

SEC Registration Number

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 2024
2. SEC Identification Number A199701584 3. BIR Tax Identification No. 005-469-606
4. Exact name of issuer as specified in its charter Philippine Business Bank, Inc. (A Savings Bank)
5. National Capital Region (NCR), Philippines (SEC Use Only)
Province, Country or other jurisdiction of
incorporation or organization Industry Classification Code:
7. 350 Rizal Ave. ext. cor. 8th Ave. Grace Park, Caloocan City 1400
Address of principal office Postal Code
8. (02) 8363-3333
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED 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 of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.						
Recommendation 1.1						
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	The Board of Directors is composed of individuals with collective working knowledge, professional experience, and industry expertise relevant to the company's operations. Each director brings a combination of the following: <ul style="list-style-type: none">Academic qualificationsIndustry knowledgeProfessional and executive experienceTechnical and financial expertiseRelevant trainings and continuing professional development				
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 fulfill their roles and responsibilities and respond to the needs of the organization.	COMPLIANT	Reference	Title	Page Number	Link	
		2024 SEC 17-A Report	Business Experience	55-63	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
		2024 Annual Report	Corporate Governance	66	https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
		Board Charter	Board Diversity	4	https://www.pbb.com.ph/SEC/Corporate%20G	

					overnance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf		
		2024 Sustainability Report	Diversity & Equal Opportunity	25	https://edge.ps.e.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52		
		Manual on Corporate Governance and Compliance Program	Composition of the Board of Directors	18	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
		<p>Philippine Business Bank has clear qualification standards for directors. These standards include, but are not limited to:</p> <ul style="list-style-type: none">• Educational background• Track record of leadership					

		<ul style="list-style-type: none">• Integrity and ethical standing• Relevant industry or sector experience• Commitment to continuous learning																							
		<table><tr><th>Referenc e</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td rowspan="3">Manual on Corporat e Governance & Compliance Program</td><td>Compete nce of the Board</td><td>18</td><td rowspan="3">https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</td></tr><tr><td>Qualificat ions and Disqualific ations</td><td>50-56</td></tr><tr><td>Training and Education</td><td>94</td></tr><tr><td rowspan="2">Board Charter</td><td>Appointm ent and Remuner ation of Board Members</td><td>5-8</td><td rowspan="2">https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Directors%20Charter%20-%20Philippine%20Business%20Bank.pdf</td></tr><tr><td>Board Training</td><td>10</td></tr><tr><td>2024 SEC 17-A Report</td><td>Annual Corporat e Governance Training</td><td>55-63</td><td>https://edge.pse.com.ph/openDiscView.do?edge_no=8d2ffb1366b45563ec6e160cee8f59</td></tr></table>	Referenc e	Title	Page Number	Link	Manual on Corporat e Governance & Compliance Program	Compete nce of the Board	18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	Qualificat ions and Disqualific ations	50-56	Training and Education	94	Board Charter	Appointm ent and Remuner ation of Board Members	5-8	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Directors%20Charter%20-%20Philippine%20Business%20Bank.pdf	Board Training	10	2024 SEC 17-A Report	Annual Corporat e Governance Training	55-63	https://edge.pse.com.ph/openDiscView.do?edge_no=8d2ffb1366b45563ec6e160cee8f59	
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Recommendation 1.2																									

1. Board is composed of a majority of non-executive directors.	COMPLIANT	Elected Directors as of December 2024: <table><tr><th>Director's Name</th><th>Type</th></tr><tr><td>Jeffrey S. Yao</td><td>Non-Executive Director</td></tr><tr><td>Rolando R. Avante</td><td>Executive Director</td></tr><tr><td>Honorio O. Reyes-Lao</td><td>Non-Executive Director</td></tr><tr><td>Dra. Leticia M. Yao</td><td>Non-Executive Director</td></tr><tr><td>Roberto A. Atendido</td><td>Non-Executive Director</td></tr><tr><td>Asterio L. Favis, Jr.</td><td>Independent Director</td></tr><tr><td>Benel D. Laguna</td><td>Independent Director</td></tr><tr><td>Benjamin R. Sta. Catalina, Jr.</td><td>Non-Executive Director</td></tr><tr><td>Narciso DL Eraña</td><td>Independent Director</td></tr><tr><td>Roberto C. Uyquiengco</td><td>Independent Director</td></tr><tr><td>CJ Diosdado M. Peralta (Ret.)</td><td>Independent Director</td></tr></table>					Director's Name	Type	Jeffrey S. Yao	Non-Executive Director	Rolando R. Avante	Executive Director	Honorio O. Reyes-Lao	Non-Executive Director	Dra. Leticia M. Yao	Non-Executive Director	Roberto A. Atendido	Non-Executive Director	Asterio L. Favis, Jr.	Independent Director	Benel D. Laguna	Independent Director	Benjamin R. Sta. Catalina, Jr.	Non-Executive Director	Narciso DL Eraña	Independent Director	Roberto C. Uyquiengco	Independent Director	CJ Diosdado M. Peralta (Ret.)	Independent Director	
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Recommendation 1.3																															
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Reference	Title	Page Number	Link																										
2. Company has an orientation program for first time directors.		Manual on Corporate Governance & Compliance Program	Competence of the Board	18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf																										
			Qualifications and Disqualifications	50-56																											
3. Company has relevant annual continuing training for all directors.			Training and Education	94																											

		Board Charter	Appointment and Remuneration of Board Members	5-8	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf	
		Board Training		10		
		2024 SEC 17-A Report	Annual Corporate Governance Training	55-63	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601cee8f59	
Recommendation 1.4						
1. Board has a policy on board diversity.	COMPLIANT	The Board has a policy on board diversity:				
		Reference	Title	Page Number	Link	
		Board Charter	Board Diversity	4	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf	
		2024 Sustainability Report	Diversity & Equal Opportunity	25	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec	

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Optional: Recommendation 1.4							
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	COMPLIANT	The Board has a policy on board diversity:					
		Reference	Title	Page Number	Link		
		Board Charter	Board Diversity	4	https://www.pb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf		

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Recommendation 1.5							
1. Board is assisted by a Corporate Secretary.	COMPLIANT	The Bank's Corporate Secretary is Atty. Roberto S. Santos.					
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	<p>The Corporate Secretary Position is held independently from the Chief Compliance Officer.</p> <p>The Corporate Secretary is not a member of the Board of Directors.</p> <p>The Corporate Secretary is the custodian of and maintains corporate books and record and the recorder of the Bank's formal actions and transactions. He is primarily responsible to the bank and its shareholders, and has, among others, the following duties and responsibilities:</p>					
3. Corporate Secretary is not a member of	COMPLIANT						

<p>the Board of Directors.</p>		<p>(a) Assists the Board and the board committees in the conduct of their meetings, including preparing an annual schedule of Board and committee meetings and the annual board calendar and assisting the chairs of the Board and its committees to set agendas for those meetings;</p> <p>(b) Safe keeps and preserves the integrity of the minutes of the meetings of the Board and its committees, as well as other official records of the bank;</p> <p>(c) Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the bank, and advises the Board and the chairperson all relevant issues as they arise;</p> <p>(d) Works fairly and objectively with the Board, Management and stockholders and contributes to the flow of information between the Board and management, the Board and its committees, and the Board and its stakeholders, including shareholders;</p> <p>(e) Advises on the establishment of board committees and their terms of reference;</p> <p>(f) Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decision on matters that require their approval;</p> <p>(g) Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;</p> <p>(h) Performs required administrative functions;</p> <p>(i) Oversees the drafting of the by-laws and ensures that they conform with regulatory requirement; and</p> <p>(j) Performs such other duties and responsibilities as may be provided by the SEC.</p> <table border="1" data-bbox="948 1295 1911 1377"><tr><th data-bbox="948 1295 1188 1377">Reference</th><th data-bbox="1188 1295 1427 1377">Title</th><th data-bbox="1427 1295 1669 1377">Page Number</th><th data-bbox="1669 1295 1911 1377">Link</th></tr><tr><td></td><td></td><td></td><td></td></tr></table>	Reference	Title	Page Number	Link					
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		2024 SEC 17-A Report	Executive Officers	69-70	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52																									
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	The Corporate Secretary regularly attends training programs. <table><tr><th>Nature/Title</th><th>Date Taken</th></tr><tr><td>Corporate Governance</td><td>April 12, 2024</td></tr><tr><td>Corporate Governance</td><td>December 13, 2021</td></tr><tr><td>Corporate Governance</td><td>August 21, 2020</td></tr><tr><td>Corporate Governance Updates and Economic Briefing</td><td>July 25, 2019</td></tr><tr><td>Corporate Governance: Board Effectiveness Best Practices</td><td>September 26, 2019</td></tr><tr><td>Seminar on Corporate Governance</td><td>November 27, 2018</td></tr><tr><td>Best Practices in Corporate Housekeeping</td><td>May 11-12, 2017</td></tr><tr><td>Corporate Governance Seminar</td><td>22 December 2016</td></tr><tr><td>Corporate Governance Seminar for Directors & Senior Officers</td><td>10 December 2015</td></tr><tr><td>Corporate Governance Seminar for Directors & Senior Officers</td><td>23 December 2014</td></tr><tr><td>Corporate Governance Seminar</td><td>3 September 2011</td></tr></table>				Nature/Title	Date Taken	Corporate Governance	April 12, 2024	Corporate Governance	December 13, 2021	Corporate Governance	August 21, 2020	Corporate Governance Updates and Economic Briefing	July 25, 2019	Corporate Governance: Board Effectiveness Best Practices	September 26, 2019	Seminar on Corporate Governance	November 27, 2018	Best Practices in Corporate Housekeeping	May 11-12, 2017	Corporate Governance Seminar	22 December 2016	Corporate Governance Seminar for Directors & Senior Officers	10 December 2015	Corporate Governance Seminar for Directors & Senior Officers	23 December 2014	Corporate Governance Seminar	3 September 2011	
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Optional: Recommendation 1.5																														
1. Corporate Secretary distributes materials for board meetings at least five business days	COMPLIANT	The Office of the Corporate Secretary distributes the materials at least one (1) week prior to the date of actual meeting (hard and soft copies).																												

before scheduled meeting.			
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p>The Bank's Chief Compliance Officer is Atty. Sergio M. Ceniza.</p> <p>Atty. Sergio M. Ceniza joined PBB as Chief Compliance Officer with the rank of First Vice President. He has over 30 years of experience from the financial industry where he worked with insurance companies and banks, starting with Great Pacific Life Assurance Corporation, Philam Plans Inc, and then with BDO Universal Bank where he was also seconded to BDO Leasing & Finance Inc. as Head of Legal, Compliance & AML Compliance with the rank of Assistant Vice President.</p> <p>Atty. Ceniza moved to First Metro Investment Corporation (part of Metrobank Group) in September 2012 as Deputy Chief Compliance Officer with the rank of Assistant Vice President. In June 2016, he was promoted to Vice President and was designated as Chief Compliance Officer, Chief AML Officer, and Data Privacy Officer. As CCO, he was over-all in-charge of formulating and implementing policies and procedures for the general operations of the company's Compliance Program, including those in subsidiary units. He regularly reported to the Board, through the Corporate Governance Committee, the level of regulatory compliance of the organization and its subsidiaries. He also monitored and coordinated compliance activities of other companies within the group.</p> <p>Atty. Ceniza is a Law professor at De La Salle University, Far Eastern University, University of the East, and Manila Law College. He is a regular lecturer in the Mandatory Continuing Legal Education (MCLE) of Chan Robles, Access MCLE and UP Institute of Judicial Administration. He is also a bar reviewer on Commercial Law. He is an active member of Association of Bank Compliance Officers (ABCOMP) and is well-regarded in the industry.</p> <p>He has a Bachelor's degree in Political Science and Bachelor of Laws degree from Far Eastern University. He is a candidate in Master of Laws from San Beda College-Graduate School of Law.</p> <p>He shall perform the following duties:</p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.			
3. Compliance Officer is not a member of the board.			

		<ul style="list-style-type: none">i. Ensures that the compliance system is designed to specifically identify and mitigate compliance/business risks, which may erode the franchise value of the bank.ii. Ensures that the compliance function shall have formal status within the Bank, which shall be established by a charter duly approved by the Board of Directors that defines the compliance function's standing, authority and independence, and addresses the following issues:<ul style="list-style-type: none">(1) Measures to ensure the independence of the compliance function from the business activities of the bank;(2) The organizational structure and responsibilities of the unit or department administering the compliance program;(3) The relationship of the Compliance Office with other functions or units of the organization, including the delineation of responsibilities and lines of cooperation;(4) The right of the Compliance Office to obtain access to information necessary to carry out its responsibilities;(5) The right of the Compliance Office to conduct investigations of possible breaches of the compliance policy;(6) The formal reporting relationships of the Compliance Office to Senior Management, the Board of Directors, and the appropriate board-level Committee; and(7) The rights of the Compliance Office direct access to the Board of Directors and to the appropriate Committee level Committee.iii. Is tasked in managing the implementation of the Corporate Governance and Compliance Program of the Bank, with the following specific duties and responsibilities:<ul style="list-style-type: none">(1) Ensures proper on-boarding of new directors (i.e., orientation on the bank's business, charter, articles of incorporation and by-laws, among others);(2) Monitors, reviews, evaluates and ensures the compliance by the Bank, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;	
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		<div><div><div>(3) Reports the matter to the Corporate Governance Committee if violations are found and recommends the imposition of appropriate disciplinary action;</div><div>(4) Ensures the integrity and accuracy of all documentary submission to regulators;</div><div>(5) Appears before the SEC when summoned in relation to compliance with this Code;</div><div>(6) Collaborates with other departments to properly address compliance issues, which may be subject to investigation;</div><div>(7) Identifies possible areas of compliance issues and works towards the resolution of the same;</div><div>(8) Ensures the attendance of board members and key officers to relevant trainings;</div><div>(9) Performs such other duties and responsibilities as may be provided by the SEC;</div><div>(10) Manages the implementation, and periodic revision, of the Corporate Governance and Compliance Program; and</div><div>(11) Develops and recommends policies and programs to the Board of Directors, through the Corporate Governance Committee, which will encourage officers and employees to report suspected fraud and other improprieties without fear of retaliation.</div></div><div>Lastly, the Chief Compliance Officer is not a member of the Board.</div></div>																			
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	<div><div>Latest Trainings on Corporate Governance:</div><table><tr><th>Nature/Title</th><th>Date Taken</th></tr><tr><td>Corporate Governance</td><td>April 12, 2024</td></tr><tr><td>In-house training on Sustainability for Banks</td><td>August 07, 2023</td></tr><tr><td>Corporate Governance</td><td>December 16, 2021</td></tr><tr><td>Corporate Governance</td><td>August 21, 2020</td></tr><tr><td>Corporate Governance: Board Effectiveness Best Practices</td><td>September 26, 2019</td></tr><tr><td>Annual Forum on Good Governance, Ethics, and Compliance</td><td>October 11, 2018</td></tr><tr><td>Creating a Legacy of Good Governance</td><td>June 7-8, 2018</td></tr><tr><td>Seminar on AML, Corporate Governance and Data Privacy</td><td>October 19, 2017</td></tr></table></div>	Nature/Title	Date Taken	Corporate Governance	April 12, 2024	In-house training on Sustainability for Banks	August 07, 2023	Corporate Governance	December 16, 2021	Corporate Governance	August 21, 2020	Corporate Governance: Board Effectiveness Best Practices	September 26, 2019	Annual Forum on Good Governance, Ethics, and Compliance	October 11, 2018	Creating a Legacy of Good Governance	June 7-8, 2018	Seminar on AML, Corporate Governance and Data Privacy	October 19, 2017	
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		Corporate Governance Orientation Program	September 6, 2016								
		Corporate Governance Forum	August 3, 2016								
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 a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	For Board actions/Financial updates, and relevant disclosures please refer to link below: https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html#									
Recommendation 2.2											
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	The Bank has secured its board approval for the five year profit plan in the board meeting on January 2025. The approval of the five-year plan is done on an annual basis. The financial update to the board includes the actual vs budget. For Board actions/Financial updates, and relevant disclosures please refer to link below: https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html#									
2. Board oversees and monitors the implementation of the company's business objectives and strategy.		The Board oversees and monitors the implementation of the Bank's business objectives and strategy. Please see below reference: <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Manual on Corporate Governance and Compliance Program</td><td>Duties and Responsibilities of the Board of Directors</td><td>19</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporat</td></tr></table>			Reference	Title	Page Number	Link	Manual on Corporate Governance and Compliance Program	Duties and Responsibilities of the Board of Directors	19
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Supplement to Recommendation 2.2							
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	Review of the vision, mission and core values is being conducted yearly. Link/Reference:					
		Reference	Title	Page Number	Link		
		PBB Website	Mission and Vision	N/A	https://www.pbb.com.ph/mission_and_vision.htm		
		Manual on Corporate Governance and Compliance Program	Duties and responsibilities of the Board of Directors	18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		

		<table><tr><td></td><td></td><td></td><td>20of%20Februar y%202025).pdf</td></tr><tr><td colspan="4"></td></tr></table>				20of%20Februar y%202025).pdf					
			20of%20Februar y%202025).pdf								
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	<p>The Board of Directors has general responsibilities of: (1) approving and overseeing the implementation of the Bank's strategic objectives, risk strategy, corporate governance and corporate values; (2) monitoring and overseeing the performance of senior management as the latter manages the day-to-day affairs of the institution.</p> <p>Link/Reference:</p> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Manual on Corporate Governance and Compliance Program</td><td>Duties and responsibilities of the Board of Directors</td><td>18</td><td>https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</td></tr></table>	Reference	Title	Page Number	Link	Manual on Corporate Governance and Compliance Program	Duties and responsibilities of the Board of Directors	18	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
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Recommendation 2.3											
1. Board is headed by a competent	COMPLIANT	Mr. Jeffrey S. Yao was appointed as the Chairman of the Board in November 2019.									

and qualified Chairperson.		<p>He is currently the Chief Executive Officer of Zest-O Corporation, Vice President of Macay Holdings Inc., Corporate Secretary of Mega Asia Bottling Corp, and the President of Bev-Pack Inc. He is also a Director at Zemar Development Inc., Onnea Holdings Inc., Mazy's Capital Inc., ARC Refreshments Corp., AMY Holdings Inc., Semexco Marketing Corp., Asiawide Refreshments Corp., and ARC Holdings Inc. Mr. Yao started his career in the food and beverage industry when he was appointed as Plant Manager at Harman Food Philippines from 1990 to 1995. He has attended the following training programs: Basics of Trust at the Trust Institute of the Philippines in 2002; Corporate Governance & Risk Management for Bank's Board of Directors at the Development Finance Institute in 2002; Anti Money Laundering Act Seminar at the Bangko Sentral ng Pilipinas in 2014; Distinguished Corporate Governance Speaker Series on August 24, 2015; AMLA Seminar by BSP and PBB in 2016; IFRS 9 by Punongbayan and Araullo in 2017; Data Privacy Act in 2017; Best Practices Guide to Compliance with the Anti-Money laundering Law and its IRR in 2018; and Corporate Governance Seminar in November 2018.</p> <p>Mr. Yao graduated from the Ateneo De Manila University with Bachelor of Science in Management Engineering degree.</p> <p>Committee(s): Executive Committee</p> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>2024 SEC 17-A Report</td><td>Business Experience</td><td>55</td><td>https://edge.pearson.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52</td></tr></table>	Reference	Title	Page Number	Link	2024 SEC 17-A Report	Business Experience	55	https://edge.pearson.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
Reference	Title	Page Number	Link								
2024 SEC 17-A Report	Business Experience	55	https://edge.pearson.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52								
Recommendation 2.4											
1. Board ensures and adopts an effective	COMPLIANT	Ongoing succession planning is being conducted and the initial initiative was presented to the Board in June 2024.									

succession planning program for directors, key officers and management.		The retirement policy is part of the approved fringe benefits of the Bank. Cir. No. 1-097/19 Enhancement of Fringe Benefits Cir. No. 1-096/19 Announcement on the Enhancement of PBB Fringe Benefits				
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	Reference	Title	Page Number	Link	
		2024 SEC 17-A Report	Corporate Governance	86	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
		2024 NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024, 2023 AND 2022	Employee Benefits	88		
Recommendation 2.5						
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	The bank's compensation strategy provides for a competitive pay structure that rewards the attainment of long-term and short-term objectives and how the goals and objectives are attained. Thus, part of the performance metrics includes governance ratings such as Audit and compliance, customer service, business process improvement.				
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	The bank's compensation strategy is performance-based, and performance is not only in terms of numbers but other equally important metrics to ensure the sustainability of the bank as discussed above. Compensation and Benefits packages are benchmarked with the industry, and reviewed based on the internal standards of the bank in terms of reasonability and affordability vis-à-vis bank performance.				

3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	Reference	Title	Page Number	Link	
		2024 Sustainability Report	GRI Content Index	41	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
		Manual on Corporate Governance and Compliance Program	Duties and responsibilities of the Board of Directors	20; 71	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
		2024 NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024, 2023 AND 2022	Employee Benefits	88		
Optional: Recommendation 2.5						
1. Board approves the remuneration of	COMPLIANT	The Board approved the Performance Bonus and Merit Increase Principles being adhered to by the bank in formulating its compensation and benefits level. Remuneration and benefits of the employees are approved by the Executive Committee and confirmed by the Board. Annual performance				

senior executives.		management guidelines are also presented to the Executive Committee and the Board for approval.				
		Reference	Title	Page Number	Link	
		2024 Sustainability Report	GRI Content Index	41	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
		Manual on Corporate Governance and Compliance Program	Duties and responsibilities of the Board of Directors	20; 71	https://www.pbcb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
		2024 NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024, 2023 AND 2022	Employee Benefits	88		

2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	COMPLIANT	<p>The Bank's Performance Management System includes metrics that promote the long-term interest of the bank. Please see discussion in Recommendation 2.5.</p> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>2024 Sustainability Report</td><td>Management Approach Disclosure</td><td>22</td><td>https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52</td></tr></table>	Reference	Title	Page Number	Link	2024 Sustainability Report	Management Approach Disclosure	22	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
Reference	Title	Page Number	Link								
2024 Sustainability Report	Management Approach Disclosure	22	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52								
Recommendation 2.6											
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>The Corporate Governance Committee pre-screens and short-lists all candidates nominated to become members of the BOD in accordance with the qualifications and disqualifications provisions of the Bank's Manual on Corporate Governance and Compliance Program.</p> <p>The Corporate Governance Committee conducts annual evaluation of the performance of all directors. The results in this annual activity is the basis of the Committee in coming up with the list of nominees to be submitted to the Corporate Secretary for possible re-appointment/re-election to the Board as director during the stockholders meeting.</p>									
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	<table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Board Charter</td><td>Appointment and Remuneration of Board Member</td><td>5</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%</td></tr></table>	Reference	Title	Page Number	Link	Board Charter	Appointment and Remuneration of Board Member	5	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%	
Reference	Title	Page Number	Link								
Board Charter	Appointment and Remuneration of Board Member	5	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%								
3. Board nomination and election policy includes how	COMPLIANT										

the company accepted nominations from minority shareholders.					20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf		
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	Manual on Corporate Governance	Corporate Governance Committee	70; 86	https://www.pcb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
			Stockholder's Meeting	86			
			Shareholder's Benefits	83			
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	The Corporate Governance Committee conducts annual evaluation of the performance of all directors. The results in this annual activity is the basis of the Committee in coming up with the list of nominees to be submitted to the Corporate Secretary for possible re-appointment/re-election to the Board as director during the stockholders meeting.					
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT						

Optional: Recommendation to 2.6												
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	COMPLIANT	Sourcing of candidates are mostly coming from recommendations of the members of the Board of Directors and other Senior Officers, as well as known personalities with the Institute of Corporate Directors, wherein some of the current directors of PBB are members.										
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	Link/Reference:										
2. RPT policy includes appropriate		<table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td rowspan="2">Related Party Transactions Policy Manual</td><td>Vetting and Approval Process</td><td>17-18</td><td rowspan="2">https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf</td></tr><tr><td>Revised Related Party Transactions Committee Charter – Authority</td><td>27</td></tr></table>	Reference	Title	Page Number	Link	Related Party Transactions Policy Manual	Vetting and Approval Process	17-18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf	Revised Related Party Transactions Committee Charter – Authority	27
Reference	Title	Page Number	Link									
Related Party Transactions Policy Manual	Vetting and Approval Process	17-18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf									
	Revised Related Party Transactions Committee Charter – Authority	27										

review and approval of material RPTs, which guarantee fairness and transparency of the transactions.		2024 SEC 17-A Report	Corporate Governance	82	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59									
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.		Manual on Corporate Governance and Compliance Program	Duties and Responsibilities of the Board of Directors	23	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf									
Supplement to Recommendations 2.7														
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered de minimis or	COMPLIANT	Link/Reference: Related Party Transactions Policy Manual Pages 9, 38-40.												
		<table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr><tr><td></td><td>Coverage of RPT Policy</td><td>9</td><td>https://www.pbb.com.ph/SEC/</td></tr></table>				Reference	Title	Page Number	Link		Coverage of RPT Policy	9	https://www.pbb.com.ph/SEC/	
Reference	Title	Page Number	Link											
	Coverage of RPT Policy	9	https://www.pbb.com.ph/SEC/											

<p>transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<table> <tr> <td>Related Party Transactions Policy Manual</td><td>Appendix 5 – Vetting and Approval Matrix</td><td>38-40</td><td>Corporate%20Governance/Policies/RPT%20Policy.pdf</td></tr> </table>	Related Party Transactions Policy Manual	Appendix 5 – Vetting and Approval Matrix	38-40	Corporate%20Governance/Policies/RPT%20Policy.pdf	
Related Party Transactions Policy Manual	Appendix 5 – Vetting and Approval Matrix	38-40	Corporate%20Governance/Policies/RPT%20Policy.pdf				
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	COMPLIANT	<p>All material related party transactions are coursed through the recommending approval of the Related Party Transactions (RPT) Committee and endorsed to the Board for approval and that any Board member who have material interest with the transaction does not participate in the approval of the same (proof of which are the Minutes of the Meetings of the Board as well as the RPT Committee).</p> <p>https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-Minutes.html</p>					

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	<p>The appointed senior officers were vetted by the Executive Committee, approved and duly endorsed by the Corporate Governance Committee to the Board, and confirmed by the latter.</p> <p>The Management Team appointed:</p> <table><tr><th>Name</th><th>Position</th></tr><tr><td>Rolando R. Avante</td><td>President and CEO</td></tr><tr><td>Sergio M. Ceniza</td><td>Chief Compliance Officer</td></tr><tr><td>Maria Lourdes G. Trinidad</td><td>Chief Risk Officer</td></tr><tr><td>Marily M. Cabuco</td><td>Chief Audit Executive/Internal Auditor</td></tr></table> <p>Link/Reference:</p> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Manual on Corporate Governance and Compliance Program</td><td>The Management Tea,</td><td>79-81</td><td>https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</td></tr></table>			Name	Position	Rolando R. Avante	President and CEO	Sergio M. Ceniza	Chief Compliance Officer	Maria Lourdes G. Trinidad	Chief Risk Officer	Marily M. Cabuco	Chief Audit Executive/Internal Auditor	Reference	Title	Page Number	Link	Manual on Corporate Governance and Compliance Program	The Management Tea,	79-81	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf
Name	Position																					
Rolando R. Avante	President and CEO																					
Sergio M. Ceniza	Chief Compliance Officer																					
Maria Lourdes G. Trinidad	Chief Risk Officer																					
Marily M. Cabuco	Chief Audit Executive/Internal Auditor																					
Reference	Title	Page Number	Link																			
Manual on Corporate Governance and Compliance Program	The Management Tea,	79-81	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf																			
2. Board is primarily responsible for	COMPLIANT	All Group Heads reporting to Board Level Committees are being rated by each member of the committee i.e. Chief Risk Officer is rated by Risk																				

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).		Committee, Internal Auditor are rated by the Audit Committee, Chief Compliance Officer is rated by Corporate Governance Committee and Trust Officer is rated by Trust Committee. With the agreement of the Committee members, the Chairman of the Board Committees may gather all the ratings of the members of the Board and present one rating to the ratee, or each Committee member will submit his/her individual rating and HRG will average the rating.	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	<p>Bank's Performance Management System provides for Key Performance Indicators that are measurable, and includes not only the numerical results, but also how the numerical results were achieved through governance and organization development metrics.</p> <p>The performance standards and measures, feedback system and performance monitoring, recognition mechanism and developmental plans to support employee development, give due recognition to deserving employees.</p> <p>It is displayed on the company's internal server.</p> <p>Cir. No. 1-028/12 Performance Management System</p>	
2. Board establishes an effective performance management	COMPLIANT	<p>Cir. No. 1-128/21 Digital Human Resource (D'HR) Performance Management System Admin User Guide</p> <p>It is displayed on the company's internal server.</p>	

framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.		<p>Cir. No. 1-028/12 Performance Management System</p> <p>Cir. No. 1-128/21 Digital Human Resource (D'HR) Performance Management System Admin User Guide</p>	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	As part of the review process adopted by the Board to ensure the effectiveness and adequacy of the internal control system, the risk, compliance, and internal audit departments of the Bank are mandated thru their respective charters to monitor, review and report the risk issues noted by their respective units. Hence, they are required to regularly report and escalate to their overseeing Board level-committees the risk issues noted in the operations of the Bank. Generally, the control departments are required to report during the monthly meeting of the Risk Oversight Committee, Corporate Governance Committee as well as the Audit Committee.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	<p>The said Board-level committees shall thoroughly discuss the actions to be taken for the reported issues. Further, the matters discussed by the board-level committees are then endorsed and reported by the respective committees to The Board during their monthly meeting. Hence, ensuring that the internal control system is being adequately monitored and reviewed.</p> <p>The Audit Committee assists the Board in fulfilling its statutory and fiduciary responsibilities with respect to internal controls. The Audit Committee monitors and evaluates the adequacy and effectiveness of the internal control system of the bank, and provides oversight of the bank's internal and external auditor.</p> <p>The Bank has a Conflict of interest policy that is available on the Bank's website.</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/PBB_ConflictOfInterest.pdf</p>	

3. Board approves the Internal Audit Charter.	COMPLIANT	Please refer below for the link to PBB website. https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_AuditCommitteeCharter.pdf							
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	Annex 5 - Sec 133 – Risk Governance Framework states the requirements for Board-level committees, including compliance with required composition and responsibilities of the Risk Oversight Committee (ROC). All ROC presentation materials, reports, and Minutes of Meetings are stored with the bank's Enterprise Risk Management Group, and readily available for regulatory checking. Annex 5 - Section 142 – Risk Governance Framework (as amended by BSP Circular No. 1154) includes compliance with the risk management framework and reporting to the Risk Oversight Committee (ROC). All ERMG activities are submitted to the ROC for approval and/or notation							
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.		<table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr><tr><td>Risk Oversight Committee Charter</td><td>N/A</td><td>N/A</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RiskOversightCommitteeCharter.pdf</td></tr></table>	Reference		Title	Page Number	Link	Risk Oversight Committee Charter	N/A
Reference	Title	Page Number	Link						
Risk Oversight Committee Charter	N/A	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RiskOversightCommitteeCharter.pdf						
Recommendation 2.12									

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	<div>Link/Reference:</div> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Board Charter</td><td>N/A</td><td>N/A</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf</td></tr></table>	Reference	Title	Page Number	Link	Board Charter	N/A	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf	
Reference	Title		Page Number	Link							
Board Charter	N/A		N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf							
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										
Additional Recommendation to Principle 2											
1. Board has a clear insider trading policy.		<div>Link/Reference:</div> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Insider Trading Policy</td><td>N/A</td><td>N/A</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/Insider%20Trading%20Policy</td></tr></table>	Reference	Title	Page Number	Link	Insider Trading Policy	N/A	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/Insider%20Trading%20Policy	
Reference	Title	Page Number	Link								
Insider Trading Policy	N/A	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/Insider%20Trading%20Policy								

					%20(for%20PBB%20Website).pdf	
Optional: Principle 2						
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	COMPLIANT	Link/Reference:				
		Reference	Title	Page Number	Link	
		Related Party Transactions Policy Manual	Vetting and Approval Process	17-18	https://www.pb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf	
			Revised Related Party Transactions Committee Charter – Authority	27		
		2024 SEC 17-A Report	Corporate Governance	82	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52	
		Manual on Corporate Governance and Compliance Program	Duties and Responsibilities of the Board of Directors	23	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governan	

					ce%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	Link/Reference:					
		Reference	Title	Page Number	Link		
		Related Party Transactions Policy Manual	Vetting and Approval Process	17-18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf		
			Revised Related Party Transactions Committee Charter – Authority	27			
		2024 SEC 17-A Report	Corporate Governance	82	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f52		
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					on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

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	Link/Reference:					
		Reference	Title	Page Number	Link		
		Audit Committee	Audit Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_AuditCommitteeCharter.pdf		
		Corporate Governance Committee	Revised Corporate Governance Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_CorporateGovernanceCommitteeCharter.pdf		

		Executive Committee	Executive Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_ExecutiveCommitteeCharter.pdf	
		Related Party Transactions Committee	Related Party Transactions Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RelatedPartyTransactionCommitteeCharter.pdf	
		Risk Oversight Committee	Risk Oversight Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RiskOversightCommitteeCharter.pdf	
		Trust Committee	Trust Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_TrustCommitteeCharter.pdf	

		<table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Manual on Corporate Governance and Compliance Program</td><td>Board Level Committee</td><td>59</td><td>https://www.pbcb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).p</td></tr></table>	Reference	Title	Page Number	Link	Manual on Corporate Governance and Compliance Program	Board Level Committee	59	https://www.pbcb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).p	
Reference	Title	Page Number	Link								
Manual on Corporate Governance and Compliance Program	Board Level Committee	59	https://www.pbcb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).p								
Recommendation 3.2											
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal	COMPLIANT	<p>The Audit Committee is a committee created by the Board of Directors of the Philippine Business Bank to perform specific functions. The Board of Directors will appoint the Committee member including the Chairman. The Committee will report its activities to the Board on a regular basis and make recommendations thereon as it deemed appropriate.</p> <p>The Committee, with the prior approval of the Board of Directors, shall provide oversight of the bank's internal and external auditor. It shall be responsible for the setting-up of the internal audit department and the appointment of the internal auditor. It shall monitor and evaluate the adequacy and effectiveness of the internal control system of the Bank. The Committee shall assist the Board in fulfilling its statutory and fiduciary responsibilities with respect to internal</p>									

and external audit processes, and compliance with applicable laws and regulations.		<p>controls, accounting policies, and auditing and financial reporting practices. The Audit Committee shall have explicit authority to investigate any matter within its terms of reference, full access to and cooperation by Management and full discretion to invite any director or executive officer to attend its meetings, and adequate resources to enable it to effectively discharge its functions.</p> <p>Link/Reference:</p> <p>Page 60-63 – Audit Committee - https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</p>													
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	<p>The committee is composed of five (5) members of the Board of Directors, who are all non-executive directors, majority of whom are independent directors. (Annual Report p. 66)</p> <p>See recommendation 1.1 for their qualifications.</p> <table><tr><th>Director’s Name</th><th>Type</th></tr><tr><td>Benel D. Laguna – Chairman</td><td>Independent Director</td></tr><tr><td>Atty. Roberto C. Uyquiengco – Member</td><td>Independent Director</td></tr><tr><td>Asterio L. Favis, Jr. – Member</td><td>Independent Director</td></tr><tr><td>Benjamin R. Sta. Catalina, Jr. – Member</td><td>Non-Executive Director</td></tr><tr><td>Honorio O. Reyes-Lao – Member</td><td>Non-Executive Director</td></tr></table> <p>Refer to recommendation 3.1 for the Audit Committee Charter.</p>	Director’s Name	Type	Benel D. Laguna – Chairman	Independent Director	Atty. Roberto C. Uyquiengco – Member	Independent Director	Asterio L. Favis, Jr. – Member	Independent Director	Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director	Honorio O. Reyes-Lao – Member	Non-Executive Director	
Director’s Name	Type														
Benel D. Laguna – Chairman	Independent Director														
Atty. Roberto C. Uyquiengco – Member	Independent Director														
Asterio L. Favis, Jr. – Member	Independent Director														
Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director														
Honorio O. Reyes-Lao – Member	Non-Executive Director														
3. All the members of the committee have relevant background,	COMPLIANT	<p>All the members of the Audit Committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>													

knowledge, skills, and/or experience in the areas of accounting, auditing and finance.			
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>The Chairman of the Audit Committee, Independent Director Benel D. Laguna, is not the Chairman of the Board or of any other Board-level committees.</p> <p>Please refer to the link to the Annual Report containing the Committee Members:</p> <p>https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html</p> <p>Please refer to the link below:</p> <p>Members of the Board-Level Committees - https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/PBB_BoardCommitteeMembers.pdf</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<p>Per Audit Committee Charter, the Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the Bank's overall consultancy expenses. The Audit Committee should disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Bank's Annual Report and Annual Corporate Governance Report.</p> <p>Per latest available Annual Report of the Bank (i.e., 2023 Annual Report), no other services were rendered by Punongbayan & Araullo (P&A) that were not related to the audit and review of the Bank's financial statements occurred in 2023.</p>	

2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	The Bank's Audit Committee has conducted regular meetings and dialogues with the external audit team without anyone from the management present.					
Optional: Recommendation 3.2							
1. Audit Committee meet at least four times during the year.	COMPLIANT	In 2024, the Audit Committee had a total of 12 regular meetings. This is provided under the Revised Audit Committee Charter (under page 5) which states that "The Committee will meet once every month or as often as necessary to fulfil its duties and responsibilities".					
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	As stated in the Audit Committee Charter, the Audit Committee shall be responsible for the appointment/selection, remuneration and dismissal of the Chief Audit Executive (CAE).					
Recommendation 3.3							
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities,	Compliant	<div>Link/Reference:</div> <table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr></table>	Reference	Title	Page Number	Link	
Reference	Title	Page Number	Link				

including the functions that were formerly assigned to a Nomination and Remuneration Committee.		Corporate Governance Committee	Revised Corporate Governance Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_CorporateGovernanceCommitteeCharter.pdf											
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	COMPLIANT	Please refer to the table below:														
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	<table><tr><th>Director's Name</th><th>Type</th></tr><tr><td>Atty. Roberto C. Uyquiengco – Chairman</td><td>Independent Director</td></tr><tr><td>Benel D. Laguna – Member</td><td>Independent Director</td></tr><tr><td>Roberto A. Atendido – Member</td><td>Non-Executive Director</td></tr><tr><td>Narciso DL. Erana – Member</td><td>Independent Director</td></tr></table>					Director's Name	Type	Atty. Roberto C. Uyquiengco – Chairman	Independent Director	Benel D. Laguna – Member	Independent Director	Roberto A. Atendido – Member	Non-Executive Director	Narciso DL. Erana – Member	Independent Director
		Director's Name	Type													
		Atty. Roberto C. Uyquiengco – Chairman	Independent Director													
		Benel D. Laguna – Member	Independent Director													
		Roberto A. Atendido – Member	Non-Executive Director													
Narciso DL. Erana – Member	Independent Director															
<table><tr><td>Diosdado M. Peralta – Member</td><td>Independent Director</td></tr></table>				Diosdado M. Peralta – Member	Independent Director											
Diosdado M. Peralta – Member	Independent Director															
Optional: Recommendation 3.3.																
1. Corporate Governance Committee meet at least twice during the year.	COMPLIANT	The Corporate Governance Committee meets on a monthly basis (every second Wednesday of the month). Please refer to recommendation 3.5.														
Please see table below:																
<table><tr><th rowspan="2">Name of Directors</th><th colspan="2">Corporate Governance Committee</th></tr><tr><th>Attended</th><th>%</th></tr><tr><td>Roberto C. Uyquiengco (Chairperson)</td><td>12</td><td>100%</td></tr></table>				Name of Directors	Corporate Governance Committee		Attended	%	Roberto C. Uyquiengco (Chairperson)	12	100%					
Name of Directors	Corporate Governance Committee															
	Attended	%														
Roberto C. Uyquiengco (Chairperson)	12	100%														

		Roberto A. Atendido	10	83%		
		Narciso DL. Eraña	12	100%		
		Benel D. Laguna	12	100%		
		Diosdado M. Peralta	11	92%		
		Total number of meetings held during the year 2024	12	95%		
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	Link/Reference:				
		Reference	Title	Page Number	Link	
		Risk Oversight Committee	Risk Oversight Committee Charter	N/A	https://www.pbcb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RiskOversightCommitteeCharter.pdf	

2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship <table><tr><th>Director's Name</th><th>Type</th></tr><tr><td>Asterio L. Favis, Jr.– Chairman</td><td>Independent Director</td></tr><tr><td>Narciso DL. Eraña– Member</td><td>Independent Director</td></tr><tr><td>Benjamin R. Sta. Catalina, Jr. – Member</td><td>Non-Executive Director</td></tr><tr><td>Atty. Roberto C. Uyquiengco - Member</td><td>Independent Director</td></tr><tr><td>Honorio O. Reyes-Lao – Member</td><td>Non-Executive Director</td></tr><tr><td>Roberto A. Atendido – Member</td><td>Non-Executive Director</td></tr><tr><td>Benel D. Laguna – Member</td><td>Independent Director</td></tr></table>	Director's Name	Type	Asterio L. Favis, Jr.– Chairman	Independent Director	Narciso DL. Eraña– Member	Independent Director	Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director	Atty. Roberto C. Uyquiengco - Member	Independent Director	Honorio O. Reyes-Lao – Member	Non-Executive Director	Roberto A. Atendido – Member	Non-Executive Director	Benel D. Laguna – Member	Independent Director	
Director's Name	Type																		
Asterio L. Favis, Jr.– Chairman	Independent Director																		
Narciso DL. Eraña– Member	Independent Director																		
Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director																		
Atty. Roberto C. Uyquiengco - Member	Independent Director																		
Honorio O. Reyes-Lao – Member	Non-Executive Director																		
Roberto A. Atendido – Member	Non-Executive Director																		
Benel D. Laguna – Member	Independent Director																		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	Please refer to the link below: Members of the Board-Level Committees - https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/PBB_BoardCommitteeMembers.pdf																	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	see recommendation 1.1 for their qualifications																	
Recommendation 3.5																			
1. Board establishes a Related Party Transactions	COMPLIANT	Link/Reference: <table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr></table>	Reference	Title	Page Number	Link													
Reference	Title	Page Number	Link																

(RPT) Committee, which is tasked with reviewing all material related party transactions of the company.		Related Party Transactions Committee	Related Party Transactions Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RelatedPartyTransactionCommitteeCharter.pdf													
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.		Please refer to the table below: <table><tr><th>Director's Name</th><th>Type</th></tr><tr><td>Narciso DL. Eraña- Chairman</td><td>Independent Director</td></tr><tr><td>Benjamin R. Sta. Catalina, Jr. – Member</td><td>Non-Executive Director</td></tr><tr><td>Asterio L. Favis, Jr. – Member</td><td>Independent Director</td></tr><tr><td>Diosdado M. Peralta – Member</td><td>Independent Director</td></tr><tr><td>Benel D. Laguna – Member</td><td>Independent Director</td></tr></table>				Director's Name	Type	Narciso DL. Eraña- Chairman	Independent Director	Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director	Asterio L. Favis, Jr. – Member	Independent Director	Diosdado M. Peralta – Member	Independent Director	Benel D. Laguna – Member	Independent Director	
Director's Name	Type																	
Narciso DL. Eraña- Chairman	Independent Director																	
Benjamin R. Sta. Catalina, Jr. – Member	Non-Executive Director																	
Asterio L. Favis, Jr. – Member	Independent Director																	
Diosdado M. Peralta – Member	Independent Director																	
Benel D. Laguna – Member	Independent Director																	
Recommendation 3.6																		
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and	COMPLIANT	Link/Reference: <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr></table>				Reference	Title	Page Number	Link									
Reference	Title	Page Number	Link															

other relevant information.		Audit Committee	Audit Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_AuditCommitteeCharter.pdf		
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT						
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	Corporate Governance Committee	Revised Corporate Governance Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_CorporateGovernanceCommitteeCharter.pdf		
		Executive Committee	Executive Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_ExecutiveCommitteeCharter.pdf		
		Related Party Transactions Committee	Related Party Transactions Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RelatedPartyTransactionCommitteeCharter.pdf		

		Risk Oversight Committee	Risk Oversight Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_RiskOversightCommitteeCharter.pdf	
		Trust Committee	Trust Committee Charter	N/A	https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Committee%20Charters/PBB_TrustCommitteeCharter.pdf	
		Reference	Title	Page Number	Link	
		Manual on Corporate Governance and Compliance Program	Annual Performance Assessment Forms	111-136	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	

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 attend and actively participate 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	<p>Conduct of Meeting –</p> <p>"xxx... Members of the Board of Directors should attend regular or special meetings of the Board in person. In view of modern technology, however, conduct of the Board meetings through videoconferencing or teleconferencing shall be allowed."</p> <p>Source: Section 7, Article III of PBB Corporate By-Laws (as amended in 2012).</p> <p>Link/Reference:</p> <p>https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-Minutes.html</p> <p>https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-N</p> <p>.</p>	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Advance Copies of Board/Committee Meeting materials are sent to the members at least one (1) week prior to the scheduled meeting.	
3. The directors ask the necessary questions or seek clarifications	COMPLIANT	All members of the Board and Board Committees conducts interpolations which can be noted from its Minutes of Meetings as published/disclosed in its website and as submitted to the BSP.	

and explanations during the Board and Committee meetings.					
Recommendation 4.2					
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	Director	Corporate Name of the Group Company	Publicly Listed (√/X)	
		Leticia M. Yao	Mega Asia Bottling Corporation	X	
			Zest-O Corporation	X	
			Uni-Ipel Industries, Inc.	X	
			Harman Foods Phils., Inc.	X	
			Solmac Marketing, Inc.	X	
		Jeffrey S. Yao	Zest-O Corporation	X	
			Zemar Development Inc.	X	
			Macay Holdings Inc.	√	
			Onnea Holdings, Inc.	X	
			Mazy's Capital Inc.	X	
			ARC Refreshments Corp.	X	
			Mega Asia Bottling Corporation	X	
			Downtown Realty Dev't Corp.	X	
			AMY Holdings, Inc.	X	
			Semexco Mktg Corp.	X	
			Bev Pack, Inc.	X	
			Asiawide Refreshments Corp.	X	
			ARC Holdings, Inc.	X	
				Macay Holdings, Inc.	

		Roberto A. Atendido	Pharmarex, Inc.	X		
			Myka Advisory & Consultancy Services, Inc. (Chairman)	X		
			Mega Global Corp.	X		
			Paxys Inc.	√		
			Asian Alliance Investment Corp.	X		
			Asian Alliance Holdings & Development Corp.	X		
			Gyant Food Corp.	X		
		Narciso De Leon Eraña	Francis Court Townhouse Inc.	X		
			Berana Incorporated	X		
		Honorio O. Reyes-Lao	Space 2 Place Inc. (Chairman)	X		
			DMCI Holdings Corp.	√		
			DMCI Project Development, Inc.	X		
			Semirara Mining & Power Corp.	√		
			UDMC	X		
			Semi-Calaca Power Group	X		
			Southwest Luzon Power Generation Corp.	X		
		Roberto C. Uyquiengco	Green Leaf Foreign Exchange Corporation	X		
		Benel D. Laguna	Bangko ng Kabuhayan, Inc. (A Rural Bank)	X		
			Philippine Tuberculosis Society, Inc.	X		
		Asterio L. Favis	Makati Finance Corp.	√		

			Aspirations international Inc.	X		
			Favis Development and Management Corp.	X		
		Benjamin R. Sta. Catalina, Jr.	None	X		
Recommendation 4.3						
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	As part of the nomination procedure, the prospective member of the Board notifies the Bank of his related interests.				
Optional: Principle 4						
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT	Director Jeffrey S. Yao is the Chairman of PBB (Non-Executive Director [NED]) and also Director & Treasurer (NED) of Macay Holdings.				
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	Monthly schedule of the Board of Directors' Meeting is set on a monthly basis per its corporate by-laws. (Section 4, Article III of PBB Corporate By-Laws)				
3.						
4. Board of directors meet	COMPLIANT	In 2024, the Board convened 12 times, with an overall attendance rate of 92% the attendance of each director in Board and Committee meetings is as follows:				

at least six times during the year.		Name of Directors		Board Committee	
				Attended	
		Jeffrey S. Yao (Chairperson)		11	
		Rolando R. Avante		12	
		Dr. Leticia M. Yao		10	
		Honorio O. Reyes-Lao		12	
		Roberto A. Atendido		11	
		Benjamin R. Sta. Catalina, Jr.		10	
		Narciso DL. Eraña		10	
		Roberto C. Uyquiengco		12	
		Benel D. Laguna		12	
		Asterio L. Favis, Jr.		12	
		Diosdado M. Peralta		10	
		Total number of meetings held during the year 2024		12	
		Please refer to the link below:			
		Reference	Title	Page Number	Link

		<table><tr><td>2024 SEC 17-A Report</td><td>Corporate Governance</td><td>80</td><td>https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59</td></tr></table>	2024 SEC 17-A Report	Corporate Governance	80	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59										
2024 SEC 17-A Report	Corporate Governance	80	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59													
5. Company requires as minimum quorum of at least 2/3 for board decisions.	COMPLIANT	50% plus 1 of the total number of the Board of Directors (Reference: page 9 of PBB's Amended Corporate By-Laws (as submitted to the SEC)).														
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs																
Recommendation 5.1																
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	<div>Please refer to the table below:</div> <table><tr><th>Director's Name</th><th>Type</th></tr><tr><td>Benel D. Laguna</td><td>Independent Director</td></tr><tr><td>Asterio L. Favis, Jr.</td><td>Independent Director</td></tr><tr><td>Narciso DL. Eraña</td><td>Independent Director</td></tr><tr><td>Roberto C. Uyquiengco</td><td>Independent Director</td></tr><tr><td>Diosdado M. Peralta</td><td>Independent Director</td></tr></table>			Director's Name	Type	Benel D. Laguna	Independent Director	Asterio L. Favis, Jr.	Independent Director	Narciso DL. Eraña	Independent Director	Roberto C. Uyquiengco	Independent Director	Diosdado M. Peralta	Independent Director
Director's Name	Type															
Benel D. Laguna	Independent Director															
Asterio L. Favis, Jr.	Independent Director															
Narciso DL. Eraña	Independent Director															
Roberto C. Uyquiengco	Independent Director															
Diosdado M. Peralta	Independent Director															
Recommendation 5.2																
1. The independent directors possess all the	COMPLIANT	<div>Link/Reference:</div> <table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr></table>			Reference	Title	Page Number	Link								
Reference	Title	Page Number	Link													

qualifications and none of the disqualifications to hold the positions.		2024 SEC 17-A Report	Business Experience	55-3	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59									
Supplement to Recommendation 5.2														
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	<div>Link/Reference:</div> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td>Manual on Corporate Governance and Compliance Program</td><td>Shareholder's Benefit</td><td>83</td><td>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</td></tr></table>				Reference	Title	Page Number	Link	Manual on Corporate Governance and Compliance Program	Shareholder's Benefit	83	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
Reference	Title	Page Number	Link											
Manual on Corporate Governance and Compliance Program	Shareholder's Benefit	83	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf											
Recommendation 5.3														

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	Please refer to the table below: <table><tr><th>Director's Name</th><th>No. of years served as director</th><th>No. of years served as ID (from 2 Jan. 2012)</th></tr><tr><td>Benel D. Lagua</td><td>2 and 10 mos</td><td>2 and 10 mos</td></tr><tr><td>Asterio L. Favis, Jr.</td><td>2 and 10 mos</td><td>2 and 10 mos</td></tr><tr><td>Narciso DL. Eraña</td><td>6</td><td>6</td></tr><tr><td>Roberto C. Uyquiengco</td><td>3</td><td>3</td></tr><tr><td>Diosdado M. Peralta</td><td>2</td><td>2</td></tr></table>				Director's Name	No. of years served as director	No. of years served as ID (from 2 Jan. 2012)	Benel D. Lagua	2 and 10 mos	2 and 10 mos	Asterio L. Favis, Jr.	2 and 10 mos	2 and 10 mos	Narciso DL. Eraña	6	6	Roberto C. Uyquiengco	3	3	Diosdado M. Peralta	2	2
Director's Name	No. of years served as director	No. of years served as ID (from 2 Jan. 2012)																					
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Narciso DL. Eraña	6	6																					
Roberto C. Uyquiengco	3	3																					
Diosdado M. Peralta	2	2																					
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	An independent director of a bank may only serve as such for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from serving as independent director in the same bank, but may continue to serve as regular director. The nine (9) year maximum cumulative term for independent directors shall be reckoned from 2012.																					
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	COMPLIANT	Manual on Corporate Governance and Compliance Program	Definitions; Qualifications of a Director	5; 52	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf																		

Recommendation 5.4							
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	Name		Position			
		Jeffrey S. Yao		Chairman of the Board			
		Rolando R. Avante	Vice Chairman and President/Chief Executive Officer (CEO)				
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Manual on Corporate Governance and Compliance Program	The Management Team	73-75	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
Recommendation 5.5							
1. If the Chairman of the Board is not an independent director, the board	COMPLIANT	The Chairman, who is also a non-executive director, is not holding the position of the CEO. Hence, the aforesaid requirement of appointing a Lead Independent Director is not applicable.					

designates a lead director among the independent directors.		Manual on Corporate Governance and Compliance Program	Chairperson of the Board of Directors	74	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
Recommendation 5.6						
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	All related party transactions are coursed through the recommending approval of the Related Party Transactions (RPT) Committee and endorsed to the Board and that any Board member who have material interest with the transaction does not participate in the approval of the same (proof of which are the Minutes of the Meetings of the Board as well as the RPT Committee. Link/Reference: ▪ Please see page 16, RPT Policy Manual - https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf				
Recommendation 5.7						
1. The non-executive directors (NEDs) have separate periodic	COMPLIANT	Link/Reference:				

meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.		Please see page 82 of the 2024 SEC 17-A Report: https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59	
2. The meetings are chaired by the lead independent director.	COMPLIANT		
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	Mr. Rolando R. Avante was elected as President and CEO of the Bank since 2 November 2011 up to present.	
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 as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	The 2024 Annual Performance Assessment of the Board was conducted on April 2025 facilitated by Good Governance Advocates and Practitioners of the Philippines (GGAPP).	
2. The Chairman conducts a self-assessment of	COMPLIANT		

his performance.							
3. The individual members conduct a self-assessment of their performance.	COMPLIANT						
4. Each committee conducts a self-assessment of its performance.	COMPLIANT						
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT						
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.		<div>Please refer below:</div> <table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr></table>	Reference	Title	Page Number	Link	
Reference	Title	Page Number	Link				

2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	Manual on Corporate Governance and Compliance Program	Annual Performance Assessment Forms	111-136	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
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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	COMPLIANT	<p>Link/Reference:</p> <p>Please refer to: PBB's Code of Conduct</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Code%20of%20Business%20Conduct%20and%20Ethics/PBB_CodeofConductandEthics.p df</p>				
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practices in internal and external dealings of the company.			
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p>The Revised Code of Conduct has been circularized by the Bank's Systems & Methods Center on 10 March 2014. All units were given an acknowledgement receipt where they also certified that they have thoroughly read and understood the Revised Code of Conduct. Copy of the acknowledgement receipt is filed in each employee's 201 file.</p> <p>Please see below circulars: Cir. No. 1-046/17 Revised Code of Conduct Cir. No. 1-090/19 Additional Provisions on the Code of Conduct</p>	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	<p>Please refer to the link below:</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Code%20of%20Business%20Conduct%20and%20Ethics/PBB_CodeofConductandEthics.pdf</p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	<p>Please refer to the link below:</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Code%20of%20Business%20Conduct%20and%20Ethics/PBB_CodeofConductandEthics.pdf</p> <p>Please see below circulars: Cir. No. 1-046/17 Revised Code of Conduct Cir. No. 1-090/19 Additional Provisions on the Code of Conduct</p>	

Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	<p>The Code of Business Conduct and Ethics is part of the regular conduct of New Employee Orientation Program. Attached is the email containing the program flow.</p> <p>When it comes to practice, the Bank has created a Committee on Employee Discipline (CED) that ensures everyone's adherence to company policies, procedures, ensuring that all employees are responsible for their actions and performance.</p>	
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	COMPLIANT	<p>Please refer to the link below:</p> <p>https://www.pbb.com.ph/Investor%20Relations/Investor%20Relations.html</p>	

and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.			
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	COMPLIANT	<p>Audited Financial Reports were posted in the Bank's website and available in the branches' conspicuous place after the examination by the External Auditor.</p> <p>The Bank's Balance Sheet is being published quarterly in the newspaper of general circulation.</p> <p>Please see link below: https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59</p>	

2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.		Please refer to the link below: https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59	
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Please refer to Page 89 of the Bank's Manual on Corporate Governance and Compliance Program - https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	

2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.			
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	COMPLIANT	<p>Link/Reference:</p> <p>Top 100 Stockholders: https://www.pbb.com.ph/Investor%20Relations/List%20of%20Top%20100%20Stockholders.html</p> <p>Conglomerate Map. https://www.pbb.com.ph/Conglomerate%20Map%20Organizational%20Structure.pdf</p> <p>Page 97 - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html</p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material	COMPLIANT	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	

information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.		Link/Reference: Page 69-79; 86 Annual Report https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html Share of ownership - https://www.pbb.com.ph/Investor%20Relations/Stock%20Information.html	
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 judgment.	COMPLIANT	Link/Reference: Page 80-85 - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration,	COMPLIANT	Link/Reference: Page 88-89- Annual Report https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	

including the level and mix of the same.											
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	COMPLIANT										
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT										
Recommendation 8.5											
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on	COMPLIANT	Disclose or provide reference/link to company's RPT policies									
		<table><tr><td>Reference</td><td>Title</td><td>Page Number</td><td>Link</td></tr><tr><td>Related Party Transactions Policy Manual</td><td>General Guidelines; Vetting and Approval Process</td><td>16-18</td><td>https://www.pb.com.ph/SEC/Corporate%20Governance/Policy</td></tr></table>	Reference	Title	Page Number	Link	Related Party Transactions Policy Manual	General Guidelines; Vetting and Approval Process	16-18	https://www.pb.com.ph/SEC/Corporate%20Governance/Policy	
Reference	Title	Page Number	Link								
Related Party Transactions Policy Manual	General Guidelines; Vetting and Approval Process	16-18	https://www.pb.com.ph/SEC/Corporate%20Governance/Policy								

Corporate Governance.			Revised Related Party Transactions Committee Charter – Authority	27	cies/RPT%20Policy.pdf		
2. Company discloses material or significant RPTs reviewed and approved during the year.	COMPLIANT						
		2024 SEC 17-A Report	Corporate Governance	82	https://edge.pb.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59		
		Manual on Corporate Governance and Compliance Program	Duties and Responsibilities of the Board of Directors	23	https://www.pb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
		2024 Annual Report	Related Party Transactions	214; 227	https://www.pb.com.ph/Investor%20Relations/Annual%20Reports.html		

Supplement to Recommendation 8.5													
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	<p>Please see link/reference below:</p> <p>2024 Definitive Information Statement - https://www.pbb.com.ph/Investor%20Relations/20IS%20-%20Information%20Statements.html</p>											
Optional : Recommendation 8.5													
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	COMPLIANT	<p>Link/Reference:</p> <p>Page15-16 Board charter https://www.pbb.com.ph/SEC/Corporate%20Governance/BOC/Board%20of%20Director's%20Charter%20-%20Philippine%20Business%20Bank.pdf</p> <table><tr><th>Reference</th><th>Title</th><th>Page Number</th><th>Link</th></tr><tr><td rowspan="2">Related Party Transactions Policy Manual</td><td>General Guidelines; Vetting and Approval Process</td><td>16-18</td><td rowspan="2">https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf</td></tr><tr><td>Revised Related Party Transactions Committee Charter – Authority</td><td>27</td></tr></table>	Reference	Title	Page Number	Link	Related Party Transactions Policy Manual	General Guidelines; Vetting and Approval Process	16-18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf	Revised Related Party Transactions Committee Charter – Authority	27	
Reference	Title	Page Number	Link										
Related Party Transactions Policy Manual	General Guidelines; Vetting and Approval Process	16-18	https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/RPT%20Policy.pdf										
	Revised Related Party Transactions Committee Charter – Authority	27											

		2024 SEC 17-A Report	Corporate Governance	82	https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59		
		Manual on Corporate Governance and Compliance Program	Duties and Responsibilities of the Board of Directors	23	https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf		
		2024 Annual Report	Related Party Transactions	214; 227	https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html		
Recommendation 8.6							
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event	COMPLIANT	Link/Reference: 2024 Definitive Information Statement https://www.pbb.com.ph/Investor%20Relations/20IS%20-%20Information%20Statements.html Page 88 Manual on Corporate Governance and Compliance Program -					

that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.		https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT		
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements	COMPLIANT	This is being done, if any, during the stockholders' meeting which is being administered by the Corporate Secretary.	

that may impact on the control, ownership, and strategic direction of the company.			
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Link/Reference: https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
3. Company's MCG is posted on its company website.	COMPLIANT		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its	COMPLIANT	Link/Reference: https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	

corporate governance practices.			
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	COMPLIANT	Link/Reference: https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59	
a. Corporate Objectives	COMPLIANT		
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicators	COMPLIANT		
d. Dividend Policy	COMPLIANT		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other	COMPLIANT		

directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT		
g. Total remuneration of each member of the board of directors	COMPLIANT		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason	COMPLIANT	Link/Reference: Page 67 – Annual Report - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	

for each such issue.			
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	COMPLIANT	Link/Reference: Page 68-96- Annual Report – https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	COMPLIANT	Link/Reference: Page 108 Annual Report - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	

5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	COMPLIANT	Link/Reference: Page 55 – Annual Report - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
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	Per Audit Committee Charter, the Audit Committee shall be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and minimize duplication of efforts. Ensure that the signing partner shall be rotated after every five (5) years of engagement.	
2. The appointment, reappointment, removal, and fees of the external auditor	COMPLIANT	The appointment of external auditor, Punongbayan and Araullo has been approved and ratified by the shareholders during the Stockholder's meeting held on May 31, 2024.	

is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.			
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	COMPLIANT	<p>There has been no removal or change of the external auditor within the last four (4) years (2021-2024).</p> <p>Per Audit Committee Charter, the Audit Committee shall be responsible for the appointment, fees, and replacement of external auditor.</p>	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	<p>In compliance with Bangko Sentral ng Pilipinas (BSP) and SEC Memorandum Circular No. 8, Series of 2003, and Amendments to the SRC Rule 68 on the rotation of external auditors or signing partners of a firm every after five (5) years of engagement, Ms. Maria Isabel E. Comedia was assigned in 2021 as an independent reviewer and partner in charge of the bank replacing Mr. Christopher M. Ferarez. (Annual Report)</p> <p>Per Audit Committee Charter, the Audit Committee shall be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and</p>	

		minimize duplication of efforts. Ensure that the signing partner shall be rotated after every five (5) years of engagement.	
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	COMPLIANT	Per Audit Committee Charter, the Audit Committee shall oversee the external audit function. The Committee shall: a. Be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and minimize duplication of efforts. Ensure that the signing partner shall be rotated after every five (5) years of engagement. b. Review and approve the engagement contract and ensure that the scope of the audit likewise cover areas specifically prescribed by the Bangko Sentral ng Pilipinas and other regulators.	

oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.			
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.		<p>Per Audit Committee Charter, the Audit Committee shall oversee the external audit function. The Committee shall:</p> <p>Item b. Review and approve the engagement contract and ensure that the Scope of the audit likewise cover areas specifically prescribed by the Bangko Sentral ng Pilipinas and other regulators.</p> <p>Item c. Review and approve the Interim and Annual Financial Statements before their submission to the Board of Directors.</p>	

Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	COMPLIANT	<p>Per Audit Committee Charter, the Audit Committee shall oversee the external audit function. The Committee shall:</p> <ul style="list-style-type: none"> a. Be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and minimize duplication of efforts. Ensure that the signing partner shall be rotated after every five (5) years of engagement. 	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	<p>Per Audit Committee Charter, the Audit Committee shall oversee the external audit function. The Committee shall:</p> <ul style="list-style-type: none"> a. Be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and minimize duplication of efforts. Ensure that the signing partner shall be rotated after every five (5) years of engagement. b. Review and approve the engagement contract and ensure that the scope of the audit likewise cover areas specifically prescribed by the Bangko Sentral ng Pilipinas and other regulations. 	
Recommendation 9.3			
1. Company discloses the nature of non-audit services	COMPLIANT	Per Audit Committee Charter, the Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the Bank's overall consultancy expenses. The Audit Committee	

performed by its external auditor in the Annual Report to deal with the potential conflict of interest.		<p>should disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Bank's Annual Report and Annual Corporate Governance Report.</p> <p>Per latest available Annual Report of the Bank (i.e., 2023 Annual Report), no other services were rendered by Punongbayan & Araullo (P&A) that were not related to the audit and review of the Bank's financial statements occurred in 2023.</p>	
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	<p>Per Audit Committee Charter, the Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the Bank's overall consultancy expenses. The Audit Committee should disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Bank's Annual Report and Annual Corporate Governance Report.</p> <p>Per latest available Annual Report of the Bank (i.e., 2023 Annual Report), no other services were rendered by Punongbayan & Araullo (P&A) that were not related to the audit and review of the Bank's financial statements occurred in 2023.</p>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	<p>Per Audit Committee Charter, the Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid and the Bank's overall consultancy expenses. The Audit Committee should disallow any non-audit work that will conflict with the duties of an External Auditor or may pose a threat to this independence. The non-audit work, if allowed, should be disclosed in the Bank's Annual Report and Annual Corporate Governance Report.</p>	

		Per latest available Annual Report of the Bank (i.e., 2023 Annual Report), no other services were rendered by Punongbayan & Araullo (P&A) that were not related to the audit and review of the Bank's financial statements occurred in 2023.	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p>The Bank's external auditor is Punongbayan and Araullo.</p> <p>Lead Partner: Ms. Maria Isabel E. Comedia; Accreditation No.: 92966-BSP; Date Accredited: May 11, 2018; Punongbayan and Araullo, 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue, Makati, +632-988-2288.</p> <p>Per Audit Committee Charter, the Audit Committee shall oversee the external audit function. The Committee shall:</p> <p style="padding-left: 40px;">a. Be responsible for the appointment, fees, and replacement of external auditor. Prior to commencement of the audit, discusses with the External Auditor the nature, scope, and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to identify proper coverage and minimize duplication of efforts. Ensure that the signing partner shall be rotated every five (5) years of engagement.</p> <p>The Bank's external auditor, Punongbayan and Araullo, was subjected to SOAR in 2021. Philippine Business Bank was not selected as part of the SOAR's engagement review that time.</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program	COMPLIANT	The Bank has no information whether its External Auditor has agreed to be subjected to the SEC SOAR Inspection Program.	

conducted by the SEC's Office of the General Accountant (OGA).			
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	<p>Link/Reference:</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59</p> <p>Pages 35-37 90-91</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</p>	
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. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	COMPLIANT	Link/Reference: Page 42 – Annual Report https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	COMPLIANT	Link/Reference: https://www.pbb.com.ph/Investor%20Relations/Investor%20Relations.html#	
a. Financial statements/reports (latest quarterly)	COMPLIANT		
b. Materials provided in	COMPLIANT		

briefings to analysts and media			
c. Downloadable annual report	COMPLIANT		
d. Notice of ASM and/or SSM	COMPLIANT		
e. Minutes of ASM and/or SSM	COMPLIANT		
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	Link/Reference: https://www.pbb.com.ph/	
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	COMPLIANT	The Bank established an internal audit system to provide the Board, Management and stockholders reasonable assurance that the key organizational and operational controls are faithfully complied with. The Board appointed Chief Internal Auditor to perform the audit function, and required	

system in the conduct of its business.		<p>her to report to the Audit Committee that allows the internal audit activity to fulfill its mandate.</p> <p>Per Internal Audit Charter, Internal Audit Group (IAG) is responsible for developing and maintaining an efficient and effective program of internal auditing to enhance PBB's capacity manage risk and to provide the Audit Committee, Executive Management, other members of management and the regulatory examiners and external auditors with reasonable assurance that, on an ongoing basis, the system of internal control of PBB, taken as a whole, achieves the following objectives:</p> <ul style="list-style-type: none"> ➤ Safeguarding of assets and income of shareholders and customers; ➤ The reliability, integrity and timeliness of financial and operational information; ➤ Effectiveness and efficiency of operations; ➤ Compliance with the corporate ethical standards, policies, plans, procedures, and with laws and regulations; ➤ Adequacy and effectiveness of existing policies and procedures. <p>IAG will coordinate with other members of the risk management and control communities to ensure the implementation of an effective and efficient system of internal control.</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	<ol style="list-style-type: none"> 1. Risk management procedures and processes are outlined in accordance with the policies and manuals issued. <u>Refer to the specific policies and manuals compiled by the Bank's Systems and Methods Center.</u> 2. Leveraging comprehensive tools and metrics, the Enterprise Risk Management Group, in coordination with risk owners, strategically reports current risk exposures to the appropriate governing bodies. (e.g., stress tests, Key Risk Indicator trends, Risk appetite / tolerance statements.) 3. The Risk Management Framework covers risk identification, mitigation, and monitoring across operational, credit, market, liquidity, and information security areas. 	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive	COMPLIANT	Link/Reference:	

e enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding , acceptance and compliance with the said issuances.		https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified,	COMPLIANT	<p>PBB exercises IT governance through the following departments/units within the organization:</p> <ol style="list-style-type: none"> 1. IT Steering Committee - the body which evaluates, approves and monitors significant IT projects; 2. Project Management Center - the body which oversees the conduct of IT projects from inception to completion; 3. Risk Management Group - the body which provides the risk guidelines which ITG needs to address in evaluating and implementing IT projects; 4. Internal Audit Group - the body which evaluates IT projects vs compliance with internal policies and procedures; 	

managed and reported to the board.		<p>5. Compliance Group - the body which evaluates the compliance requirements for IT projects vs external regulations, e.g. Bangko Sentral, SEC, etc.</p> <p>The IT Steering Committee holds regular monthly meetings attended by key Group Heads and a member of the Board of Directors to ensure Board-level visibility and oversight of IT initiatives. These meetings cover IT performance, BAU operations (service management controls), and monitor the progress of ongoing projects and strategic initiatives. The committee also oversees the implementation of industry-standard security protocols, including MSOC, endpoint control, and LAN/WAN monitoring and configuration. Regular status reports are provided by the Project Management Center to support informed decision-making and governance.</p> <p>The Risk Management, Internal Audit, and Compliance Groups regularly report to their respective Board Committees to keep the Board informed on IT-related risks, regulatory compliance, and issue resolution. These reports also cover regular reviews and execution of the Business Continuity Plan (BCP), including the Disaster Recovery Plan (DRP).</p>	
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	The Bank has in place an in-house independent internal audit function.	

Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	<p>The CAE, Ms. Marily M. Cabuco, was appointed by the Board of Directors and reports functionally to the Audit Committee and administratively to the President.</p> <p>The CAE satisfied the position requirements indicated in the MORB, particularly section 163 on qualifications of the head of internal audit function.</p> <p>Additionally, she has comprehensive 37 years of audit experience acquired from big banks and quasi-bank, with certifications such as CIA, CFSA and CPA and, graduated with high honors (Magna Cum Laude) with BS Accountancy course.</p> <p>Pease refer to the Internal Audit Charter and Job Description for the CAE's responsibilities.</p>	
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.			
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	This is not applicable to PBB. The Bank's internal audit function is in place and not outsourced.	

Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	<p>Link/Reference:</p> <p>Page 50 - Annual Report</p> <p>https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html</p>	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	The Banks does not seek external technical support in risk management.	
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	<p>The Chief Risk Officer, Ms. Maria Lourdes G. Trinidad, SVP (Please refer to the CV and JD housed with the Human Resources Group of PBB.)</p> <p>The CRO is the highest authority in Risk Management in the bank, reporting directly to the ROC (functionally) and to the President&CEO (administratively).</p> <p>Ms. Trinidad was appointed as Chief Risk Officer and Head of Enterprise Risk Management Group with the rank of Senior Vice President.</p> <p>She has 35 years of banking experience, handling various functions such as Credit Review, Treasury Trading and Liquidity and Reserve Management, Correspondent Banking, Corporate Planning, Investor Relations, and Special Projects under Strategic Planning. She started her banking career with RCBC</p>	

<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>		<p>Unibank and was appointed to RCBC Savings Bank as CRO and to formally establish its risk management unit in September 2007. She stayed as the CRO up to July 2019, and was appointed as the Head of Special Initiatives and Model Validation Division under the unibank's ERMG, until her resignation in September 2019.</p> <p>As the CRO of RCBC Savings Bank, and together with the bank's Risk Oversight Committee of the Board, she built RCBC Savings' risk and control infrastructure. She was the overall lead in identifying and measuring risks inherent in the bank's portfolio, and made sure that provisioning is kept to a minimum level by proactively working on the portfolio credit review, credit scoring and other initiatives to manage the bank's portfolio quality. She defined and disseminated the bank's risk philosophy and policies, and assisted risk-taking business and operating units in understanding, measuring and mitigating risk points. She put in place the bank's Risk Management Framework and Manual, Treasury Manual, Liquidity Contingency Funding Plan, and various risk operating policies and procedures. She also developed the strategic and operational framework for Business Continuity, including the enterprise Business Continuity Plan, Business Impact Analysis, Crisis Communication Plan, Pandemic Plan, Call Tree Testing, Table Top Discussion, and Disaster Recovery Plan testing.</p> <p>She continued the same endeavors upon her appointment as the CRO of PBB in December 2019, streamlining and enhancing the risk reports to both the PBB management and the regulators. She established the Trust Risk Framework, including the Trust Risk Policies and monitoring tools. She also developed the initial Business Model being used as guiding principles of the Treasury team. Lastly, she developed the same strategic and operational framework for Information Security and Business Continuity, including the individual Business Continuity Plan, Business Impact Analysis, Crisis Communication Plan, Pandemic Plan, Cyber Security Plan, Emergency Go Bag preparedness, Call Tree Testing, and various Information Security tools. She has partnered with the Bank's Human Resources Group for the continued education and awareness of the employees on Risk Management.</p> <p>Ms. Trinidad obtained a Bachelor of Science degree in Mathematics from University of the Philippines – Diliman in 1988. She also earned academic credits for a Master of Science degree in Mathematics from the same school.</p>	
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Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	COMPLIANT	<p>Per Audit Committee Charter, the Audit Committee shall ensure that the CAE attest in writing, at least annually, that a sound internal audit, control, and compliance system is in place and working effectively.</p> <p>IAG issues annual Year-End Report, where CAE attest the conditions of the Bank's governance, internal controls and risk management processes. This report is also being attested by the Bank's President and Chief Executive Officer.</p>	
Cultivating a Synergic Relationship with Shareholders			
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	<p>Link/Reference:</p> <p>Page 83-84 - https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	<p>Link/Reference:</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</p>	
Supplement to Recommendation 13.1			
1. Company's common share	COMPLIANT	Each share entitled to vote has an equivalent of one vote also pursuant to the provisions of the Corporation Code.	

has one vote for one share.			
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	<p>As of 2024</p> <p>Common Shares</p> <p>a. 818,750,094 total number of outstanding shares</p> <p>b. With voting rights</p> <p>c. Transferable unless the bank holds unpaid claim on such share of stock</p> <p>Preferred Shares</p> <p>a. 62,000,000 total number of outstanding shares</p> <p>b. Without voting rights except in those cases where the law allows them to vote</p> <p>c. Transferable unless the bank holds unpaid claim on such share of stock</p> <p>d. Convertible</p>	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	Voting procedure is via a viva-voce methodology	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	Each stockholder may vote.	
5. Board allows shareholders to call a special	COMPLIANT	See Section 2 under Article II (Meetings of Stockholders) under Amended By-Laws of the Bank	

shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.		"The special meetings of stockholders, for any purpose or purposes, may at any time be called by any of the following: a) the Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the outstanding capital stock; b) the President."	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	Link/Reference: Page 83 https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
7. Company has a transparent and specific dividend policy.	COMPLIANT	Link/Reference: Page 94 https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	Stock Transfer Services, Inc. handles all the validation/verification of attendees of the Annual Stockholders' Meeting and percentage of attendance.	
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 28 days before the meeting.	COMPLIANT	<p>Notice of Annual or Special Stockholders' Meeting and Preliminary Information Statement was sent to all shareholders within the required period.</p> <p>Form 17-C is immediately submitted/ uploaded to the PSE. Minutes of the Meeting are uploaded to the Bank's website within five (5) working days after the ASM.</p> <p>Link/Reference: https://www.pbb.com.ph/Investor%20Relations/20IS%20-%20Information%20Statements.html </p>	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	<p>The Notice of ASM contains the following information:</p> <p>(i) Profile of candidates to the board, i.e., age, work experience directorships in other listed companies, date of first appointment (at least month and year) and academic qualifications.</p> <p>(ii) Dividend policy.</p> <p>(iii) Proxy documents which shall be attached to the Notice of ASM or downloadable in the Bank website.</p>	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships	COMPLIANT	<p>Link/Reference:</p> <p>https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-Notice.html</p>	

in other listed companies)			
b. Auditors seeking appointment /re-appointment	COMPLIANT		
c. Proxy documents	COMPLIANT		
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<p>The Notice of ASM contains the following information:</p> <p>(i) Profile of candidates to the board, i.e., age, work experience directorships in other listed companies, date of first appointment (at least month and year) and academic qualifications.</p> <p>(ii) Dividend policy.</p> <p>Proxy documents which shall be attached to the Notice of ASM or downloadable in the Bank website.</p>	
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	COMPLIANT	<p>Form 17-C is immediately submitted/ uploaded to the PSE. Minutes of the Meeting are uploaded to the Bank's website within five (5) working days after the ASM.</p> <p>Link/Reference:</p> <p>https://www.pbb.com.ph/Investor%20Relations/17C%20-%20Current%20Report.html</p>	

next working day.			
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	Link/Reference: https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-Minutes.html	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	Representatives of the external auditor, Punongbayan and Araullo, were present during the ASM for 2024.	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to	COMPLIANT		Alternative Dispute Resolution System
		Corporation & Stockholders	There had been no issues or conflicts yet that the Bank experienced with its stockholders. If ever there will be one in the future, it will be resolved by the BOD through a resolution,

resolve intra-corporate disputes in an amicable and effective manner.			which may be implemented by the Board itself or in the Management. Dealings of the Bank with its related parties are covered by the RPT Policy.		
		Corporation & Third Parties	The Bank set up a help/complaint desk for the purpose of receiving and expeditiously addressing customer/third party complaints.		
		Corporation & Regulatory Authorities	The Bank designated its Chief Compliance Officer as its link to its regulators, such as the Bangko Sentral Ng Pilipinas, Philippine Deposit Insurance Corporation and Securities and Insurance Commission. As such, the CCO maintains a constructive working relationship with the regulators wherein he may consult, whenever necessary, such regulators for clarification of specific provisions of laws and regulations.		
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	Link/Reference: Page 86 – https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf			
Recommendation 13.5					
1. Board establishes an Investor Relations Office	COMPLIANT	1. Name of the person – Joseph Jeeben R. Segui 2. Telephone number – 8363-3333 3. E-mail address – segui_jjr@pbb.com.ph			

(IRO) to ensure constant engagement with its shareholders.			
2. IRO is present at every shareholder's meeting.	COMPLIANT	IRO and/or his representative is present at all ASM.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	The Board has existing Independent Directors that can effectively implement avoidance of anti-takeover measures.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	COMPLIANT	Public float is set at 30% as per IPO in 2013	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to	COMPLIANT	The Banks' Investor Relations Program provides a mechanism for stakeholders to raise issues and/or concerns directly to the Board of Directors thru the Investor Relations Office.	

engage with the company beyond the Annual Stockholders' Meeting			
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	COMPLIANT	Link/Reference: https://www.pbb.com.ph/Investor%20Relations/Stockholders%20Meeting-Notice.html	

Duties to Stakeholders

Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the 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	Stakeholders in corporate governance include, but are not limited to customers, employees, suppliers, shareholders, investors, creditors, the community the Bank operates in society, the government, regulators, competitors, external auditors, etc. In formulating the Bank's strategic and operational decisions affecting its wealth, growth and sustainability due consideration is given to those who have an interest in the Bank and are directly affected by its operations.	
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Recommendation 14.2

1. Board establishes clear policies and	COMPLIANT	In instances when stakeholders' interests are not legislated, companies' voluntary commitments ensure the protection of the stakeholders' rights. The Bank's Code of Conduct ideally includes provisions on the Bank's	
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programs to provide a mechanism on the fair treatment and protection of stakeholders.		policies and procedures on dealing with various stakeholders. The Bank's stakeholders include its customers resource providers, creditors and the community in which it operates. Fair, professional and objective dealings as well as clear, timely and regular communication with the various stakeholders ensure their fair treatment and better protection of their rights.	
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	<p>The Bank's stakeholders play a role in its growth and long-term viability. As such, it is crucial for the Bank to maintain open and easy communication with its stakeholders. This can be done through stakeholder engagement touch points in the Bank, such as the Investor Relations Office, Office of the Corporate Secretary, Customer Relations Office, and Corporate Communications Group.</p> <p>Name: Mr. Joseph Jeeben R. Segui Position: First Vice-President & Investor Relations Officer Tel. No. 8363-3333 Email: seguj_jjr@pbb.com.ph</p> <p>Name: Atty. Roberto S. Santos Position: Corporate Secretary Tel. No. 8363-3333 Email: santos_rs@pbb.com.ph</p> <p>Please refer below for the published whistleblowing policy</p> <p>Reference:</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Policies/PBB_WhistleBlowingGuidelines.pdf</p>	
Supplement to Recommendation 14.3			
1. Company establishes an alternative	COMPLIANT	It is important for the shareholders to be well-informed of the bank's processes and procedures when seeking to redress the violation of their rights. Putting in place proper safeguards ensures suitable remedies for the	

<p>dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>		<p>infringement of shareholders' rights and prevents excessive litigation. The Bank may also consider adopting in its Manual on Corporate Governance established Alternative Dispute Resolution (ADR) procedures.</p> <p>On Corporation and Stockholders There had been no issues or conflicts yet that the Bank experienced with its stockholders. If ever there will be one in the future, it will be resolved by the BOD through a resolution, which may be implemented by the Board itself or Management.</p> <p>Dealings of the Bank with its related parties are covered by the RPT Policy.</p> <p>On Corporation and third parties The Bank set up a help/complaint desk for the purpose of receiving and expeditiously addressing customer/third party complaints.</p> <p>To address the needs and concerns of our clients, we have established a Consumer Assistance Management System with different channels suited to them at their convenience. The Bank ensures that its customers are afforded quality, innovative and responsive products. It nurtures long-term customer relationship founded on mutual trust and confidence. It also ensures that customers are provided with quality service aimed at improving customer satisfaction, retain clients, increase customer base and uphold and preserve Bank's reputation.</p> <p>The Bank is committed to continuously serve its customers with utmost respect and high esteem, recognizing their individualities and qualities as it provides service distinctive to each of them. It likewise continues to strive hard to attain growth to be able to expand its branch network and improve its information technology and serve its customers wherever they are.</p>	
Additional Recommendations to Principle 14			
<p>1. Company does not seek any exemption from the application of a law, rule or</p>	<p>COMPLIANT</p>	<p>The Bank does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.</p>	

regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.			
2. Company respects intellectual property rights.	COMPLIANT	The Bank has not violated any intellectual property rights.	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	COMPLIANT	The Bank has instituted its Financial Consumer Protection Framework Policy: Below is the revised Financial Consumer Protection Framework aligned with BSP Circular 1160 Cir. No. 2-448/24 Consumer Protection Program (as of April 22, 2024)	
2. Company discloses its	COMPLIANT	The Bank complies with Principle 14 through established policies and procedures detailed in its General Services Operations Manual. These policies	

policies and practices that address supplier/contractor selection procedures		<p>ensure a transparent, competitive, and criteria-based selection process for suppliers and contractors.</p> <p>Link/Reference:</p> <p>http://jupiter/SMC/Forms/files/General%20Services%20Center/Operations%20Manual/General%20Services%20Center.pdf</p> <p>Pre-qualification and Accreditation: Suppliers/contractors must meet specific requirements such as valid business permits, satisfactory track records, and financial stability. Required documentation varies depending on business type (sole proprietorship or corporation/partnership).</p> <p>Preliminary Screening: Conducted by the General Services Committee (GSC) based on qualifications and business credentials. Non-qualifying applicants receive formal regret letters.</p> <p>Competitive Bidding and Price Canvassing: All procurement undergoes canvassing or sealed bidding based on value thresholds. At least three bids are typically required, with specific exceptions (e.g., sole source, emergency purchases).</p> <p>Bid Evaluation: Lowest bid is not automatically selected; evaluation considers quality, reliability, and alignment with company requirements.</p> <p>Controls and Oversight: Purchase orders are issued only upon approval of requisition slips. All procurement contracts and POs must go through established authorization procedures. Bid openings are witnessed by Internal Audit for transparency.</p>	
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	COMPLIANT	<p>Link/Reference:</p> <p>Page 87 -</p> <p>https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%2</p>	

procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.		0on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	COMPLIANT	<p>The Bank maintains the following policies circulated bank-wide:</p> <p>Cir. No. 1-097/19 Enhancement of Fringe Benefits</p> <p>Cir. No. 1-096/19 Announcement on the Enhancement of PBB Fringe Benefits</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	COMPLIANT	<p>It is posted on the company's internal server:</p> <ul style="list-style-type: none"> • Creation of Health and Safety Committee • Health and Safety Protocols during Alert Level 1 • Cir. No. 1-111/30 Guidelines on Accomplishment of Monitoring Checklist using QR Code 	
3. Company has policies and practices on training and development of its employees.	COMPLIANT	<p>The Bank has amended its Training policies in September 2024. Also, provided employees with both internal and external training where employees can be equipped.</p> <p>Cir. No. 1-145/24 Training Policies & Guidelines (as of June 2024)</p> <p>Cir. No. 1-101/20 Training Policies and Guidelines</p>	

		Cir. No. 1-104/20 Ladderized Training Program	
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	<p>It is displayed on the company's internal server.</p> <p>Cir. No. 1-046/17 Revised Code of Conduct</p> <p>Cir. No. 1-090/19 Additional Provisions on the Code of Conduct</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	The Board approves the policy and programs, then the Management cascades the policy and programs through Human Resources and via Systems and Methods. The former through pocket training and the latter to cascade via email announcement and repository.	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in	COMPLIANT	<p>It is displayed on the company's internal server.</p> <p>Cir. No. 1-046/17 Revised Code of Conduct</p> <p>Cir. No. 1-090/19 Additional Provisions on the Code of Conduct</p>	

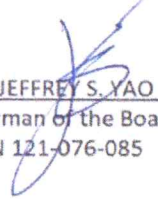
offering, paying and receiving bribes.			
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	COMPLIANT	Per Audit Committee Charter, the Audit Committee shall establish whistle blowing mechanism. The Committee shall: a. Establish and maintain mechanisms by which officers and staff shall, in confidence, raise concerns about possible improprieties or malpractices in matters of financial reporting, internal control, auditing or other issues to persons of entities that have the power to take corrective action. b. Ensure that the arrangements are in place for the independent investigation, appropriate follow-up action, and subsequent resolution of complaints.	
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.			
3. Board supervises and ensures the			

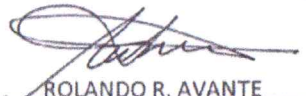
enforcement of the whistleblowing framework.			
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive 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	<p>Link/Reference:</p> <p>Page 88 - https://www.pbb.com.ph/SEC/Corporate%20Governance/Others/Manuals%20on%20Corporate%20Governance/Manual%20on%20Corporate%20Governance%20and%20Compliance%20Program%20(as%20of%20February%202025).pdf</p> <p>page 94 - https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2ffb1366b45563ec6e1601ccee8f59</p>	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally	COMPLIANT	The Bank acknowledges its responsibility to the country, particularly on its contribution to the growth of the nation's economy, adherence to various government policies on the preservation of environment, respect to the efforts of local government units and various non-governmental	

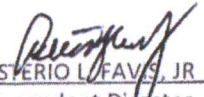
friendly or is consistent with promoting sustainable development		organizations to protect the natural resources; the communities and customers it serves, as fundamentals to its long-term sustainability Link/Reference: Sustainability report https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	Link/Reference: Page 94 https://www.pbb.com.ph/Investor%20Relations/Annual%20Reports.html	

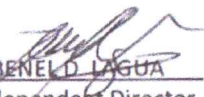
Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in _____ on _____.

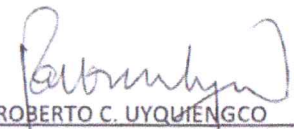
Signatures



JEFFREY S. YAO
Chairman of the Board
TIN 121-076-085

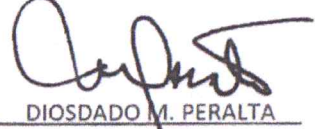

ROLANDO R. AVANTE
Vice-Chairman and President/CEO
TIN 106-968-623

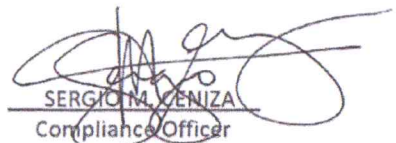

ASTERIO L. FAVIS, JR.
Independent Director
TIN 108-160-842



BENEL D. LAGUA
Independent Director
TIN 107-272-894


ROBERTO C. UYQUIENGCO
Independent Director
TIN 122-402-624


NARCISO D. ERAÑA
Independent Director
TIN 108-099-974

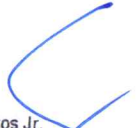

DIOSDADO M. PERALTA
Independent Director
Driver's License No. N05-73-005852


SERGIO M. VENIZA
Compliance Officer
TIN 122-338-597


ROBERTO S. SANTOS
Corporate Secretary
TIN 123-467-623

SUBSCRIBED AND SWORN to before me this 30 MAY 2025, affiants exhibiting to me their tax identification and driver's license as indicated above.

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Page No. 24
Book No. 17
Series of 2024.


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SEC. E No. VII-0029550 (April 22, 2025)
Valid until April 14, 2028
SEC. C-519 until 31 Dec. 2026