

Level 2	Bonus Items	Answer	Source Document / Location of Information
A	Rights of shareholders		
A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	Y	<p>Source: Corporate Governance Manual, Page 30 - 34</p> <p>VI. INVESTOR'S RIGHTS AND PROTECTION</p> <p>The Board shall commit to respect the following rights of the stockholders:</p> <p>1.0 Voting Right</p> <p>Stockholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code. Cumulative voting shall be used in the election of directors.</p> <p>4.0 Right to Information</p> <p>Stockholders shall be provided upon request, with periodic reports filed by the company with the SEC (e.g., proxy statement/information statement and annual report) which disclose personal or personal information about the Directors and Officers such as their educational and business background, holdings of the Company's shares, material transactions with the Company, relationship with other Directors and Officers and the aggregate compensation of Directors and Officers.</p> <p>7.0 Right to Transfer and Fair Conduct of Stockholders' Meeting</p> <p>The board shall adopt appropriate measure to ensure that stockholders' meetings are conducted in a fair and transparent manner. The stockholders should be encouraged to personally attend such meetings, and if unable to do so, they should be advised ahead of time of their right to appoint a proxy on their behalf. Subject to the requirements of law, rules and regulations, the By-Laws of the Company and the rules approved by the board, the validity of a proxy should be resolved in favor of the stockholder.</p> <p>It shall be the duty of the directors to promote stockholders rights, remove impediments to the exercise of stockholders' rights and allow possibilities to seek redress for violation of their rights. The directors shall envisage the exercise of stockholders' voting rights and the solution of problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to stockholders participating in meetings and/ or voting in person.</p>

			<p>VII RELATIONS WITH STOCKHOLDERS</p> <p>3.0 Constructive use of the AGM (Annual General Meeting)</p> <p>a. The Board shall use the AGM or Annual Stockholder's Meeting to communicate with investors and encourage their participation.</p> <p>b. The company shall count all proxy votes.</p> <p>c. The company ensures that votes cast are properly received and recorded.</p> <p>e. The Board proposes a separate resolution at the AGM on each material issue (i.e reports, accounts.)</p> <p>f. The Chairman, directors and members of the Audit, Remuneration and Nomination committees shall be present at the AGM to answer questions.</p> <p>g. Notices, annual reports including the latest annual Financial Statements of the company shall be given to stockholders at least two (2) weeks prior to the AGM.</p> <p>http://republic-insurance.ph/wp-content/uploads/2013/07/Corporate-Governance-Manual.pdf</p>
A.1.1(B)	Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders?		
B	Equitable treatment of shareholders		
B.1	Notice of AGM		
B.1.1(B)	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	Y	<p>Source:</p> <p>Corporate Governance Manual, Page 34 - 35</p> <p>3.0 Constructive use of the AGM (Annual General Meeting)</p> <p>g. Notices, annual reports including the latest annual Financial Statements of the company shall be given to stockholders at least two (2) weeks prior to the AGM.</p> <p>http://republic-insurance.ph/wp-content/uploads/2013/07/Corporate-Governance-Manual.pdf</p>
B.2	Insider trading and abusive self-dealing should be prohibited.		
B.2.1(B)	Does the company have a policy requiring directors / Commissioners and key officers to notify the Board or its delegate at least one day before they deal in the company shares?		
D	Disclosure and transparency		
D.1	Quality of Annual Report		

D.1.1(B)	Does the company disclose the Identity of advisers/consultants to the remuneration/compensation committee appointed by the board and whether they are deemed independent or they have declared any conflicts of interests?
E	Responsibilities of the Board
E.1	Board Competencies and Diversity
E.1.1(B)	Does the company have at least one female independent director/commissioner?
E.2	Nominating Committee
E.2.1(B)	Does the Nominating Committee comprise entirely of independent directors/commissioners?
E.3	Board Appointments and Re-Election
E.3.1(B)	Does the company compile a board profile when considering candidates to the board (i.e., identify the professional skills and personal characteristics present on the current board; identify the missing skills and characteristics; and nominate individuals who could fill
E.3.2(B)	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners?
E.4	Board Structure & Composition
E.4.1(B)	Has the company set a limit of five board seats in PLCs including its unlisted subsidiaries?
E.5	Board Appraisal
E.5.1(B)	Does the company appoint an external consultant to facilitate the board assessment at least once every three years?
E.6	Risk Oversight

Source:
Annual Report, Corporate Governance at RSIC, Page 29

<p>E.6.1 (B)</p>	<p>Does the Annual Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?</p>	<p>Y</p>	<p>III. BOARD OF DIRECTORS</p> <p>The Board of Directors (the "Board") is primarily responsible for the governance of our Company. It shall also establish the company's vision, mission, strategic objectives, policies and procedures that shall guide its activities. A director's office is one of trust and confidence. He shall act in a manner characterized by transparency, accountability, integrity, and fairness.</p> <p>There are nine (9) members of the Board, of these directors, one is an executive director, two are independent directors and six are non-executive directors. The Board structure and practices provide oversight of the conduct of the company's business to ensure that it is being properly managed and dealings with policyholders, claimants and creditors and other stakeholders are fair and equitable.</p> <p>Annual Report, Corporate Governance at RSIC, Page 30</p> <p>V. MANAGEMENT</p> <p>The Management is represented by a Management Committee (ManCom) composed of corporate officers and executives formed and headed by the President. All Principal policies and directions governing the organization, management and operation of the Company is formulated and implemented by this committee, subject to Board approval when required by existing laws. The Committee regularly reports to the board at its regular board meeting , or during special meeting whenever necessary or requested by the Board or the President, on all matters concerning the Company's operation as well as significant events or occurrences affecting the Company.</p> <p>Annual Report, Corporate Governance at RSIC, Page 30</p> <p>Audit Committee – composed of four (4) directors, one of whom is independent and chaired by another independent board member with accounting and finance experiences. The AuditCom provides oversight of the institution's internal and external auditors and is responsible for the setting-up of internal audit department, and the appointment of internal auditors as well as of independent external auditors. In addition, it also monitors and evaluates the adequacy and effectiveness of the internal control system of the company.</p> <p>Annual Report, Audited Financial Statements, Page 49</p> <p>The Chairman stated that copies of the audited financial statements for the period ended December 31, 2012 were distributed to the stockholders prior to this meeting. He then asked if there were any questions on the financial statements of the Company and there being none, upon motion made and seconded, the stockholders approved and adopted the following resolution: RESOLVED, that the Board of Directors of Republic Surety and Insurance Company, Inc. (the "Corporation") hereby approves, confirms and authorizes the issuance of the Corporation's audited financial statements for the period ended December 31, 2012."</p> <p>http://republic-insurance.ph/wp-content/uploads/2013/04/RSIC-2012-Annual-Report.pdf</p>
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