

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. CIBI Board of Directors are comprised of the following officers: 1. Patrick D Cheng-Chairman; 2. Frankie G. Panis; 3. Philip S.L. Tsai; 4. Margarita L. San Juan; 5. Aloysius C. Alday Jr.	-
2. Board has an appropriate mix of competence and expertise.	COMPLIANT		-
3. Directors remain qualified for their positions individually and collectively to enable them to fulfilltheir roles and responsibilities and respond to the needs of the organization.	COMPLIANT		Curriculum Viate of Board/Directors - Available upon request
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/library/cibi-gis-2023	-
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	COMPLIANT	CIBI is now implemeting its own Corporate Governance (CG) policies and guidelines, which is Board-approved. CIBI CG manual covers policies, activities and practices including trainings for directors and officers as required. https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
2. Company provides in its Board Charter or Manual on Corporate Governance - an orietation program for first time directors.	COMPLIANT	CIBI is implemeting its own Corporate Governance (CG) policies and guidelines, which is Board-approved. CIBI CG manual covers policies on training of first time directors. https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
3. Company has relevant annual continuing training for all directors.		CIBI Directors participate in its parent bank's Annual Corporate Governance trainings. A sample certificate on Corp. Gov. training can be viewed at the ff link below.	

	COMPLIANT	chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/philip-sl-tsai-corporate-governance-training chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/margarita-l-san-juan-chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/aloysius-c-alday-jr-corp-gov-training	
Reccomendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	CIBI 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 following directors : 1. Patrick D Cheng (NED); Frankie G Panis (ED); 3. Philip S.L. Tsai (ID); 4. Margarita L San Juan (ID); 5. Aloysius C. Alday Jr (ID)	-
Reccomendation 1.5			
1. Board is assisted in its duties by Corporate Secretary.	COMPLIANT	CIBI has a Corporate Secretary (in the person of Atty. Iris Katrine M. Exchaure) and another person as Compliance Officer (in the person of Edgardo C. Rosal) who are not part of the Board of Directors. The GENERAL INFORMATION SHEET will show that the Corp. Secretary is not a member of the CIBI Board. Please visit link @ https://www.chinabank.ph/library/chinabank-insurance-brokers-gis-2025	-
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	The training certificate of CIBI's Corporate Secretary can be viewed at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/iris-katrine-m-exchaure-cg-training-cert	
Reccomendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	The Board has appointed Edgardo C. Rosal as its Compliance Officer and Risk Officer with a rank of Sr.Manager. Please see Board Resolution appointing Mr. Rosal for the Compliance positions of CIBI @ https://www.chinabank.ph/pdf/Annex-C-CIBI-Compliance-Officer.pdf	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	The Compliance Officer is part of the Senior Management team with a rank of Asst.Vice President. 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 @ chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/2023-br-35-appointment-of-edgardo-c-rosal-as-technical-and-compliance-officer-effective-october-16-2023	-
3. Compliance officer is not member of the board.	COMPLIANT	CIBI has appointed Edgardo C. Rosal as its Compliance Officer (CO) is currently not part of its Board. Please see copy of GENERAL INFORMATION SHEET @ https://www.chinabank.ph/library/chinabank-insurance-brokers-gis-2025	

4. Compliance Officer attends training/s on corporate governance annually.	COMPLIANT	The Compliance Officer of CIBI has so far managed to attend Advance Corp Gov Trainings provided by Chinabank dated 03 September 2025. Please see copy of certificate @ chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.chinabank.ph/library/edgardo-c-rosal-corp-governance-training-2025	
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 pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
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 the company's CG policies and guidelines, meet regularly to tackle operational, compliance and risk issues as reported by the CEO and its Risk and Compliance Officer. There are the two key elements of the fiduciary duty of the Board: duty of care and loyalty. The duty of care requires members of the Board to act on a fully informed basis, in good faith, with due diligence and care while the duty of loyalty is where the board members should act in the best interest of CIBI and all its stakeholder. The duties and responsibilities of the Board/Directors can be seen in the micro website of CIBI per link below https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	CIBI BOD has oversight on development and implementation of company's business objectives and strategy as defined in its Manual of Corporate Governance. Pls visit the link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023. Please see page 49 under 10.1.ii and 10.2.c	-
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. Pls visit link @ 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. CIBI's BOD is engaged in succession planning for the CEO and other critical positions, as appropriate. Pls visit link @ https://www.chinabank.ph/manual-on-corporate-governance under 2.3.3.d of CIBI CG Manual	-
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	CIBI observes a group-wide retirement program for its employees/directors. Pls visit link @ https://www.chinabank.ph/pdf/Annex-D-CBC-Insurance-Brokers-Retirement-Plan.pdf	-

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 CG manual. The CIBI CG Manual provides policies on remuneration to ensure it maintains its competitive advantage in the market. Please see page 50 of the CIBI CG Manual under https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Further please see link @ https://www.chinabank.ph/pdf/Annex-E-CBC-Performance-Management-System-Policy.pdf for the Performance Management System.	-
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 discusions 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. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 15 under 1.8 and 1.9	
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 CBC- Compliance Department based on the requirement of regulators and follows industry threshold in reporting RPTs. Please see https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 , on page 78 under item J.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT		-

3. RPT policy encompasses all entities within the group, taking into account their size, structure,risk profile and complexity of operations.	COMPLIANT		-
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 Board implements strict policies and guidelines on Management Selection embodied in its CG manual and which are based on the aplication of fit and proper standards. Integrity, technical expertise and experience in the business are considerations in the selection process. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 19 and 20 under 2.2.2	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive fficer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	CIBI Board follows guidelines on Management Performance Assessment embodied in its CG manual, which are based on how successfully goals are achieved and strategies implemented. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 20 under 2.3.3.c	-
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 at @ https://www.chinabank.ph/pdf/Annex-E-CBC-Performance-Management-System-Policy.pdf for the Performance Management System.	
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 continues to establish and implement various policies and guidelines as part of its internal control. Guidelines on Whistleblowing, Compaints Handling, Code of Ethics are just some of the controls that are being implemented to add to shareholder value. Likewise, CIBI Audit Charter is in place. Pls see link @ https://www.chinabank.ph/library/cibi-audit-committee-charter	-
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 has its own Risk Management Framework as guide to implementing a robust risk management program and continues to work closely with the RM Team of its parent bank. Further, CIBI has a Risk Oversight Committee that oversees the Risk Management Framework.Please see link https://www.chinabank.ph/library/cibi-risk-management-framework	-

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		-
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's Corporate Governance Manual serves as the entity's Board Charter wherein the roles, responsibilities and accountabilities of Board/Directors are stated. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
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	CIBI Board is supported by an Audit Commitee and a Corporate Governance Committee to handle specific governance tasks and which help decentralize the functions of the board. The Audit Committee oversees CIBI's policies, practices and procedures that relate to financial reporting and dealing with internal and external auditors and the results of their specific engagement/s while the Corporate Governance Committee is in charge of assisting the Board of Directors in fulfilling its corporate governance responsibilities. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 under page 38 of CIBI CG Manual. Also please see link https://www.chinabank.ph/library/cibi-audit-committee-charter for the Audit Committee Charter and https://www.chinabank.ph/library/cibi-corp-gov-committee-charter for Corporate Governance Charter.	=
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 works together with an Audit Committee to perform the functions required under its Code of Corporate Governance Manual for CIBI. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 38 under 8.1	=
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. Please see link https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 38 under 8.2	
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 comrised of Philip S.L. 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 S.L. 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 Code of Corporate Governance Manual, including the functions on Nomination and Remuneration. Please see link https://www.chinabank.ph/library/cibi-corp-gov-committee-charter	=
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's current CG Committee Chairman is Margarita L San Juan with Philip S.L. Tsai and Aloysius C. Alday 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.	COMPLIANT	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. The Audit Committee oversees CIBI's policies, practices and procedures that relate to financial reporting and dealing with internal and external auditors and the results of their specific engagement/s. The Audit Committee shall also be responsible for overseeing Management in establishing and maintaining an adequate, effective and efficient internal control framework and developing a risk management system. Please see link https://www.chinabank.ph/library/cibi-audit-committee-charter	
2. BROC is composed of at least three mernbers, the majority of whom should be independent directors, including the Chairman.	COMPLIANT		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT		
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.	COMPLIANT	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. Please see link https://www.chinabank.ph/library/cibi-audit-committee-charter . Please see page 3 item no.15	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	COMPLIANT		
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. The approved Audit and CorGov Charters are now in the company's website. Please see link https://www.chinabank.ph/library/cibi-corp-gov-committee-charter and https://www.chinabank.ph/library/cibi-audit-committee-charter	-
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 responsibilities, including sufficient time to be familiar with the corporation's business.			
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. CIBI's Corporate Governance Manual has provision for Board and Committee meetings. Please see link https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
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.	-
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 CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 10 under 1.3 to 1.3.1	-
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 directors are expected to be transparent in their directorship with other corporations as described in CIBI's CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 29 under (1)1.2	-
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. Pls visit link @ https://www.chinabank.ph/library/chinabank-insurance-brokers-gis-2025	-
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 Chinabank's standards on integrity and skills qualification. CIBI Independnt Directors are comprised of: 1. Philip S.L Tsai; 2. Margarita San Juan; 3. Aloysius C. Alday 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. 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.	COMPLIANT	CIBI Corporate Governance policies on Independent Directors as stated under the it's CG Manual provides a 9-year term for IDs, disallows any form of reinstatement after the 9 year term without any form of justification to the Insurance Commission. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023. Please see page 11 under 1.3.2	-
2. The company bars an independent director form 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 formalwritten 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 concurrently Chinabank's CFO whilst CIBI's CEO is its appointed President Frankie G Panis. Please visit link @ https://www.chinabank.ph/library/cibi-gis-2023	-
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities	COMPLIANT	CIBI Corporate Governance policies under its CG manual follows delienation of responsibilities between the Chairman and the Executive Officer. . Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023. Please see page 13 under 1.6 and Page 14 under 1.7	-

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 delienation 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 responsibilitites are clearly defined under CIBI's CG manual. . Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023. Please see page 13 under 1.6 up to 1.6.4	-
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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 implements its own Code of Ethics which can also be found in the company's website.Pls visit link @ https://www.chinabank.ph/library/cibi-code-of-ethics	-
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 expectations.			
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 implements Corporate Discloure policies in its CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
Recommendation 8.2			
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 implements Corporate Discloure policies in its CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
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 implements Corporate Discloure policies in its CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 47 under item "e. Compensation of the Directors"	-
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 Governanace 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. Compay's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	CIBI implements the required CG policies and guidelines on Corporate Governance and are also stated in its CG Manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023	-
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 external auditor's independence and enhance audit quality.			
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 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. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 60 under item 3.	-
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 change are	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 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. Please see Audit Committee Charter @ link https://www.chinabank.ph/library/cibi-audit-committee-charter	-
2. Audit Cormittee 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's practices on Audit and has incorporated these practices in its own CG manual. PLs see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 61 under item 3.4	-
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 own CG manual. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 73	-
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 informed decision-making by investors, stakeholders and other interested users.			
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 system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	CIBI now has its own Risk Management Framework in place and a working Risk Control and Self-Assessment program which allows as to assess adequacy of controls in place. Please see https://www.chinabank.ph/library/cibi-risk-management-framework	-
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 is being reported to the CIBI Board.	-
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 as manifested in CIBI's CG manual. The audit activities are being performed by the parent bank's Audit Department thru oversight of its Chief Audit Executive (JERUEL N. 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, implements its own Risk Management Framework and maintains its own 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 its Risk Officer Pamela M. Alcoba whose function as an RO includes working closely with the Risk Management Group of the parent bank. Please see link	-
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	https://www.chinabank.ph/library/appointment-of-pamela-alcoba-as-risk-officer	-
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. See https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 67 under item 2 of the Transparency provision.	-
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/library/cibi-code-of-corporate-governance-2023 at page 15 of CIBI CG Manual	-
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 link as reference @ https://www.chinabank.ph/library/minutes-of-the-stockholders-meeting-march-2025	-
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 CG manual. See as reference https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 67 under the Transparency provision of the CIBI CG Manual.	-
Principle 14: The rights of stakeholders established by law by contractua relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interest are at stake/ stakeholders should have a opportunity to obtain prompt effective redress for the violation of their 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 CG manual. See https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 29 under item 1.3	-
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 CG Manual. See for reference https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 8 under item c.	-

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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 CG Manual. See for reference https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 67	-

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
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 has 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. Link reference https://www.chinabank.ph/library/cibi-code-of-ethics . Please see the content of 4.1 and 4.7 which discusses Honesty and Avoidance of conflict of Interest as these are the basic foundations for anti-corruption.	-
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 and is appropriately integrated in the responsibilities of the Audit Committee. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 19 under item c.	-
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 CG manual on Sustainability. Pls see link @ https://www.chinabank.ph/library/cibi-code-of-corporate-governance-2023 . Please see page 26 under item b.	-