

Certification


The undersigned certify that the responses and explanations set forth in the above Company's Annual Corporate Governance Report are true, complete and correct of our own personal knowledge and/or based on authentic records


Signed in the City of Makati City on the 30th of May 2023.



PATRICK D. CHENG
CHAIRMAN OF THE BOARD
Signature over printed name



FRANKIE G. PANIS
PRESIDENT & CEO
Signature over printed name


ATTY. BELENETTE C. TAN
CORPORATE SECRETARY
Signature over printed name


FREEDOM A. GAVIOLA
COMPLIANCE OFFICER
Signature over printed name


PHILIP S. TSAI
INDEPENDENT DIRECTOR
Signature over printed name


MARGARITA L. SAN JUAN
INDEPENDENT DIRECTOR
Signature over printed name


JOSE L. OSMEÑA, JR.
DIRECTOR
Signature over printed name

MAY 30 2023

SUBSCRIBE AND SWORN to before me this _____ day of _____, 20____, by the following

NAME	I.D. NO.	PLACE OF ISSUE
PATRICK D. CHENG	EC6503735	DFA MANILA
FRANKIE G. PANIS	P7065565	DFA MANILA
ATTY. BELENETTE C. TAN	N05-83-015007	N/A
FREEDOM A. GAVIOLA	N11-81-038362	N/A
PHILIP SL TSAI	N05-76-034873	N/A
MARGARITA L. SAN JUAN	125-401-674	N/A
JOSE L. OSMEÑA JR.	GO-1-83-001213	N/A

Doc. No. 195;
Page No. 40;
Book No. 16;
Series of 20 23.

NOTARY PUBLIC


ATTY RODRIGO S. DE REAL, JR.
Notary Public Makati until 12/31/2024
Apt. No. M-070 IBP No. 178992 01/05/2022
Roll No. 49763 MCLE No. VII-018902
PTR No. 0860654 01/10/2023
C Flr VGP Center Room 605 6772 Ayala Ave. Makati

ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long-term success and sustainability of the corporation in a manner consistent			
Recommendation 1.1			
1. Board is composed of directors and collective working knowledge, experience and expertise that is relevant to the company's industry/sector.	COMPLIANT	The CIBI Board is composed of members with collective working knowledge and experience relevant to insurance broking business. Please refer to the following link (https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex A) to view brief profile of the CIBI Board comprised of the ff. officers: 1. Patrick D Cheng; 2. Frankie G. Panis; 3. Philip SJ Tsai; 4. Margarita L. San Juan; Jose L. Osmena Jr	-
2. Board has has an appropriate mix of competence and expertise.	COMPLIANT		-
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	COMPLIANT		-
Recommendation 1.2			
1. Board is composed of a majority of a non- executive directors.	COMPLIANT	CIBI has 5 Board members and 4 are non-executive directors and only 1 is an Executive Director which is the CIBI President. Please refer to the General Information Sheet for the CIBI Board composition - @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex B	-
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	COMPLIANT	CIBI is a wholly owned subsidiary of Chinabank and as such can be covered in the application of the Chinabank's Corporate Governance (CG) policies and guidelines, as applicable, and if explicitly required. The Chinabank's CG manual covers group-wide implementation (to the extent possible and maybe applicable) of certain policies, activities and practices including the training of directors. However, CIBI is now finalizing its own CG manual which also covers policies on training of directors. see https://www.chinabank.ph/manual-on-corporate-governance	-
2. Company provides in its Board Charter or Manual on Corporate Governance - an orietation program for first time directors.	COMPLIANT	CIBI currently adopts Chinabank's CG policies and guidelines on the orientation of first time directors and which now forms part of its draft CG manual. see https://www.chinabank.ph/manual-on-corporate-governance	-
3. Company has relevant annual continuing training for all directors.	COMPLIANT	CIBI currently adopts the Chinabank's CG policies and guidelines on the annual continuing training of directors and which now forms part of its draft CG manual. A sample certificate on Corp. Gov. training by ICD can be viewed at https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex G and https://www.chinabank.ph/pdf/manual-on-corporate-governance	-
Reccomendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	Chinabank observes diversity in the composition of its Board and has ensured that there is an appropriate mix of competence and expertise among its members.; educational background, experience and skills, knowledge, culture and skills are considered. CIBI adopts the same mindset and maintains a mix of male and female directors from varying background and different set of skills. CIBI Board is comprised of the ff officers: 1. Patrick D Cheng (NED); Frankie G Panis (ED); 3. Philip SJ Tsai (ID); 4. Margarita L San Juan (ID); 5. Jose Osmena Jr (ID); This also now forms part of its draft CG manual. (see https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex A)	-

Recommendation 1.5			
1. Board is assisted in its duties by Corporate Secretary.	COMPLIANT	CIBI has a Corporate Secretary (in the person of Atty. Belenette Tan) and another person as Compliance Officer (in the person of Freedom Gaviola) who are not part of the Board of Directors. The GENERAL INFORMATION SHEET will show the composition of the Board of Directors @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX B	-
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		-
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		-
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	CIBI Corporate Secretary is required to regularly update its governance proficiency thru internal and external trainings. Please see copies of certificates on Advanced Corp. Governance Training as provided by Institute of Corporate Directors @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX G	-
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	The Board has appointed Freedom Gaviola as its Compliance Officer. Please see Board Resolution appointing Mr. Gaviola and his alternate for the Compliance positions of CIBI @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX C	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	Compliance Officer is part of the Senior Management team. This should provide sufficient stature and authority needed to fulfill the requirements of the role. Please refer to CIBI Board Resolution for profile of the Compliance Officer @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX C	-
3. Compliance officer is not member of the board.	COMPLIANT	CIBI has appointed Freedom Gaviola as its Compliance Officer (CO) is currently not part of its Board. Please see copy of GENERAL INFORMATION SHEET @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX B	-
4. Compliance Officer attends training/s on corporate governance annually.	COMPLIANT	The Compliance Officer of CIBI has so far managed to attend Corp Gov Trainings by the Institute of Corporate Directors (ICD) 2018, 2021, 2022. Please see copy of certificate and related document @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX G	-
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal			
Recommendation 2.1			
1. Directors act on fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	CIBI directors are guided by Chinabank's CG policies and guidelines which were also made part of its draft manual on CG for CIBI capturing the same policies and ensuring compliance to established rules (see https://www.chinabank.ph/manual-on-corporate-governance)	-
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	CIBI currently adopts Chinabank's CG policies and guidelines and its draft manual captures the same policies and ensures compliance. Likewise in CIBI's draft CG manual, the responsibilities of the Board includes oversight on development and implementation of company's business objectives and strategy, (see https://www.chinabank.ph/manual-on-corporate-governance)	-
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength.	COMPLIANT		-
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	CIBI Chairperson is Patrick D Cheng who is concurrently the CFO of Chinabank and also serves as director for CBS, Manulife Chinabank Life Assurance, Manila Overseas Commercial and SR Holdings.(see https://www.chinabank.ph/china-bank-board-and-management)	-
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	CIBI adopts Chinabank's group's succession planning policies for key officers and directors as provided under its CG manual which also forms part of CIBI draft CG manual. (see https://www.chinabank.ph/manual-on-corporate-governance)	-
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	CIBI ensures it captures the advantage of having a retirement program by making sure that both company and employees/directors get the full benefits of a retirement plan. See CIBI Retirement Plan @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX D	-

Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	COMPLIANT	CIBI adopts Chinabank's Performance Management System and include this in CIBI's draft CG manual. The same draft manual provides policies on remuneration to ensure it maintains its competitive advantage in the market. (Please see attached Performance Management System @ https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex E)	-
2. Board aligns the remuneration of the key officers and the board members with long-term interest of the company.	COMPLIANT		-
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		-
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	CIBI follows Chinabank's's Board Nomination and Election policy as stated in its CG manual which also forms part of CIBI draft CG Manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		-
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	COMPLIANT		-
4. Board nomination and election policy includes how the board reviews nominated candidates.	COMPLIANT		-
5. . Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director,	COMPLIANT		-
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		-
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT	CIBI declares its RPT with bank and affiliates to the parent bank based on the requirement of regulators and follows industry threshold in reporting RPTs. See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc (Annex F)	-
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	CIBI declares its RPT with bank and affiliates to the parent bank based on the requirement of regulators.	-
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc (Annex F)	-
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	CIBI continues to adopt the Chinabank's strict policies and guidelines on Management Selection embodied in its CG manual and which are based on the application of fit and proper standards. Integrity, technical expertise and experience in the business are considerations in the selection process. CIBI has this in its draft CG manual. https://www.chinabank.ph/manual-on-corporate-governance	-
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	CIBI adopts the Chinabank's strict policies and guidelines on Management Performance Assessment embodied in its CG manual, which are based on how successfully goals are achieved and strategies implemented. CIBI has this in its draft CG manual. https://www.chinabank.ph/manual-on-corporate-governance	-

Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	CIBI's Performance Management System (PMS) is an integrated process that aligns the performance of management with CIBI's strategic direction and business plans to ensure optimum organizational effectiveness. This PMS adopts Chinabank's PMS for consistency and thus can be seen in Chinabank's 2022 Annual Financial & Sustainability Report. See https://www.chinabank.ph/pdf/Chinabank's_AFSR2022_FULL_PDF_20220505.pdf	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT		-
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place	COMPLIANT	CIBI currently follows practices of Chinabank's policies and guidelines on internal control. CIBI implements its own Operations Process and Procedures Manual which covers all areas of operation from Sales and Marketing to Administration and Accounting and Claims which includes creation of an internal audit charter. See as reference https://www.chinabank.ph/manual-on-corporate-governance	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		-
3. Board approves the Internal Audit Charter	COMPLIANT		
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	CIBI currently follows Chinabank's Risk Management Framework and works closely with the RM Team of the parent bank. In addition, CIBI is now working on the development of its own Risk Management Framework. (see @ https://www.chinabank.ph/internal-control-and-risk-management)	-
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT	CIBI currently follows Chinabank's Risk Management Framework but has included this in its draft Corp. Gov. manual (see @ https://www.chinabank.ph/manual-on-corporate-governance)	-
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	COMPLIANT	CIBI is now working on finalizing its own Corporate Governance manual which includes creating an Audit and Corp. Gov. Committee to help decentralize the functions of the board. See for reference https://www.chinabank.ph/manual-on-corporate-governance	-
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		-
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		-
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	Given the size and operation of CIBI, the Board approved the creation of Audit and Corporate Governance Committees and allowed the functions of Risk Oversight plus Related Party Transaction, Nomination plus Remuneration to be integrated into Audit and Corp Gov. committees, respectively. See	=
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	The Board approved the creation of an Audit Committee to perform the functions required under its draft Code of Corporate Governance Manual for CIBI. See reference https://www.chinabank.ph/manual-on-corporate-governance	

2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	CIBI Audit Committee is composed of 3 members with an Independent Director as Chairman and one Non-Executive Director and one Independent director as members.	=
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	All members of CIBI Audit Committee have relevant experiences and trainings in the required field and can adequately perform the functions required. CIBI Audit Committee is comprised of Philip SJ Tsai as chairman, Margarita L San Juan and Patrick D Cheng as members.	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	The Chairman of Audit Comm is an Independent Director and a concurrent member of the Corp. Gov Committee of CIBI in the person of Philip SJ Tsai.	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	The Board approved the creation of a Corporate Governance Committee to perform the functions required under its draft Code of Corporate Governance Manual, including the functions on Nomination and Remuneration. Copy of the CG Committee Charter will be posted in the company website.	=
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	COMPLIANT	All members of the Corporate Gov Committee are Independent Directors which include the Chairman to provide unbiased and independent oversight on the compliance practices of CIBI. CIBI current CG Committee Chairman is Margarita L San Juan with Philip SJ Tsai and Jose L Osmena Jr as members.	
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT		
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions.	CIBI's size and operation does not actually require creating a stand-alone Risk Oversight Committee. However, to ensure that the BROC functions remain to be an integral part of the compliance practices of CIBI, they were integrated in the functions of the Audit Committee which is also supported by a dedicated Risk Officer.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship.	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the Chairman of the BROC.	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	
Recommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transaction of the company.	NON-COMPLIANT	Provide information link/reference to a document containing information on the Related Party Transaction (RPT) Committee, including its transaction.	Given the size and strcuture of CIBI's operation, and with reference to IC Circular 2017-29 relative to RPT where it appears silent on the inclusion of insurance Brokers (and Agents) on reporting requirements of the IC, no RPT Committee was created for CIBI. However, the Audit Committee has also been tasked to perform oversight functions on RPT to support the requirement of its parent bank with regards its compliance to BSP rules..
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	

Recommendation 3.6			
1. . All established committees have a Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	CIBI has established that it only needs to maintain an Audit and CorGov Committee and all other functions on Nomination, RPt, Risk Oversight and Remuneration can be integrated in the 2 as secondary functions. Further, approved Audit and CorGov Charters are now in place and shall be posted in the company website. Copy of the Charters will be posted in the company website	-
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		
3. Committee Charters were the company's website.	COMPLIANT		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and			
Recommendation 4.1			
1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	CIBI Board actively participates in all Board meetings whether thru face-to-face sessions or thru video conferencing and in accordance with the rules of its regulators. See copy of Minutes of the Board Meeting at https://www.chinabank.ph/about-china-bank-insurance-brokers-inc	-
2. The directors review meeting materials for all Board and Committee meeting.	COMPLIANT	CIBI Board presentation materials are being submitted via emails to the BOD members prior to Board Meetings.	-
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	CIBI Board actively participates in all Board meetings whether thru face-to-face sessions or thru video conferencing and in accordance with the rules of its regulators. See Minutes of the Board Meeting uploaded in https://www.chinabank.ph/manual-on-	-
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	CIBI Non-executive directors are subject to the same rules of directorship as the Chinabank's policies on directorship. This is also taken up in CIBI's draft CG manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	COMPLIANT	CIBI Non-executive directors are subject to the same rules of directorship as the Chinabank's policies on directorship. This is also taken up in CIBI's draft CG manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	COMPLIANT	CIBI Board is composed of 5 directors and 3 of which are independent directors. The current board composition with a 40/60 mix of directors is more than compliant to the standards set under the corporate governance principles. See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc (Annex B-GIS)	-
Recommendation 5.2			
1. The independent directors possess all necessary qualifications and none of the disqualifications to hold the position.	COMPLIANT	CIBI Independent Directors are highly regarded individuals which passed the Chinabank's standards on integrity and skills qualification. CIBI Independent Directors are composed of: 1. Philip SJ Tsai; 2. Margarita San Juan; 3. Jose Osmena Jr. See their profile in https://www.chinabank.ph/china-bank-board-and-management	-
Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term for nine years. As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.	COMPLIANT		-

For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.		CIBI follows Chinabank's policies for Independent Directors as stated under the Chinabank's CG Manual and which are included in its draft CG Manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT		-
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	COMPLIANT		
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	The Chairman of CIBI Board is Patrick D Cheng who is also Chinabank's CFO whilst CIBI's CEO is its appointed President Frankie G Panis. See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc (Annex B-GIS)	-
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities	COMPLIANT	CIBI follows Chinabank's policies for dealienation of responsibilities between the Chairman and the Executive Officer which are clearly defined under the Chinabank's CG manual and which are incorporated in the draft CG manual of CIBI. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	COMPLIANT	CIBI follows Chinabank's policies for dealienation of responsibilities by each of the Board members and where the appointed chairman of the board is not the same person as the appointed CEO of CIBI. The dealienation of responsibilities are clearly defined under the Chinabank's CG manual and is also taken up in CIBI's draft CG manual. See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex B-GIS	-
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	COMPLIANT	CIBI follows Chinabank's policies on performing functions as director at arm's length particularly where material or personal interest is present. This is more clearly defined under the Chinabank's CG manual and which also forms part of CIBI's draft CG manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	NON-COMPLIANT	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	Considering that the Code of Corp Gov for CIBI is still for board approval and which also touches on the requirement on separate meetings of NED's with auditors, this requirement still remains for implementation.
2. The meetings are chaired by the lead independent director.	NON-COMPLIANT		
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance			
Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole	NON-COMPLIANT	Provide proof of annual assessments conducted for the whole board, the individual members, the Chairman and the Committees.	Under the draft Corp Gov manual of CIBI, the Board, its members and chairman will be subjected to an annual assessment to ensure that their performance as Board remain to be collaborative and strategic. However, CIBI can only fully comply to this requirement one year upon implementation of the Corp Gov manual. The use of an External Facilitator will be decided upon by the Board once the Corp Gov Manual is in place.
2. The performance of the Chairman is assessed annually by the Board.	NON-COMPLIANT		
3. The performance of the individual member of the Board is assessed annually by the Board.	NON-COMPLIANT		
4. The performance of each committee is assessed annually by the Board.	NON-COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT	Identify the external facilitator and provide proof of use of an external facilitator.	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders.	The draft CIBI CorGov Manual includes the requirement to make periodic assessment of the Board, its members, and its chairman based on their performance and the need to make the assessment known to the parent bank, as CIBI is a wholly-owned subsidiary. It will require the members of the Board and the committees to fill-up self-assessment forms.
2. The system allows for feedback mechanism from the shareholders.	NON-COMPLIANT		

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealing of company.	COMPLIANT	CIBI follows Chinabank's Code of Ethics which was the basis of CIBI's approved Code of Ethics guidelines (see wordings Chinabank's Code of Ethics @ https://www.chinabank.ph/code-of-ethics & https://www.chinabank.ph/manual-on-corporate-governance)	-
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT		-
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT		-
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	CIBI follows Chinabank's Code of Ethics which was the basis of CIBI's approved Code of Ethics guidelines (see wordings Chinabank's Code of Ethics @ https://www.chinabank.ph/code-of-ethics & https://www.chinabank.ph/manual-on-corporate-governance)	-
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		-
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory			
Recommendation 8.1			
1. Board establishes 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 a company's financial condition, results and business operations.	COMPLIANT	CIBI follows Chinabank's CORPORATE DISCLOSURE POLICIES and is now incorporated in the draft CG manual of CIBI. (see Chinabank's Disclosure Policies @ https://www.chinabank.ph/manual-on-corporate-governance)	-
#VALUE!			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment	COMPLIANT	CIBI follows Chinabank's CORPORATE DISCLOSURE POLICIES and is now incorporated in the draft CG manual of CIBI. (see Chinabank's Disclosure Policies @ https://www.chinabank.ph/corporate-governance-company-disclosures)	-
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgement.	COMPLIANT		-
Recommendation 8.3			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT	CIBI follows Chinabank's CORPORATE DISCLOSURE POLICIES and is now incorporated in the draft CG manual of CIBI. (see Chinabank's Disclosure Policies @ https://www.chinabank.ph/integrated-annual-corporate-governance-report-i-acgr)	-
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT		-
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT		-
Recommendation 8.4			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions	COMPLIANT	CIBI discloses RPT's to the parent bank. However, CIBI is not subjected to regulatory reporting since the company is not publicly-listed and is not a proponent of the IC Circular pertaining to RPT rules. (reference SEC 2019 MC NO. 10 and IC CL 2017-29)	-

2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.	COMPLIANT	CIBI RPT's are reported to the parent bank, which files a consolidated RPT in its Annual Report. However, CIBI is not subjected to regulatory reporting since the company is not publicly-listed. (reference SEC MC No. 10 and IC CL 2017-29)	-
Recommendation 8.5			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	CIBI currently adopts Chinabank's CG policies and guidelines on Corporate Governance and are also the main reference in the drafting of its own CG Manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
2. Company's MCG is posted on its company website.	COMPLIANT		-
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	CIBI's approved Audit Charter provides policies on the engagement of an external auditor, including responsibilities of the committee to appoint, re-appoint or terminate an external auditor. On the duty to disclose the removal or change in the external auditor, under the draft CIBI Corp. Gov. manual Sec.IV on External Auditor, disclosure is required when there is cessation of service of the External Auditor in its annual report to the IC.	-
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT		
3. For removal of the external auditor, the reasons for removal or	COMPLIANT		
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	CIBI now has a board-approved Audit Charter lifted from the Audit Charter being implemented by other subsidiaries of Chinabank. It covers the responsibilities of selecting the proper External Auditor. But the responsibility to assess the effectiveness of the External Auditor annually remains with the parent bank, as it does for the entire Chinabank group.	-
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT		
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	CIBI currently adopts Chinabank's practices on Audit and has incorporated these practices in its draft CG manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
2. . Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT		
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	CIBI follows Chinabank's Sustainability concerns and has incorporated its own version in its draft CG manual. See as reference https://www.chinabank.ph/china-bank-sustainability	-
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT		
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	COMPLIANT	CIBI maintains a microwebsite within Chinabank own website @ www.chinabank.ph See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc	-

Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	CIBI follows Chinabank's Internal Control and Risk Management Framework and has incorporated similar policies in its draft CG manual. See as reference https://www.chinabank.ph/internal-control-and-risk-management	-
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT		-
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	CIBI currently outsources this function to its parent bank and now forms part of the draft CG Manual for CIBI.	-
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive appointed the Board.	COMPLIANT	CIBI's Internal Audit Program adopts the parent bank's Audit Policies thru oversight of its Chief Audit Executive (JEC LOBIEN) and CIBI's Audit Committee.	-
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	COMPLIANT		-
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	CIBI President - Frankie G. Panis ensures CIBI addresses any audit concerns and makes sure that the company maintains transparency and provide full support on the audit process.	-
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	CIBI participates in a group-wide Risk Control and Self-Assessment Program which is based on Chinabank's Risk Management Framework and is assisted by its Risk Officer.	-
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	CIBI Board appointed as its Risk Officer Freedom A. Gaviola whose function as an RO is to work closely with the RMG of the parent bank. He is also concurrently CIBI's Compliance Officer. See https://www.chinabank.ph/about-china-bank-insurance-brokers-inc ANNEX C	-
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT		-
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and ,facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	CIBI follows Chinabank's Shareholder's Rights policies and can be viewed via its website - https://www.chinabank.ph/manual-on-corporate-governance	-
2. . Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT		-
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.	COMPLIANT	CIBI follows Chinabank's's schedule on Annual Shareholders Meeting, releases notifications to shareholders prior the meeting which is scheduled every March	-
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	CIBI follows Chinabank's practices on shareholder participation which is part of the Chinabank's CG policies on Transparency. See for reference https://www.chinabank.ph/pdf/CBC2022AFSR.pdf	-
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	COMPLIANT	The Minutes of the annual and Special Shareholders Meeting are promptly uploaded in the bank's website which comprise a consolidated reporting of the bank and subsidiaries. See as reference https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Minutes of the Board of Directors Meetings	-
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	CIBI follows Chinabank's's Alternative Dispute Resolution Policies and has incorporated the same in its draft CG manual. See as reference https://www.chinabank.ph/manual-on-corporate-governance	-
Principle 4: The rights of stakeholders established by law by contractua relations and through voluntary commitments must be respected. Where stakeholders' rights			
Recommendation 14.1			

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	CIBI follows Chinabank's policies on Stakeholders Relations and now includes this in its draft CG manual. See https://www.chinabank.ph/manual-on-corporate-governance	-
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	CIBI follows Chinabank's policy on Stakeholders Protection and now includes this in its draft CG Manual. See for reference https://www.chinabank.ph/manual-on-corporate-governance	-
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	CIBI follows Chinabank's policies on Transparency based on Chinabank's CG manual and now includes this in its draft CG Manual. See for reference https://www.chinabank.ph/manual-on-corporate-governance	-
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	CIBI developed its own Vision and Mission to provide clear objectives and direction to all employees on where the company aims to go and grow. It also follows Chinabank's policies on Employee Engagement, Performance Appraisals to reward those who contributed the most in achieving company goals thru promotions and merit increases. See https://www.chinabank.ph/about-china-bank-insurance-brokers-inc Annex E	-
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti corruption policy and program in its Code of Conduct.	COMPLIANT	CIBI strictly implements its own Code of Ethics (adopted from the COE of the parent bank) for employees which covers policies on morality and dishonesty. See for reference https://www.chinabank.ph/code-of-ethics	-
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT		-
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	COMPLIANT	CIBI follows and adopts Chinabank's policies on whistleblowing. See for reference https://www.chinabank.ph/governance-policies	-
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	COMPLIANT		-
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT		-
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	COMPLIANT	CIBI follows the policies of the Bank on Corporate Social Responsibility by creating relevant programs that support communities and society and implementing them. It maintains a section in its draft CG manual on Sustainability. See for reference https://www.chinabank.ph/china-bank-sustainability	-

ANNUAL CORPORATE GOVERNANCE REPORT

CHINABANK INSURANCE BROKERS INC.

(NAME OF COMPANY)

1. For the fiscal year ended December 31, 2022

2. Certificate Authority Number IB-30-2022-RA

3. Makati City, Philippines

Province Country or jurisdiction of incorporation or organization

4. 2nd FLOOR, VGP CENTER, AYALA AVENUE, MAKATI CITY, 1226

Address of principal office

Postal Code

5. 00 63 (2) 8885-5760

Company's telephone number, including area code

6. www.chinabank.ph

Company's official website

7. 8th floor VGP Center, 6772 Ayala Aavenue, Makati City

Former name, former address and former tiscal year, it changed