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| Circular Letter No.: | 2022-42 |
| Date: | 25 August 2022 |
| Amending: Circular Letter No. 2020-72 ACGR Form: Principle 10: Recommendation 10.1 | 13 June 2020 |

CIRCULAR LETTER

TO : ALL NON-LIFE INSURANCE COMPANIES

SUBJECT : PROVIDING ADDITIONAL INCENTIVE IN THE ANNUAL CORPORATE GOVERNANCE REPORT (ACGR) TO INSURANCE COMPANIES PARTICIPATING IN THE PHILIPPINE CATASTROPHE INSURANCE FACILITY (PCIF)

WHEREAS, the Annual Corporate Governance Report aims to assess all Insurance Commission Regulated Companies' (ICRCs) observance of different principles and recommendations of the Insurance Commission's Code of the Corporate Governance;

WHEREAS, all non-life insurance and professional reinsurance companies need to provide additional information on the companies' policies and programs on its participation in the Philippine Catastrophe Insurance Facility (PCIF), if applicable, to be included in the submission of the ACGR;

WHEREAS, In 28 January 2020, the Insurance Commission, together with the Philippine Insurers and Reinsurers Association and the National Reinsurance Corporation of the Philippines signed a Memorandum of Understanding to formalize the PCIF and review minimum catastrophe risk insurance rates by early 2021;

WHEREAS, this Commission, in order to promote a more robust corporate governance culture and keep abreast with the recent trends and developments in corporate governance, pursuant to existing CL No. 2020-71 dated 13 June 2020 on Revised Code of Corporate Governance which aim, among other things, enhance customer and investor confidence as well as corporate accountability, disclosure and transparency;

NOW, THEREFORE, in view of all the foregoing and pursuant to the powers granted to the Insurance Commissioner under Section 437 of the Insurance Code, as amended by Republic Act No. 10609; the following guidelines are hereby adopted and promulgated:

SECTION 1: AMENDMENT TO THE ANNUAL CORPORATE GOVERNANCE REPORT FORM ATTACHED AS ANNEX “A” IN CIRCULAR LETTER NO. 2020-72

All non-life insurance companies shall apply this amendment to their ACGR Form starting the year 2023 which would be submitted on the 30th of May 2024.

Principle 10: The Company should ensure that the material and reportable non-financial and sustainability issues are disclosed

Recommendation 10.1



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| 1. xxx | | xxx | |
| 2. xxx | | xxx | |
| 3. Company recognizes the need for financial resilience towards natural disasters to hasten the recovery of communities after a devastating loss and has participated in the Philippine Catastrophe Insurance Facility (PCIF). | | Disclose or provide link for the involvement or participation of the company to PCIF. | |

SECTION 2: SEPARABILITY CLAUSE

If any provision or section of this Circular Letter is held to be unconstitutional or invalid, the other provisions or sections hereof, which are not affected thereby shall continue to be in force and effect.

SECTION 3: EFFECTIVITY CLAUSE

This Circular Letter shall take effect immediately.


DENNIS B. FUNA
 Insurance Commissioner

