








# **Governance:**

# **Corporate Governance & Risks**








# Corporate Governance




# Board 2023

## Non executive Directors

-  Alex Fort Brescia
-  Mario Brescia Moreyra
-  Fortunato Brescia Moreyra
-  Pedro Brescia Moreyra
-  Bernardo Fort Brescia
-  Jaime Araoz Medanic 

## Independent Directors

-  Mariana Costa Checa (2)
-  Ismael Benavides Ferreyros  
-  Carlos Kubick Castro 
-  Robert Priday (3)

-  Directors with industry experience
-  Directors with IT experience that supervise IT strategy
-  ( ) Number of other external directorships / mandates



## Board Industry Experience

<b>Jaime Araoz</b>	CEO of Corporación Breca (Breca's corporate center) from 2009 to 2023
<b>Ismael Benavides</b>	CEO of Interbank from 1993 to 2007
<b>Carlos Kubick</b>	CEO of BANMEDICA S.A. from 1985 to 2015.



## Board 2023

### Board Type

	Number of members
Executive directors	0
Independent directors	4
Other non-executive directors	6
<b>Total board size</b>	<b>10</b>

**Board Average Tenure: 15.4 years**

### Board Meeting Attendance

<b>Average Meeting Attendance</b>	96%
<b>Minimum of attendance for all members required</b>	75%

### Board Mandates

<b>Number of non-executive/independent directors with 4 or less other mandates:</b>	2
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## Chairman

<b>Duties and Responsibilities of the Chairman</b>	<p>The Chairman is the main legal representative of the Corporation and is responsible for its strategic direction, and for the conduction and supervision of the General Management's administration, among other duties that may be assigned to the Chairman. The Chairman ensures that the resolutions of the General Meeting of Shareholders and the Board of Directors are implemented and that the shareholders' requests are properly handled. The Chairman ensures that the Directors receive information sufficiently in advance of the meetings. Besides presiding the Board meetings and implementing the resolutions passed therein, the Chairman may perform all the duties and exercise all the powers that the Board of Directors may delegate and assign to the Chairman, in which case the relevant mandate shall be granted to the Chairman.</p>
	<p>The Chairman shall be obliged to participate in the meetings of the corporate bodies and the Committees of the Board of Directors, except for justified cause, taking part in the deliberations, discussions and debates that arise on the matters submitted for their consideration. The actions of the Directors shall be developed on the basis of the objectives set forth in Rimac's Board of Directors and in the Committees of which he/she is a member, and in accordance with the powers he/she has, considering this for his/her relationship with clients, as well as with the company's officers and employees.</p>

## CEO

<b>Duties and Responsibilities of the CEO</b>	<p>Among the main duties of the CEO position are the following:</p> <ol style="list-style-type: none"><li>1. To enter into and execute the ordinary acts and contracts corresponding to the corporate purpose</li><li>2. To represent the corporation, with the general and special powers provided for in the Code of Civil Procedure;</li><li>3. To attend, with voice but without vote, the meetings of the Board of Directors and the meetings of the general shareholders, unless it decides otherwise;</li><li>4. To issue certificates and certifications regarding the contents of the books and records of the corporation;</li><li>5. To act as secretary of the shareholders' meetings and of the Board of Directors;</li><li>6. Keep the books and documents, in accordance with the law</li><li>7. Report to the Board of Directors, at least quarterly, on the economic progress of the Company; report on the state of the Company's business to the Board of Directors, whenever so requested by the latter; and submit, in due time, the balance sheet and the profit and loss account for each fiscal year and the data necessary for the preparation of the annual report;</li><li>8. To inform the Board of Directors, at the first time it meets, of any communication sent to the corporation by the Superintendency of Banking and Insurance (S.B.S.);</li><li>9. To inform the Board of Directors at each ordinary meeting, in writing, of all credits and guarantees granted to each client as of the preceding meeting, as well as of investments and sales made, when in either case the limit established by the S.B.S. is exceeded.</li></ol>
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## Board Performance Review

<b>Board Performance Evaluations</b>	<p>According to the Regulations of the Board, the Board of Directors shall evaluate its performance, both individually and as a collegiate body, periodically and objectively, at least once a year, by means of the self-evaluation questionnaires it will receive for this purpose. The evaluation criteria are as follows:</p> <p>Individual Performance Evaluation of the Directors:</p> <p>a) Involvement and participation. All members of the Board of Directors are responsible for completing the evaluation form and submitting it to the Chairman or his designee within the time frame established in the schedule. Subsequently, the results will be consolidated and made available to the Directors at the meeting scheduled for this purpose.</p> <p>b) Contribution to the achievement of the institutional objectives.</p> <p>Evaluation as a Collegiate Body:</p> <p>a) Meetings and functioning of the Board of Directors</p> <p>b) Dynamics of the Board of Directors</p> <p>c) On the Directors and their knowledge of the Strategy, Mission, Vision, Bylaws and Regulations, among other topics.</p> <p>The self-evaluation form will be sent by e-mail to the members of the Board of Directors. The Chairman will ensure the correct delivery of the evaluation form and will include the discussion of the results of the evaluation as an agenda item.</p>
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## Board Election Process

<b>Board Performance Evaluations</b>	<p>According to the Regulations of the General Meeting of Shareholders, for the election of Directors, the cumulative voting method is used to allow the presence of Directors elected by minority shareholders. Under this method, each share entitles to cast as many votes as there are Directors to be elected and each voter may cumulate his votes in favor of a single person or distribute them among several persons.</p>
<b>Board Performance Evaluations</b>	<p>In the Regulations of the Board, it shows the procedure for Election of the members of the Board in order to establish the general guidelines for the election and appointment of the members of the Board of Directors.</p> <p>1. The General Shareholders' Meeting shall elect the members of the Board of Directors for a determined period in accordance with the periodicity and the number of members established in the Bylaws.</p> <p>2. Fulfillment of the minimum requirements to be a Director - The Company shall take into account the specific characteristics required for the activities it performs, considering the following criteria: ✓ Profession and area of specialization. ✓ Prestige and moral suitability. ✓ Experience. ✓ Economic independence. Availability of time.</p>



## Shares

As of December 31, 2023, we have 548 registered shareholders, of whom 95.8% are Peruvian and 4.2% are foreign. Shareholders with a stake of over 4% in the subscribed and paid-in capital stock are as follows:

Trade Name	Country	Economic Group	Number of Shares	Stake (%)
BRECA SEGUROS Y SALUD S.A.C.	Peru	Breca	1,521,093,344	78.65%
MINSUR S.A.	Peru	Breca	96,731,518	5.00%

**No governmental institutions own more than 5% of the total voting rights.**



## Family members - Economic group

Name	Country	Economic Group
BRESCIA MOREYRA FORTUNATO JUAN JOSE	Peru	Breca
BRESCIA MOREYRA MARIO AUGUSTO MIGUEL	Peru	Breca
BRESCIA MOREYRA PEDRO MANUEL JUAN	Peru	Breca
FORT BRESCIA ALEX PAUL GASTON	Peru	Breca
FORT BRESCIA DE MULDER SYLVIA MARIA ISABEL	Peru	Breca
FORT BRESCIA VIVIANE MARIA LUISA	Peru	Breca

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# Risk Management

# Risk Governance

An agile organization provides an opportunity to strengthen the scope of the 3 lines of defense model and improve the speed of 2nd line responses.

## Product Owners

Our first line leaders have the responsibility to identify operational risk events that materialize in losses for the Tribe and identify, analyze and assess the risks associated with the processes and products managed in their own squad.





# Risk Governance

## **Board Responsibility**

Our board director, Ismael Benavides Ferreyros, has extensive experience in risk governance. He was previously the chairman of Interbank's Risk Committee, and he currently chairs RIMAC's Risk Committee. He also possesses expertise in credit and financial risk, operational risk, cyber risk, and other areas.

## **Executive Responsibility**

Risk management has been the responsibility of the Executive Vice President of Risk, who has a direct administrative relationship with the company's CEO, establishing control standards.

## **Integrated Risk Management Committee**

The Executive Vice President of Risk reports to the Integrated Risk Management Committee, consisting of 3 directors and the CEO. This committee is responsible for establishing the company's policies and risk appetite, supervising compliance, and ensuring the implementation of action plans in situations that surpass the established thresholds.

# El Niño Phenomenom Case

## Risk Review and Exposure

To stay on top of developments in the risk scenario that can have an impact on the company's risk exposure, regular reviews are necessary. RIMAC work towards the identification of the value of exposure with risk levels associated with vulnerable areas.

We review CENEPRED's (Centro Nacional de Estimación, Prevención y Reducción del Riesgo de Desastres) forecast with historical data since 1980s to calculate the net retention of RIMAC.



# Strategic Plan / Achievements

## El Niño Phenomenon

### ECONOMIC RESILIENCE

- Renewal of reinsurance contracts and reinsurance clauses providing for advances of loss value for property contracts (2024 maturity).
- Elaboration of scenarios to calculate the impact of probable losses in property and health insurance.
- Monitoring of the investment portfolio, minimum credit risk.

### CUSTOMERS

#### COMPANIES

- Identification of vulnerability and risk based on location (Cenepred).
- Execution of 7 seminars "Prevenidos frente al FEN 2023-2024" in the provinces.
- Deployment of the catastrophic plan for property and home insurance.
- Desktop exercise for natural disasters in the face of high claims demand.

#### PERSONS

- Incorporation of monitoring center actions for individual customers through the RIMAC website.
- Implement programs such as "Voice bot" in health call centers.



### COLLABORATORS

- Deployment of the 2023 affidavit.
- Delivery of emergency backpacks and basic necessities baskets based on the employee's vulnerability.
- Connect to the FACT24 communication tool.

### COMMUNITY AND AUTHORITIES

- Latina TV Strategic Alliance: Together for the prevention of the 'El Niño' Phenomenon.
- Educational workshops through the "Yo me cuido" (I take care of myself) program and corporate volunteering.
- Trainings / Webinars to promote El Niño prevention in educational institutions in the provinces.

# Emerging Risk



## Hijacking of IoT Infrastructure (Internet of Things)

The Internet of Things (IoT) has become an integral part of Rimac Seguros' operations, connecting devices and systems to improve efficiency and customer experience. However, this connectivity also introduces new vulnerabilities. IoT devices, such as monitoring sensors, smart home devices and management systems, may require robust security measures, making them attractive targets for cybercriminals. IoT infrastructure hijacking means that attackers can take control of these devices and use them to launch DDoS attacks, spy on business operations, manipulate data or even disrupt critical services.

## Impact

The hijacking of IoT infrastructure can negatively impact our operations and reputation. Firstly, it can cause service disruptions, affecting the ability to monitor and manage insurance policies in real-time, leading to customer dissatisfaction and potential financial losses. Secondly, exposure of sensitive data, including personal and health information, can result in regulatory penalties and reputational damage, undermining the trust of customers and partners. Thirdly, the costs associated with recovering from an IoT attack, including system restoration and security enhancements, can be significant.

Additionally, the company will need to adapt its cybersecurity strategy, investing in advanced technologies and staff training to manage and mitigate these risks. Finally, developing and testing incident response plans specific to IoT attacks is crucial to ensure swift and effective recovery, minimizing the impact on operations and protecting the integrity of customer data.

## Mitigating Actions

We have a Security and Cybersecurity Maturity Model aligned with international standards, including ISO 27001. Thanks to a working group created in 2023, we improved consent capture processes in direct sales channels. Other activities included compliance evaluation regarding Law 29733 and refresher training on the new regulatory framework for team members.

A Technology Risk Management Department was recently created within the Risk Division, focusing on cybersecurity and information security. This department plans and manages policies and methodologies for identifying, analyzing, measuring, and quantifying technological risks. It establishes guidelines for IT Security/Cybersecurity aligned with the organization's risk appetite approved by the Board of Directors and advises Management on technological risk.