Society - Museo IT Aklan in 2010;
- Vice-Chairman of the Philippine National Red Cross – Boracay Chapter in 2010; Member of Adult Leukemia Foundation of the Philippines, Inc. in 2014;
- Director of Philippine National Red Cross – Boracay Chapter in 2014;
- President of Avalon Condominium Corporation in 2015

Positions previously held in Government Offices are as follows:

- Member of the Aklan / Boracay Provincial Task Force in 2000;
- Co-Chairman of Aklan Provincial Tourism Council in 2009;
- Chairman of the Department of Tourism (Region VI Western Visayas Tourism Council) in 2010;
- Consultant (Oversight Committee on Tourism) of the Philippine House of Representatives in 2014;
- Member of Movie and Television Review and Classification Board (MTRCB) - Local Regional Council in 2015;
- Consultant (Lone District of Aklan) of Philippine House of Representatives in 2016;
- Presidential Assistant – Regional Coordinator for Region VI Western Visayas;
- Office of the Presidential Assistant for the Visayas;
- Office of the President of the Philippines;
- Director of PNP Community Affairs and Development Advisory Council from 2019 to present

Conferences and Seminars Attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);

Conferences and Seminars attended:

- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021;
- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Plenary Session – (Sihanoukville, Cambodia) (United Nations Eco-Tourism Conference (UNWTO), 2011;
- First Philippines Cultural and Art Exhibit (Museo Du Quibranly, Paris, France) (Philippine National Museum, 2012);
- Official Delegation (B2B Meetings in Iran) (Philippine Department of Trade and Industry / Department of Foreign Affairs Mission to Iran, 2016);
- Official Trade Mission (Rotterdam, Brussels, Prague, Milan, and Paris) (Philippine Department of Trade and Industry, 2016);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019);
- As Trustee / Director of Brent International Schools, attended the following East Asia Regional Conference of Schools (EARCOS): 1998 in Malaysia, 2005 in Vietnam, and 2010 in Kota Kinabalu

Justin C. Ongsue

Independent Director

Since 2018

45 years old, Filipino

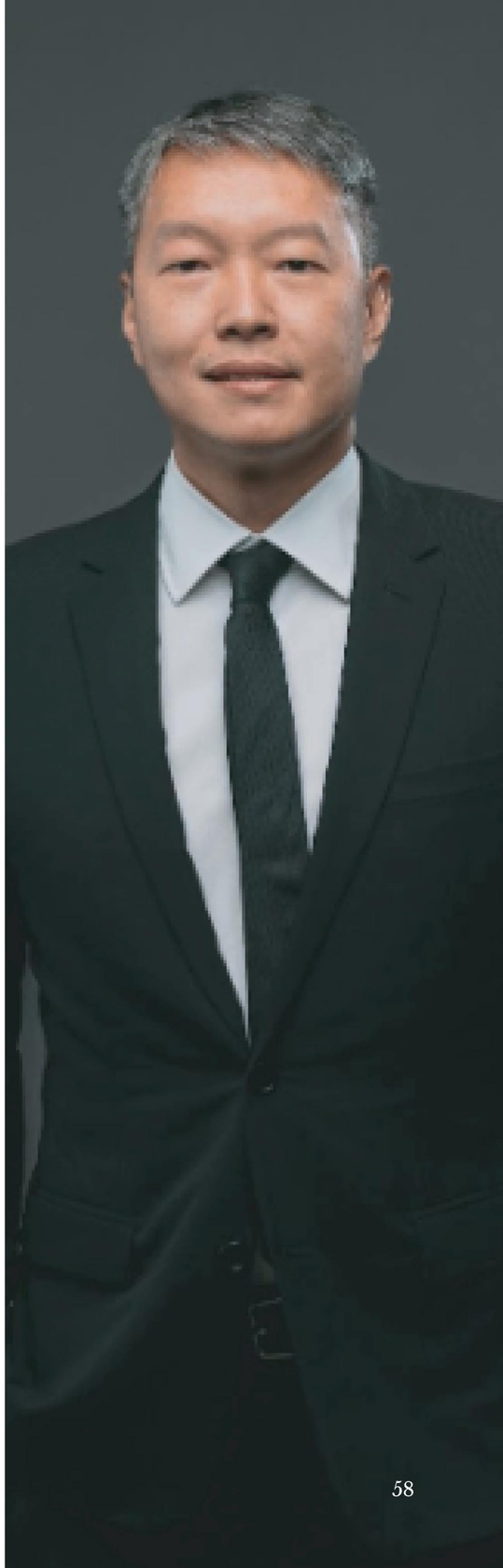
Mr. Ongsue ozbtained his Bachelor's Degree in Business Management from the University of Asia and the Pacific in 2001 and Masters in Business Management from Ateneo Graduate of School in 2007.

Other positions currently held are as follows:

- President of United Paints Inc.;
- Vice-President of Coastal Bay Chemicals Inc.;
- Director of Hi-Precision Diagnostics Center Inc. and VP Sales and Operations of Pacific Paints Boysen Philippines Inc.
- Chairman of Hi-Precision Diagnostics from 2021 to present.

Conferences and Seminars attended:

- Corporate Governance Training (Economic Briefing; Executive Briefing on Crisis Communication and Dealing with Controversies) (Center for Global Best Practices, November 16, 2023);
- Awareness Training and Updates on AMLA (Center for Global Best Practices, August 23, 2022);
- Digital Transformation Risk Management (Center for Global Best Practices, October 27, 2021);



Conferences and Seminars attended:

- Corporate Governance Updates and Economic Briefing (Center for Global Best Practices, July 19, 2021);
- Anti-Money Laundering Act (AMLA) Program for Insurance Companies and Financial Institutions (Center for Global Best Practices, April 05, 2019)

ROLES AND RESPONSIBILITIES

1. Install a process of selection to ensure a mix of competent Directors and Officers;
2. Ensure that the Company complies with all relevant laws, regulations and codes of best business practices;
3. Identify the Company's major and other stakeholders and formulate a clear policy communicating or relating with them through an effective investor relations program;
4. Adopt a system of internal checks and balances;
5. Oversee the development of and approve the Company's business objectives and strategy, and monitor their implementation, in order to sustain the Company's long-term viability and strength;
6. Responsible for approving the selection and assessing the performance of the Management;
7. Establish an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management;
8. Oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, Board Members, and Shareholders. It also approves the Internal Audit Charter;
9. Oversee that a sound Enterprise Risk Management framework is in place to effectively identify, monitor, assess and manage key business risks;
10. Establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities;
11. Ensure that the Independent Directors possess the necessary qualifications and none of the disqualifications;
12. Conduct an annual assessment of its performance including the performance of the Chairman, individual members and committees;

13. Establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of the Company's financial condition, results, and business operations;
14. Adopt a transparent framework and process that allow stakeholders to communicate with the Company and to obtain redress for the violation of their rights; and
15. Establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance.

Board Meeting Attendance Record

For the year 2023, the Company held seventeen (17) Meetings, including the Annual Stockholders' Meeting ("ASM"). Details of the attendance of the Board of Directors are as follows:

DIRECTOR	Jan 10 Special	Jan 31 Regular	Feb 21 Regular	Mar 28 Regular	Jan 31 Regular	Apr 13 ASM	Apr 13 Organizational	Apr 27 Regular	May 23 Special	May 25 Regular	Jun 27 Regular	Jul 17 Special	Jul 27 Regular	Aug 31 Regular	Sep 26 Regular	Oct 26 Regular	Nov 30 Regular	Dec 19 Regular
Robert Coyiuto, Jr.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Takashi Kurumisawa	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fumihiko Harada	✓	✓	✓	✓	✓													
Hideo Nakano						✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Celestino L. Ang	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
James G. Coyiuto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Samuel G. Coyiuto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Taichi Yamamoto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Maria Rosalina T. Coyiuto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Shun Kaihori	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prudencio T. Coyiuto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Benedicto T. Coyiuto					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cristina Q. Orbeta											✓	✓	✓	✓	✓	✓	✓	✓
Francisco M. Bayot, Jr.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Anita Victoria M. Ramos	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Justin C. Ongsue	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Mr. Fumihiko Harada was replaced by Mr. Hideo Nakano on 13 April 2023;
*Mr. Bendicto T. Coyiuto was elected as Director during the Organizational Meeting on 13 April 2023; and
*Ms. Cristina Q. Orbeta was appointed as Independent Director on 15 June 2023.

Board Meeting Attendance Record

Directors' & Audit Fees

Directors' Fees

The Corporate Governance Committee of the Company ensures that the remuneration package for Officers and Board of Directors is consistent with the Company's culture, strategy, and control environment. Remuneration is maintained at a level that is sufficient to attract and retain the Officers and Directors who are essential to the success of the Company.

For the year 2023, the Company has paid a total amount of **Six Million Three Hundred Twenty Thousand Pesos (Php6,320,000.00)** of remuneration to the Board of Directors based on the recommendation of the Corporate Governance Committee.

Audit Fees

The Board of Directors has confirmed the appointment of SyCip Gorres Velayo & Co. ("SGV") as its external auditor for the fiscal year 2023.

The table below shows the aggregate fees paid to SGV for the fiscal year 2023:

TYPE OF FEE	2023
Audit Fee	Php2,072,027.00
Total	**Php2,072,027.00**

The Management and the Audit Committee have evaluated the Audit Fees of SGV. The same were recommended to and approved by the Board of Directors.

The Company did not engage SGV for non-audit service and did not pay any amount for the said service for the fiscal year 2023.

Board Committees

Audit Committee

Cristina Q. Orbeta
Chairman

Anita Victoria M. Ramos
Member

Justin C. Ongsue
Member

Meetings

Members:	March 30	July 05	October 25	December 15
Francisco M. Bayot, Jr.	✓	-	-	-
Cristina Q. Orbeta	-	✓	✓	✓
Anita Victoria M. Ramos	✓	✓	✓	✓
Justin C. Ongsue	✓	✓	✓	✓

** Ms. Cristina Q. Orbeta was appointed as Chairman of the Committee replacing Mr. Francisco M. Bayot, Jr. on 15 June 2023.*

ROLES AND RESPONSIBILITIES

1. Evaluates the reliability and integrity of information and the means used to identify, measure, classify and report such information;

2. Evaluates the systems established to ensure compliance with the policies, plans, procedures, laws and regulations which could have a significant impact to the organization;

3. Evaluates operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as plan;

4. Monitors and evaluates governance processes;

5. Performs consulting and advisory services related to governance, risk management and control as appropriate for the organization;

6. Reports periodically on the internal audit activity's purpose, authority, responsibility and performance relative to its plan;

7. Reports significant risk exposures and control issues, including fraud risk, governance issues and other matters needed or requested by the Board;

8. Evaluates specific operations at the request of the Board or management as appropriate;

9. Recommends the approval the Internal Audit Charter ("IA Charter"), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;

10. Through the Internal Audit ("IA") Department, monitors and evaluates the adequacy and effectiveness of the Company's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to:

a. Safeguard the Company's resources and ensure their effective utilization;
b. Prevent occurrence of fraud and other irregularities, protect the accuracy and reliability of the Company's financial data; and
c. Ensure compliance with applicable laws and regulations.

11. Prior to the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

12. Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the Company's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, shall be disclosed in the Company's Annual Report and Annual Corporate Governance Report;

13. Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:

a. Any change/s in accounting policies and practices;
b. Areas where a significant amount of judgment has been exercised;
c. Significant adjustments resulting from the audit;
d. Going concern assumptions;
e. Compliance with accounting standards;
f. Compliance with tax, legal and regulatory requirements.

14. Reviews the disposition of the recommendations in the External Auditor's management letter;

15. Performs oversight functions over the Company's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unre stricted access to all records, properties and personnel to enable them to perform their respective audit functions;

16. Coordinates, monitors and facilitates compliance with laws, rules and regulations;

17. Evaluates the integrity and independence of external auditors and exercises effective over sight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements;

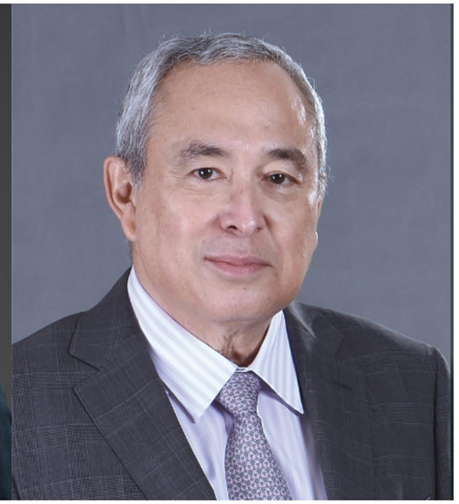
18. Reviews and monitors the external auditor's suitability and effectiveness on an annual basis; and

19. Recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Insurance Commission, who undertakes an independent audit of the Company, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

Board Risk Oversight Committee

Justin C. Ongsue
Chairman

Taichi Yamamoto
Member



Francisco M. Bayot, Jr.
Member

Meetings

Members:	March 30	July 05	October 25	December 15
Justin C. Ongsue	✓	✓	✓	✓
Celestino L. Ang	✓	–	–	–
Taichi Yamamoto	–	✓	✓	✓
Francisco M. Bayot, Jr.	✓	✓	✓	✓

** Mr. Taichi Yamamoto was elected as Member of the Committee replacing Mr. Celestino L. Ang during the Organizational Meeting on 13 April 2023.*

ROLES AND RESPONSIBILITIES

1. Develops a formal enterprise risk management plan which contains the following elements:

a. Common language or register of risks;
b. Well defined risk management goals, objectives and oversight;
c. Uniform processes of assessing risks and developing strategies to manage prioritized risks;
d. Designing and implementing risk management strategies; and
e. Continuing assessments to improve risk strategies, processes and measures.

2. Oversees the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The Board Risk Oversight Committee ("BROC") conducts regular discussions on the Company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;

3. Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROC revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;

4. Advises the Board on its risk appetite levels and risk tolerance limits;

5. Reviews at least annually the Company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the Company;

6. Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Company and its stakeholders;

7. Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company. This function includes regularly receiving information on risk exposures and risk management activities from Management; and

8. Reports to the Board on a regular basis, or as deemed necessary, the Company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

Corporate Governance Committee

Anita Victoria M. Ramos
Chairman

James G. Coyiuto
Member

Justin C. Ongsue Jr.
Member

Meetings

Members:	March 30	July 05	October 25	December 15
Anita Victoria M. Ramos	-	✓	✓	✓
James G. Coyiuto	✓	✓	✓	✓
Anita Victoria M. Ramos	✓	✓	✓	✓

** Ms. Anita Victoria M. Ramos was elected as Chairman of the Committee during the Organizational Meeting on 13 April 2023.*

ROLES AND RESPONSIBILITIES

1. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;

2. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;

3. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;

4. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;

5. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;

6. Proposes and plans relevant trainings for the members of the Board;

7. Determines the nomination and election process for the Company's Directors and has the special duty of defining the general profile of board members that the Company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and

8. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates.

Assume the following functions that were formerly assigned to the Nomination Committee:

a. Review the structure, size and composition of the Board and number of Independent Directors to ensure compliance with the regulatory requirements;
b. Develop the criteria and qualifications for membership on the Board;
c. Recruit, review, nominate and recommend candidates for election to the Board or to fill vacancies on the Board;
d. Review the proposed candidates and conduct appropriate inquiries into the background and qualifications of any such candidates;
e. Recommend to the Board on the appointment, re-election and retirement of Directors;
f. Annually evaluate the Board's and management's performance;
g. Annually evaluate the Committee's performance and report to the Board the result of the evaluation;
h. Develop and make recommendations to the Board on the corporate governance guidelines for PGA SOMPO; and
i. Exercise oversight function in the implementation and compliance with the Corporate Governance Manual.

Assume the following functions that were formerly assigned to the Remuneration Committee:

a. Review and approve the general remuneration and benefit policies of the Company;
b. Review and approve the Management's remuneration proposals;
c. Annually review and approve the corporate goals and objectives relevant to the compensation of the President and CEO;
d. Annually evaluate the President and CEO's performance and set the compensation based on the evaluation;
e. Review and make recommendations to the Board of Directors with respect to, or approve, any incentive compensation plans and equity-based plans to be adopted by the Company;
f. Annually review the remuneration trends across the Company, having regard to any major changes in employee benefit structure, and review the ongoing appropriateness and relevance of the remuneration policy adopted by the Committee;
g. Annually review executive compensation trends and policies and make relevant modifications to the policies and practices to take into account the market practice;
h. Oversee any major changes in the employee benefit structures throughout the Company; and
i. Oversee the implementation and administration of the compensation plans of the Company.

Related Party Transactions Committee

Anita Victoria M. Ramos
Chairman

Prudencio T. Coyiuto
Member

Francisco M. Bayot, Jr.
Member

Meetings

Members:	March 30	July 05	October 25	December 15
Anita Victoria M. Ramos	✓	✓	✓	✓
Prudencio T. Coyiuto	✓	✓	✓	✓
Francisco M. Bayot, Jr.	✓	✓	✓	✓

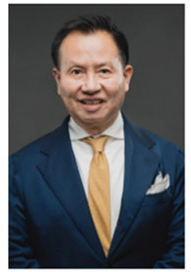
Corporate Officers

Robert Coyiuto, Jr.
Chairman of the Board

Takashi Kurumisawa
Vice-Chairman

Hideo Nakano
President and CEO

James G. Coyiuto
Vice-President and Treasurer



Samuel Godwin G. Coyiuto
Vice-President

Maria Rosalina T. Coyiuto
Senior Vice-President for Corporate Support and Chief Finance Officer

Taichi Yamamoto
Senior Vice-President for Business Operations and Chief Risk Officer

Celestino L. Ang
Vice-President

Shun Kaihori
Vice-President

Cristine C. Remollo
Corporate Secretary

Juan M. Perez
Assistant Vice-President

Frederick Cesar R. Dimayuga
Assistant Vice-President

Susan V. Motril
Assistant Vice-President

Thomas Angelo A. Santos
Assistant Corporate Secretary

Ron Errick R. Loyola
Assistant Corporate Secretary

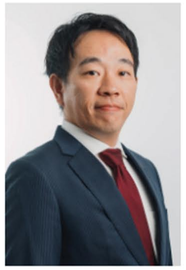
The Management Team

Hideo Nakano
President and CEO

Taichi Yamamoto
Senior Vice-President
for Business Operations

Maria Rosalina T. Coyiuto
Senior Vice-President for Corporate Support
and Chief Finance Officer

The Leadership Team



Shun Kaihori
Vice-President (Head of Marketing Department)

Maria Soledad Remiter
Chief Audit Executive (Head of the Internal Audit Department)

Juan M. Perez
Assistant Vice-President (Head of Business Development Department I)

Frederick Cesar R. Dimayuga
Assistant Vice-President (Head of Digital and Technological Services Department)

Susan V. Motril
Assistant Vice-President (Head of Human Resources Department)

Joel A. Aguilos
Senior Manager (Head of Underwriting Department)

Reynaldo M. Marcelo
Senior Manager (Head of Claims Department)

Roxanne M. Sevillano
Senior Manager (Head of Accounting and Finance Department)

Rhoderick M. Tanoy
Senior Manager (Head of Business Development Department 2)

Maria Corazon T. Tulio
Senior Manager (Head of General Affairs Department)

Erlyn R. Caibigan
Senior Manager (Head of Alternative Distribution Department)

Mark Herschell E. Bondoc
Manager (Head of Risk Engineering Department)

Santa Nina B. Montero
Manager (Head of Compliance Department)

ANNEX "A"

OWNERSHIP STRUCTURE OF PGA SOMPO INSURANCE CORPORATION

(as of 31 August 2023)

PGA SOMPO Insurance Corporation

Robert Coyiuto, Jr.
58.95100%

*Other Shareholders**
1.07432%

SOMPO Holdings (Asia) Pte. Ltd.
39.99364%

SOMPO International Holdings, Ltd.
100.00000%

SOMPO Japan Insurance, Inc.
100.00000%

SOMPO Holdings, Ltd.
(Publicly-listed in the Tokyo Stock Exchange)
100.00000%

Prudential Guarantee Directory

- Coyiuto House – Head Office
- Coyiuto House - Greenhills
- Alabang (Muntinlupa)
- Balintawak (Quezon City)
- Escolta (Manila)
- Greenhills (Mandaluyong City)
- Baguio (Benguet)
- Dagupan (Pangasinan)
- Laoag (Ilocos Norte)
- San Fernando (La Union)
- Santiago (Isabela)
- Tuguegarao (Cagayan)
- Angeles (Pampanga)
- Cabanatuan (Nueva Ecija)
- Malolos (Bulacan)
- Subic (Zambales)
- Tarlac (Tarlac)
- Batangas (Batangas)
- Calamba (Laguna)
- Imus (Cavite)
- Legazpi (Albay)
- Lipa (Batangas)
- Lucena (Quezon)
- Naga (Camarines Sur)
- San Pablo (Laguna)
- Sorsogon (Sorsogon)
- Bacolod (Negros Occidental)
- Cebu (Downtown)
- Cebu (SM Seaside)
- Dumaguete (Negros Oriental)
- Iloilo (Iloilo)
- Puerto PRINCESA (Palawan)
- Tacloban (Leyte)
- Roxas (Capiz)
- Tagbilaran (Bohol)
- Butuan (Butuan City)
- Cagayan De Oro (Misamis Oriental)
- Davao (Davao del Sur)
- General Santos (South Cotabato)
- Ozamiz (Misamis Occidental)
- Zamboanga (Zamboanga del Sur)

SOMPO Group

- Sompo Holdings, Inc.
- Sompo Japan Insurance Inc.
- Saison Automobile and Fire Insurance Company, Limited
- Sompo Japan DC Securities Inc.
- Sompo Risk Management Inc.
- Mysurance Inc.
- Sompo Himawari Life Insurance Inc.
- Sompo Care Inc.
- Sompo Asset Management Co., Ltd.
- Prime Assistance Inc.
- Freshhouse Co., Ltd.
- Sompo Warranty Inc.
- Sompo Health Support Inc.
- Wellness Communications Corporation
- Sompo International Holdings Ltd.
- U.S.A., UK, Italy, Switzerland, Spain, Germany, Belgium, France, Singapore, Bermuda, Mexico
- Sompo Sigorta -Turkey
- Sompo Holdings (Asia) Pte. Ltd. - Singapore
- Sompo Insurance Singapore Pte. Ltd.- Singapore
- Berjaya Sompo Insurance Berhad - Malaysia
- PT Sompo Insurance Indonesia – Indonesia
- Sompo Insurance China Co., Ltd. - China
- Sompo Insurance (Hong Kong) Co., Ltd.- China
- Sompo Seguros S.A. - Brazil
- Sompo Saude - Brazil
- Universal Sompo General Insurance Company Limited - India
- AYA Sompo Insurance Company Limited – Myanmar
- Sompo Insurance (Thailand) Pcl. – Thailand
- United Insurance Company of Vietnam - Vietnam
- Sompo Korea – Korea
- Sompo Taiwan Brokers Co., Ltd. – Taiwan
- Eterna Insurance Company Limited – Bermuda

Corporate Social Responsibility

PGA SOMPO and SOMPO Welfare Foundation Presents International Grant to Resources for the Blind, Inc.

On 25 March 2023, PGA SOMPO and Sompo Welfare Foundation presented the International Grant to Resources for the Blind, Inc. (RBI), a non-government organization serving blind people all over the Philippines since 1988.

The grant was intended to support RBI's "Going Beyond Reading" Project. The project aimed to address the needs of young children who are blind and with other visual impairment for available and accessible Braille reading materials. The grant was used to produce Braille books for children in preschool, kindergarten, and beginner levels for distribution to selected schools with blind learners in Metro Manila.

PGA SOMPO was honored to be an instrument in helping individuals with disabilities.

Milestones and
Special Features

Double Victories at Insurance Asia Awards 2023

PGA SOMPO received not only one but two awards, ""Business Insurance Initiative of the Year - Philippines and "Travel Insurance Initiative of the Year - Philippines."

The first accolade recognized the Company's commitment to excellence and their innovative approach to meeting diverse customers' needs. And the second reinforced PGA SOMPOs prowess in the local travel insurance sector. The exceptional travel insurance's TravelJOY, offerings have only set new standards in the industry, but have also proven to be a game-changer for travelers in the Philippines.

PGA SOMPO Photo Contest 2023: Showcasing the World, Secured by Travel Insurance

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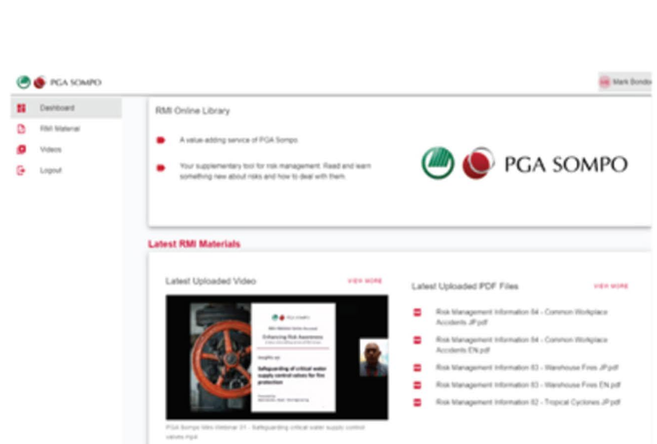
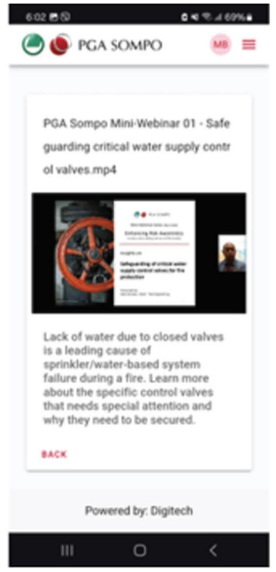
PGA SOMPO Launches PGA SOMPO RMI Library: Empowering Risk Management

In May 2023, PGA SOMPO introduced the PGA SOMPO RMI Library, an innovative platform to enhance risk management practices. The library has provided access to a wealth of educational risk management tools and resources, available in both English and Japanese.

This comprehensive collection includes informative materials on various hazards and effective strategies to manage them. Moreover, users can benefit from mini-webinar videos, further enriching their understanding of risk management principles.

With the PGA SOMPO RMI Library, individuals and organizations can gain valuable insights, empowering them to make informed decisions and mitigate risks effectively.





PGA SOMPO's TravelJOY Shines at Travel Sale Expo 2023

PGA SOMPO made a remarkable impact at the Travel Sale Expo 2023, organized by OneKlik Events and the Global Tourism Business Association (GTBA). This three-day event, held at Megamall in Mandaluyong City from September 29 to October 1, was a celebration of travel sale, with PGA SOMPO's very own TravelJOY insurance also taking the spotlight.

The PGA SOMPO's booth was abuzz with excitement as visitors engaged in the Travel Dice Game, a captivating activity where participants aimed to match the rolled dice with a corresponding travel destination to win prizes.

As the expo concluded on its third day, PGA SOMPO received an accolade from the event organizers – the "Friendly Insurance of the Year" award. This recognition underscores the Company's unwavering commitment to providing comprehensive and customer-centric insurance solutions, exemplified by the TravelJOY brand.

The resounding success of PGA SOMPO at the Travel Sale Expo 2023 reinforces the Company's position as one of the leaders in the travel insurance market, with TravelJOY emerging as a trusted choice for Filipino adventurers and globetrotters.

PGA SOMPO Celebrated 32nd Anniversary

PGA SOMPO celebrated its 32nd anniversary on July 01, 2023, with a memorable event that fostered camaraderie, gratitude, and optimism for the future. The event included a festive dinner and engaging games that fostered lively interaction among employees, creating an atmosphere of unity and celebration.

As part of the celebration, a farewell party was held in honor of Fumihiko Harada, during which colleagues conveyed heartfelt messages recognizing his invaluable contributions to the company's success over the years. Fumihiko Harada expressed appreciation for the company's progress under his leadership and outlined the vision for PGA SOMPO 3.0, focusing on growth and innovation. While his departure marked the end of an era, it also signaled the beginning of a new chapter in PGA SOMPO's journey.

Simultaneously, the anniversary served as a warm welcome to the incoming president, Hideo Nakano. Employees wholeheartedly embraced the new leader, demonstrating unwavering support and commitment to the company's continued success under his guidance.

The celebration provided an opportunity to reflect on past accomplishments and look forward to future achievements. As PGA SOMPO moves forward, the event emphasized the company's resilience, unity, and unwavering commitment to excellence, laying the groundwork for continued success.

Employees' Corner

LEARNING AND DEVELOPMENT

In-House Seminar Series on Insurance Products Kicks Off at PGA SOMPO

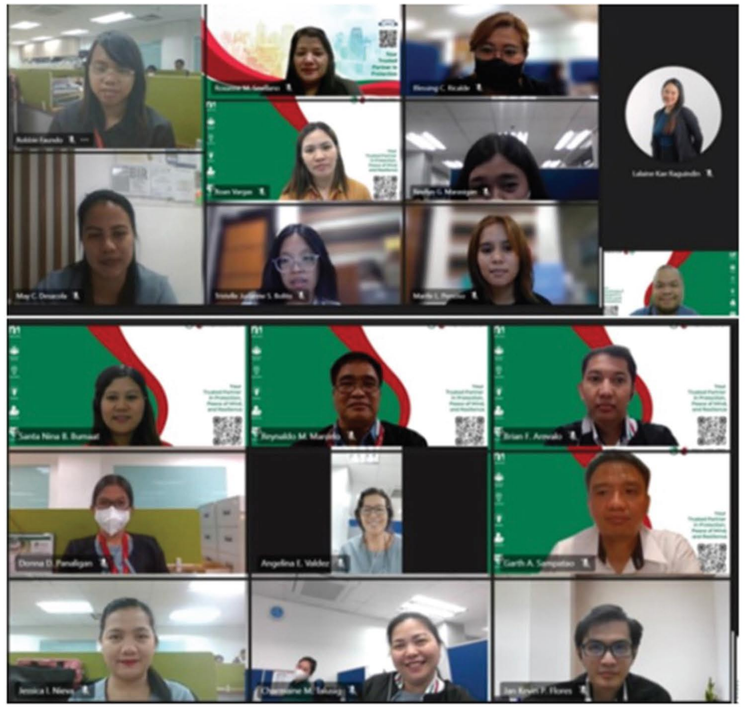
PGA SOMPO is taking a proactive step towards expanding its employees' knowledge by organizing a series of in-house seminars on insurance products. The initiative, spearheaded by the Underwriting Department, spans three consecutive months, with each month dedicated to different insurance topics.

The first seminar in the series, held on 15 June 2023, covered the basics of Business Interruption Insurance. This was followed by the Basic General Liability Insurance seminar on 25 July 2023, and the Basic Marine Insurance seminar held last 30 August 2023.

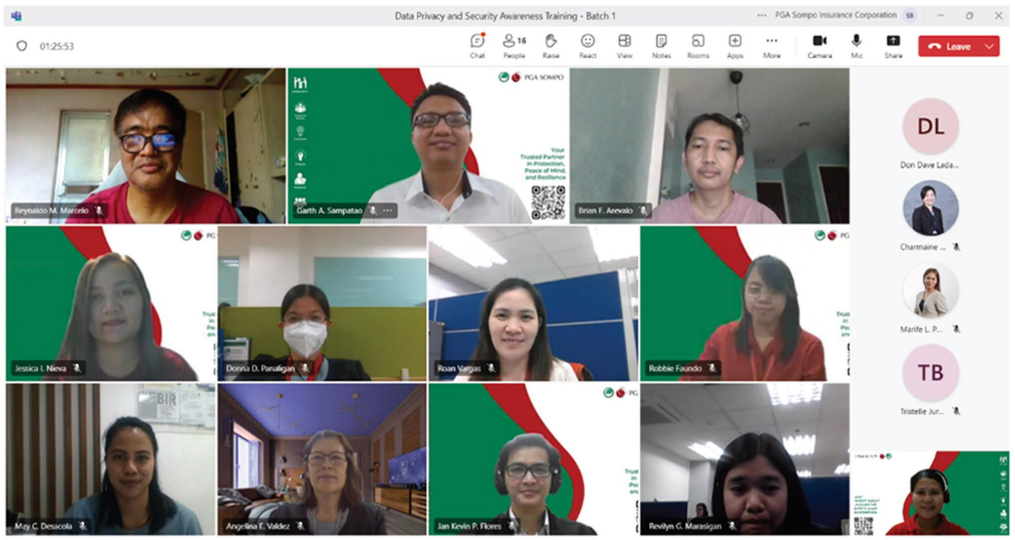
The primary purpose of these seminars is to educate employees about the various insurance products that PGA SOMPO offers. This initiative is to facilitate knowledge transfer and provide a better understanding of insurance products and underwriting within the organization.

These seminars were organized in response to requests from other departments and employees eager to deepen their understanding of the insurance industry. PGA SOMPO places a high value on continuous learning, and these seminars are just one example of its commitment to employee development.

Training on Money Laundering and Terrorism Financing Prevention, and Sanction Screening Obligations



Data Privacy and Security Awareness Training



LEARNING AND DEVELOPMENT

To continually nurture a culture of wellness and healthy lifestyle in the workplace, the Company has conducted the following wellness engagement activities:

Fatigue Management

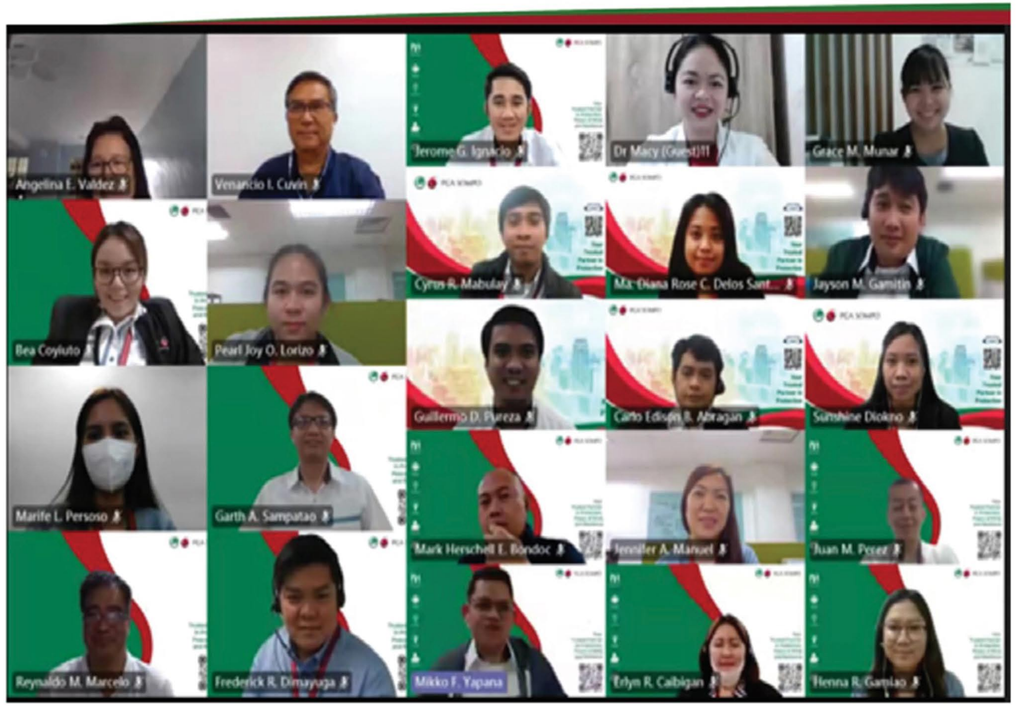
PGA SOMPO

Welcome to our webinar on

Fatigue Management

Please standby!

15 March 2023
PGA Sompo Insurance Corporation



Health Skin Care

Backpain Awareness

PGA SOMPO's Annual Mooncake Festival Dice Game: An Afternoon of Tradition and Fun

It's that time of the year again when PGA SOMPO employees come together to celebrate the Mid-Autumn Festival or the Mooncake Festival Dice Game, a cherished tradition hosted by Ms. Maria Rosalina T. Coyiuto, Senior Vice-President for Corporate Support and Chief Finance Officer of the Company. The game took place in the office, which brought smiles and excitement to all who attended.

The employees were divided into four groups, setting the table for friendly competition and camaraderie. The Mooncake Festival Dice Game has become an anticipated tradition at PGA SOMPO, offering employees a chance to bond, relax, and test their luck.

The highlight of the afternoon was undoubtedly the dice game itself, where participants rolled the dice in hopes of securing a win. The lucky winners walked away with prizes equivalent to the size of mooncakes, adding an extra layer of excitement to the festivities.

The annual Mooncake Festival Dice Game had once again succeeded in fostering a sense of community and tradition among PGA SOMPO employees, making it an event to look forward to year after year.

PGA SOMPO's 2023 Team Building Retreat: Fostering Collaboration and Growth

PGA SOMPO held its annual team building and company outing on 26-28 May 2023 at Costabella Tropical Beach Hotel in Cebu City.

The 3-day event which started with an early morning flight from Manila to Cebu City was highlighted by a Hawaiian-themed party. It included games and activities that aimed to promote a healthy engagement involving wits, strategy, collaboration, and teamwork. Further, the city tour and island-hopping enabled employees to explore the beautiful landmarks and tourist spots around the city.

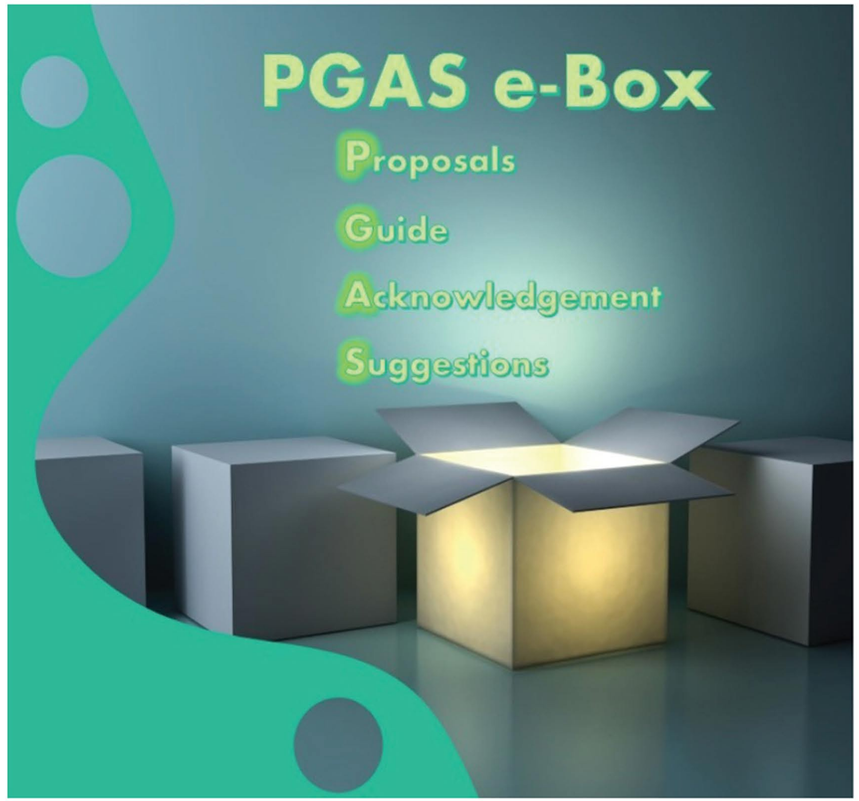
It was another unforgettable experience for the employees as they exercise their skills to overcome challenges through teamwork, learn to effectively communicate with their colleagues, and maintain work and life balance.

PGA SOMPO Introduces Innovative E-Box for Employee Engagement and Improvement

In a bid to foster a culture of continuous improvement and strengthen employee engagement, PGA SOMPO unveiled its PGAS E-Box, through the Human Resources Department on 24 August 2023. This digital box is set to revolutionize the way employees contribute to the Company's growth.

PGA SOMPO, which stands for "Proposals Guide Acknowledgement Suggestions" E-box, provides a dynamic platform for employees to collaborate in enhancing work standards, refining processes, optimizing services, and sharing their valuable observations. It encourages the workforce to not only offer suggestions for improvement but also share compliments, recognizing the efforts of their colleagues.

This innovative approach not only empowers employees but also underscores PGA SOMPO's commitment to valuing the voices and insights of its team members. As the E-Box initiative gains momentum, it is expected to yield transformative results in terms of efficiency, morale, and overall workplace satisfaction.



PGA SOMPO Revives Community Spirit: Successful Bloodletting Drive with Philippine Red Cross

Marking a significant milestone in community service, PGA SOMPO conducted a Bloodletting Drive on October 12, 2023, at its office premises, reaffirming their commitment to humanitarian causes. This event held particular significance as it was the first bloodletting drive since October 11, 2019, just before the onset of the pandemic, emphasizing the organization's dedication to contributing to public health.

PGA SOMPO Badminton Tournament 2023: A Triumph of Team Building and Sportsmanship

The PGA SOMPO Badminton Tournament took center stage on October 26, 2023 in Makati City. The event witnessed fierce competition among 20 pairs vying for the coveted title.

A spirited atmosphere prevailed throughout the tournament, as 45 enthusiastic employees gathered to cheer for their colleagues. The venue was buzzed with energy, echoing the passion and camaraderie among the participants.

The Badminton Tournament not only celebrated sportsmanship but also provided a platform for employees to foster connections and unwind after office hours. Congratulations to the winners for their well-deserved triumph in this thrilling sporting event.

Strategic Planning Session

On November 22, 2023, PGA SOMPO held its Top Level Cascade of the Company Directions and Business Plan. Therein, Department Heads were provided with: (1) strategic considerations in achieving the Mid-Term Goal, (2) 2024 to Mid-Term key projects, (3) human resources initiatives, and (4) budget targets.

Over the course of the next month, Departments were encouraged to identify strategies to achieve both annual and mid-term targets, along with key department challenges which have to be addressed.

One-on-one meetings between each Department Head and Top Management were also conducted, wherein each Department Head presented concrete action plans towards the achievement of mid-term direction. During the meeting, members of the Top Management actively evaluated and gave feedback on the basis for the corporate- and department-level business plans. Following previous year's mandate on PGA SOMPO 3.0, Top Management highlighted the need for strengthening the employees' initiative, autonomy, and agility in delivering high-quality services to our customers.

2023 Annual Stockholders' Meeting

The Company held its 2023 Annual Stockholders' Meeting ("ASM") on April 12, 2024. The ASM was attended by the Stockholders representing the majority of the Company's Outstanding Capital Stock, Officers, and Board of Directors. The Notice was posted on the Company's website thirty (30) days prior to the scheduled ASM.

The matters discussed during the ASM include ratification of the actions of the Board of Directors, the Executive Committee, and the Management, presentation of the Management Year-End Report, presentation of the 2023 Audited Financial Statements and Treasurer Reports for 2023, approval of the release of the Audited Financial Statements for 2023, Marketing Report for 2023, the election of the Members of the Board of Directors, and appointment of the External Auditor.

The Company has continuously exceeded its target in terms of Gross Written Premium and Net Income After Tax. This achievement will continue to inspire the Company to strive for continued success. The Company will remain steadfast and innovative in providing quality service.

2024 Outlook

- For 2024, there are no planned major shifts in portfolio mix as PGA SOMPO plans to continue pursuing the growth of its commercial lines;
- Backed by the underwriting expertise of its global parent, the Company plans to maintain its support of infrastructure projects under official development assistance (ODA) financing from overseas as well as build its Corporate business, especially for Specialty lines of products;
- Company effort will also be directed towards making insurance more accessible by increasing affinity partnerships, and consequently, delivery channels by leveraging the latest insurance technologies to seamlessly integrate innovative insurance solutions into third-party product or service providers' ecosystems; and
- Growth in GWP is also expected to be driven by the expansion of the consumer lines with increasing focus on affinity products such as Gadget (Fire), Personal Accident (Travel and Other PA), and personal cyber protection.

LEADING TOWARDS SUSTAINABILITY

Stakeholder Sustainability

PGA SOMPO continues to strengthen its sustainability efforts by taking a long-term and multi-stakeholder perspective in pursuing its goals for growth. In 2023, it paid out Php 49.4 million in Nat Cat claims as part of its commitment to its purpose of "to be the trusted partner in protection, peace of mind, and resilience".

Workforce Sustainability

Employment Profile

		2020	2021	2022	2023
Full-time Employees (FTEs)	Male	30	26	29	32
	Female	34	35	36	35
	Total	64	61	65	67
Employee Turnover		5%	18%	11%	9%
Number of Promotions	Male	2	5	2	3
	Female	2	0	6	5
	Total	4	5	8	8

To support our employees, the following key benefits were provided during the year:

Benefits	2022		2023	
	No. of FTEs	% of Total Population	No. of FTEs	% of Total Population
SSS	15	23%	13	19%
PhilHealth	5	8%	5	7%
Leaves (Maternity/Paternity)	5	8%	1	1%
In-patient benefits	1	2%	--	--
Out-patient benefits	172	--	156	--
Financial Assistance	14	22%	18	27%
Retirement Benefits	1	2%	1	1%

PGA SOMPO maintains gender balance, with thirty-eight percent (38%) of females occupying middle management positions. Fourteen percent (14%) of total female employees were promoted in 2023.

The Company continues to implement activities aimed at building a sustainable workforce. In 2023, for a total of nine hundred and nine (909) training hours, ninety-nine (99) trainings were provided to the employees in the following learning tracks:

	No. of Participant FTEs
General	20
Technical	55
Leadership and Management	24

Over the past year, the Company also conducted three (3) online wellness sessions headed by health experts to increase our employees' knowledge on: (1) Fatigue Management, (2) Healthy Skincare for Different Ages, and (3) Back Pain Awareness and Prevention. These topics were chosen by the employees themselves through an online internal survey.

Audited Financial Statements