



Bank of Commerce

An affiliate of San Miguel Corporation



May 31, 2024

PHILIPPINE STOCK EXCHANGE

5th Avenue corner 28th Street
Bonifacio Global City, Taguig

Attention: **Ms. France Alexandra D. Tom Wong**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

Attention: **Atty. Suzy Claire R. Selleza**
Head, Issuer Compliance and Disclosure Department

Mesdames:

Pursuant to SEC Memorandum Circular No. 15, Series of 2017, we submit herewith the 2023 Integrated Annual Corporate Governance Report of Bank of Commerce.

Thank you.

Very truly yours,

ANTONIO S. LAQUINDANUM

Executive Vice President and Chief Financial Officer
Corporate Information Officer

No. 7 San Miguel Properties Center Building
St. Francis St., Mandaluyong City, Philippines
Tel. No. (632) 982-6000
<https://www.bankcom.com>.

COVER SHEET

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SEC Registration No.

B	A	N	K			O	F			C	O	M	M	E	R	C	E											

Company's Full Name

S	A	N			M	I	G	U	E	L			P	R	O	P	E	R	T	I	E	S						
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Business Address: No. Street City/Town/Province

Atty. Gregorio M. Yaranon, Jr

Contact Person

8982-6000

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

INTEGRATED ANNUAL CORPORATE
GOVERNANCE REPORT (I-ACGR)

Form Type

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Month

3	0
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Day

Annual Meeting

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Secondary License Type, if applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

Total Amount of Borrowings

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel Concerned

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File Number

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Document ID

Cashier

STAMPS



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2023**
2. SEC Identification Number **24221**
3. BIR Tax Identification No. **000-440-440-000**
4. Exact name of issuer as specified in its charter **Bank of Commerce**
5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **San Miguel Properties Centre,
No. 7 St. Francis Street,
Mandaluyong City**
Address of principal office
- 1550
Postal Code
8. **(+632) 8982-6000**
Issuer's telephone number, including area code
9. **Not Applicable**
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	Qualification of the Board of Directors is embodied in the Manual on Corporate Governance of Bank of Commerce as amended in April 2022, specifically on "Qualification of Board of Directors" pages 12-13. The Manual may be downloaded from the website of the Company.	
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	<p>The academic qualifications, industry knowledge, professional experience, and expertise of directors are also set forth in the Definitive Information Statement of the Bank filed on 1 April 2024 (the "Definitive Information Statement"), specifically pages 17-28 thereof, and Annual Report (SEC Form 17-A) for the fiscal year 31 December 2023 ("SEC Form 17-A"), specifically pages 40-49.</p> <p>The Definitive Information Statement and SEC Form 17-A, respectively, may be downloaded from the website of the Company.</p> <p>The qualification standards for directors to facilitate the election of potential nominees and to serve as benchmark for the evaluation of their performance are specified in pages 12-13 of the Corporate Governance Manual and Article III, Section 2 of the Amended By-laws of the Company as approved by the Securities and Exchange Commission (the "Commission") on 09 August 2022 (the "By-laws").</p>	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (5. Composition of the Board pp. 12-13) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • SEC Form 17-A (for the year ended 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf 	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>Embodied in the Corporate Governance Manual under V. Corporate Governance item 1 are the composition of the Board members.</p> <p>(a) Mr. Michelangelo R. Aguilar (President and Chief Executive Officer) is an Executive Director</p> <p>(b) Fourteen (14) of the fifteen (15) members of the Board of Directors of the Bank are Non-Executive Directors.</p>	

		Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (1. Composition of the Board pp. 10-11) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Embodied in the Corporate Governance Manual under V. Corporate Governance item 11 "Orientation and Training" are the provisions on the required continuous training for the Directors. Reference documents/links BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (11. Orientation and Training page 34) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
2. Company has an orientation program for first time directors.	COMPLIANT	BankCom provides orientation program for the new Directors of the Bank to brief them of the Bank's history, structure, business, and duties and responsibilities of a director among others.	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	Reference documents/links BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	

Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<p>The members of the Board come from diverse background such as legal, finance, business and policy advocates.</p> <p>The Board has four (4) female members:</p> <ol style="list-style-type: none"> 1. Ms. Benedicta A. Du-Baladad 2. Ms. Fe B. Barin 3. Ms. Melinda Gonzales Manto 4. Ms. Rebecca Maria A. Ynares <p>The gender composition of the Board is set out on page 5 of the latest available General Information Sheet of the Company as of 30 June 2023 (the "GIS"), which can be downloaded from the website of the Company.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • General Information Sheet (as of 30 June 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/5_5/FINAL-Bank-of-Commerce-Amended-2023-GIS-without-UBOunredacted_June-27-2023.pdf 	
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.	NON - COMPLIANT		
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	The qualifications, duties and functions of the Corporate Secretary are set out in Article VI, Section 4 of the Amended By-laws.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		

<p>3. Corporate Secretary is not a member of the Board of Directors.</p>	<p>COMPLIANT</p>	<p>Atty. Evita C. Caballa is the Corporate Secretary of the Bank.</p> <p>Atty. Caballa is not a director of the Bank. Pages 16-17 of the Definitive Information Statement lists the members of the Board of Directors of the Bank, which list does not include Atty. Caballa.</p> <p>Meanwhile, the Bank's Chief Compliance Officer is Atty. Gregorio M. Yaranon, Jr.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 16-17 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>COMPLIANT</p>	<p>In compliance with SEC Memorandum Circular No. 20, Series of 2013, the Corporate Secretary and Assistant Corporate Secretary attend training/s on Corporate Governance with SEC accredited training service providers.</p>	

Optional: Recommendation 1.5

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	NON-COMPLIANT	The board meeting materials are distributed at least <u>three calendar days</u> before the scheduled meeting.	<p>The items in the agenda are thoroughly discussed in the respective Board committees before the same are endorsed to the Board of Directors for their consideration. It must be noted that the board-level committees are composed of the Board of Directors themselves; hence, the Board members take active roles in the deliberations at the committee level prior to the Board of Directors reaching any decision as a body.</p> <p>Nonetheless, the agenda and materials for the board meetings are distributed to the members of the Board of Directors at least 3 days before each scheduled board meeting, which gives the directors ample time to peruse the materials for their comments, if any, during the board meeting.</p> <p>Further, the items on the agenda are presented in a concise and comprehensive manner</p>
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			to ensure that all salient points are communicated to the directors to assist in their decision of these matters.
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p>The Compliance function is carried out by the Compliance Office headed out by the Chief Compliance Officer (CCO) designated by the Board. The CCO is not a member of the Board.</p> <p>Atty. Gregorio M. Yaranon, Jr. is the Chief Compliance Officer of the bank with a rank of Senior Vice President. Professional experiences of Atty. Yaranon are indicated in the BankCom's Definitive Information Statement on page 31.</p> <p>Atty Yaranon, Jr. is not a director of the bank. In pages 16-17 of the Definitive Information Statement lists the BankCom's members of the Board of Directors, which list does not include Atty. Yaranon, Jr.</p> <p>Embodied in the Corporate Governance Manual under V. Corporate Governance item 22.2 "The Chief Compliance Officer" pages 53-54 are the qualifications, duties and responsibilities of the Chief Compliance Officer.</p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT		
3. Compliance Officer is not a member of the board.	COMPLIANT		

		<p>Reference documents/links</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (22.2 The Chief Compliance Officer pages 53-54) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 16-17 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
4. Compliance Officer attends training/s on Corporate Governance.	COMPLIANT	In compliance with SEC Memorandum Circular No. 20, Series of 2013, the Chief Compliance Officer attends training/s on Corporate Governance with SEC accredited training service providers.	
<p>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.</p>			
<p>Recommendation 2.1</p>			
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	<p>Embodied in the Corporate Governance Manual under V. Corporate Governance item 7 "Responsibilities, Duties and Functions of the Board" is the provision on Board of Directors conduct of their duties and responsibilities with highest standard of honesty and integrity.</p> <p>The undersigned Corporate Secretary attests that the Board, during its meetings, acts on a fully informed basis, in good faith, with due diligence and care, and always in the best interest of the Company through active deliberations during said Board meetings when the topics and matters for approval so warrant.</p>	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Corporate Governance Manual (7.2 Specific Duties and Responsibilities page 16) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<p>The undersigned Corporate Secretary attest that:</p> <p>(a) The Board of Directors approves the annual budget of the Company which includes the approval of the Company's objectives and strategy for the upcoming year, which approval is made on an annual basis;</p> <p>(b) Management reports to the Board of Directors on monthly basis the implementation of the Company's business objectives and strategy.</p> <p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7 "Responsibilities, Duties and Functions of the Board".</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Corporate Governance Manual (7.1 General Responsibility of the Board page 16) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT		

Supplement to Recommendation 2.2

<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>COMPLIANT</p>	<p>In accordance with the Company's Manual on Corporate Governance, the Board of Directors reviews the vision and mission statement of the Company on a periodic basis.</p> <p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.1 "General Responsibility of the Board" page 16, the Board's responsibility in defining the Bank's mission and vision.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (7.1 General Responsibility of the Board page 16) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p>COMPLIANT</p>	<p>The Company's corporate objectives and strategy execution process are contained in its Annual Report and SEC Form 17-A. See discussion on Business and General Information on pages 4-26 of the latest SEC Form 17-A.</p> <p>The undersigned President and CEO, and Corporate Secretary attest that:</p> <p>(a) The Board of Directors approves the annual budget of the Company which includes the approval of the Company's objectives and strategy for the upcoming year, which approval is made on an annual basis;</p>	

		<p>(b) Management reports to the Board of Directors on monthly basis the implementation of the Company's business objectives and strategy.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • SEC Form 17-A (for the year ended 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>The Manual of Regulations for Bank requires Monetary Board confirmation of the elected/appointed Board of Director including the Chairman of the Board. In the process, the elected/appointed Board of Director is required to submit certifications and documentary proof of qualification. The Bangko Sentral requires that the Director or Chairman of the Board's integrity/probity/education/training, and position of competencies relevant to the function such as knowledge and experience, skills and diligence be assessed to determine that the person is fit and proper for the position.</p> <p>Chairman Francis C. Chua's academic qualifications and professional experience are set out on pages 17-18 of the Definitive Information Statement and pages 39-40 of the SEC Form 17-A.</p>	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-18 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • SEC Form 17-A (for the year ended 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf 	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	Embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.4.3 of 7. "Responsibilities, Duties and Functions of the Board", that the BankCom adopts a policy on retirement for directors and officers, as part of the succession plan, to promote dynamism and avoid perpetuation in power.	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 7.2.4.3 page 21) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.4.2 of 7. "Responsibilities, Duties and Functions of the Board" – Develop remuneration and other incentives policy for directors that shall be submitted for approval of the	

2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	stockholders. The board of directors shall ensure that the policy is consistent with the long-term interest of the Bank, does not encourage excessive risk-taking, and is not in conflict with the director's fiduciary responsibilities; and	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	<p>Item 15.2 of 15. "Remuneration of Board of Directors and Officers" - A portion of the remuneration of executive directors may be structured or be based on the Bank's and individual performance.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 7.2.4.2 page 21; item 15.2 page 36) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 15.2 of 15. "Remuneration of Board of Directors and Officers" - A portion of the remuneration of executive directors may be structured or be based on the Bank's and individual performance.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 15.2 page 36) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term	COMPLIANT	Directors are entitled to compensation the amount of which shall be fixed by the stockholders from time to time but in no case shall their total yearly compensation, as such directors, exceeds ten (10%)	

interest, such as claw back provision and deferred bonuses.		<p>percent of the net income before income tax of BankCom during the preceding year.</p> <p>The members of the Board of Directors, the Executive Committee, other Committees and the Corporate Secretary are entitled to per diem for every attendance in meetings the amount of which shall be fixed by the stockholders from time to time.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf </p>	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>It is the Board's responsibility to nominate directors, who will, in turn, be elected by the shareholders. The Board will nominate a slate, which will include individuals who have diverse talents, backgrounds and perspectives, and who can work effectively as a team, with each one able and willing to add value and contribute meaningfully to board decisions.</p> <p>The Nomination Compensation and Remuneration Committee (NCRC) shall conduct a detailed evaluation of the nominees for Directorship prior to their nomination; A re-assessment shall be done upon their re-election giving consideration to the result of annual Board, Peer and Self-Assessments.</p> <p>Each director should represent the interest of the company as a whole and should be in a position to participate independently and objectively.</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT		
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT		
5. Board nomination and election policy includes an assessment of the effectiveness	COMPLIANT		

of the Board's processes in the nomination, election or replacement of a director.		Reference documents/links: BankCom Website	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	<ul style="list-style-type: none"> Corporate Governance Manual (V. Corporate Governance under item 10 Election pp. 33-34) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
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.	NON - COMPLIANT		<p>Not Applicable. The Bank does not use professional search firms in sourcing candidate for Board of Director.</p> <p>Candidates for the Board of Directors are usually referrals from other directors or senior officers who understand the bank's requirement and culture, resulting in candidates who are vouched for by the referrer and who are likely to fit well in the bank.</p>
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	<p>BankCom has a Board approved Policy on Related Party Transactions. This provides for the process and procedures in handling related party transactions. It encompasses all entities within the conglomerate.</p> <p>The Board has the overall responsibility in approving the related party transactions vetted and endorsed by the Related Party Transactions Committee.</p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee	COMPLIANT		

fairness and transparency of the transactions.		The Related Party Transactions Policy requires for the regular updating of the Related Parties (RP) database covering all entities within the conglomerate.	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> Related Party Transactions Policy https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.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 <i>de minimis</i> or 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.	COMPLIANT	<p>BankCom has a Board approved Policy on Related Party Transactions which provides for the following:</p> <ul style="list-style-type: none"> ▪ The threshold for the SEC – Material Related Party Transactions is set at ten percent (10%) or higher of the Bank's total assets based on its latest Audited Financial Statement ▪ Adjusted materiality thresholds include the aggregated transactions over a twelve (12) – month period with the same Related Party that meets and exceeds the SEC – materiality threshold of ten percent (10%) of the Bank's total assets. ▪ SEC – Material RPTs shall be approved by at least two-thirds (2/3) vote of Board of Directors, with at least a majority of the independent directors voting to approve the material RPT. ▪ In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Related Party Transactions Policy (Section 10 page 24) </p>	

		https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	COMPLIANT	<p>The Policy on Related Party Transactions provides that material RPTs shall be confirmed by the Stockholders during the Annual Stockholders Meeting.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Related Party Transactions Policy (Section 9 page 20) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf 	
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>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.3 of 7. "Responsibilities, Duties and Functions of the Board" – The Board shall oversee the selection of the CEO and other key personnel, including members of senior management and heads of control functions based on the application of fit and proper standards. Integrity, technical expertise, and experience in the Bank's business, either current or planned, shall be the key considerations in the selection process.</p> <p>Reference documents/links BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 7.2.3 page 18) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief	COMPLIANT	It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.3 "Responsibilities, Duties and Functions of the Board" – The Board shall regularly monitor and assess the	

Risk Officer, Chief Compliance Officer and Chief Audit Executive).		<p>performance of the management team and heads of control functions.</p> <p>Reference documents/links</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 7.2.3 page 18) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
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>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.3.2 "Responsibilities, Duties and Functions of the Board" – The Board shall approve and oversee the implementation of performance standards as well as remuneration and other incentive policy. The policy should be consistent with the long term strategic objectives and financial soundness of the Bank.</p>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	<p>Reference documents/links</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 7.2.3.2 page 18) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<p>Pursuant to the Audit Committee Charter, the Audit Committee was created by the Board of Directors to assist in the oversight of the Bank's internal control system.</p> <p>Further, in accordance with the Internal Audit Charter, the Internal Audit conducts examination and evaluation of the adequacy, efficiency, and effectiveness of the organization's governance, risk</p>	

		<p>management, and internal controls, as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. The result of internal audit engagements are periodically reported by the Internal Audit to the Audit Committee.</p> <p>Reference documents/links</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf • Internal Audit Charter https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/IA-Charter-as-of-July-2022.pdf 	
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 Bank's internal control system includes mechanism for monitoring and managing potential conflict of interest as evident in the Banks' Code of Discipline and the various bankwide policies. The Board's oversight responsibility includes review of the Bank's conflict of interest situations.</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Manual on Corporate Governance https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Related Party Transactions Policy https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf 	

3. Board approves the Internal Audit Charter.	COMPLIANT	<p>Latest iteration of Internal Audit Charter was endorsed by Audit Committee and duly approved by the Board on July 26, 2022.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Internal Audit Charter https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/IA-Charter-as-of-July-2022.pdf </p>	
Recommendation 2.11			
<p>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.</p> <p>RESPONSIBLE UNIT: RMD</p>	COMPLIANT	<p>BankCom pursues best practices in enterprise risk management across its businesses and processes. It espouses a comprehensive risk management and capital management framework, which integrates the identification, measurement, monitoring, and controlling of risk exposures. It works to ensure that it has adequate liquidity and capital at all times in order to mitigate risks, as well as robust business continuity and crisis resiliency plans that are regularly tested.</p>	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT	<p>Information on Risk Management principles, structure, and strategies are found in the Bank's website.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Risk Management Section pp. 70-82) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf • Risk Management Philosophy Section https://www.bankcom.com.ph/about-us/board-of-directors/ </p>	

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.	NON-COMPLIANT		The roles, responsibilities and accountabilities of the Board in carrying out its fiduciary role are contained in Article III Section 8 of the Amended By-laws.
2. Board Charter serves as a guide to the directors in the performance of their functions.	NON-COMPLIANT		The purpose of the Board Charter is accomplished through the observance by the Board of the principles and policies Embodied in the Company's Articles of Incorporation and By-Laws and the Manual of Corporate Governance of the Company, which provisions are sufficient and achieves the objectives of having a Charter for this purpose.
3. Board Charter is publicly available and posted on the company's website.	NON-COMPLIANT		Reference documents/links: BankCom Website <ul style="list-style-type: none">• 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf

Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	COMPLIANT	<p>BankCom has a Policy which prohibits its covered persons or directors, employees, and other parties who are considered to have knowledge of material facts that have not been disclosed to the public, including any information that will likely affect the market price of securities, from buying or selling these securities.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Company Policies Section https://www.bankcom.com.ph/company-policies/ </p>	
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	<p>BankCom has an approved Policy on Related Party Transactions which provides for the processes and procedures in handling loans to directors in so far as ensuring that transactions are conducted on an arm's length basis.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Related Party Transactions Policy https://www.bankcom.com.ph/wp-content/uploads/2023/2/2/RPT-Policy_2022_final-v2.-2.1.2023.pdf </p>	
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	<p>The By-laws of the Company specify the transactions subject to the approval of the Board, including, among others, Article III, Sections 8 and 9 thereof.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf </p>	

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	<p>It is embodied in the Corporate Governance Manual, the Board Committees established by the Board and the composition and duties and responsibilities of each Board Committee. The Committees and their respective members are likewise published on the website of the Bank.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	<p>BankCom has an established Audit Committee (AuditCom) that assists the Board of Directors (BOD) in its oversight capability.</p> <p>As stated in the Responsibility Statement of the Audit Committee Charter:</p> <p><i>"The Audit Committee is a committee created by the Board of Directors (BOD) of Bank of Commerce to assist in the oversight of the Bank's financial reporting policies, practices and internal controls system, audit process, and compliance with applicable laws and regulations. This is to emphasize that the Audit Committee (AC), as with other board committees, has oversight responsibilities and should not perform the role of</i></p>	
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		<p><i>management who should provide the committee with the necessary information and analyses for their additional insights and comments. These oversight responsibilities are set out in this charter."</i></p> <p>The Audit Committee Charter also states the Committee's duties and responsibilities on the following areas of concern:</p> <ul style="list-style-type: none"> ➤ Financial Reporting Oversight ➤ Internal Controls ➤ Internal Audit ➤ External Audit ➤ Internal Audit Service Providers ➤ Other Oversight Responsibilities <p>Reference documents/links: BankCom Website • Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.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>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 17.2 "Audit Committee".</p> <p>The Audit Committee shall be composed of at least three (3) members of the board of directors, who shall all be non-executive directors, majority of whom shall be independent directors, including the Chairperson.</p> <p>Reference documents/links BankCom Website • Corporate Governance Manual (17.2.2 Composition page 39)</p>	

		https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf <ul style="list-style-type: none"> • Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf 	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 17.2 "Audit Committee".</p> <p>The Audit Committee shall have accounting, auditing, or related financial management expertise or experience commensurate with the size, complexity of operations and risk profile of the Bank. It shall have access to independent experts to assist them in carrying out its responsibilities.</p> <p>Reference documents/links BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.2.2 Composition page 39) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf 	

4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Audit Committee Chairman Leonardo J. Matignas, Jr. (effective June 28, 2023) and his predecessor Simon R. Paterno were not the Chairman of the Board or any other committee. As of December 2023 the Chairman of the Board and other committees are:</p> <table><tr><td>Name</td><td>Chairman</td></tr><tr><td>Francis C. Chua</td><td>Board of Directors</td></tr><tr><td>Benedicta A. Du-Baladad</td><td>Executive Committee</td></tr><tr><td>Francis C. Chua</td><td>Trust And Investment Committee</td></tr><tr><td>Daniel Gabriel M. Montecillo</td><td>Corporate Governance Committee</td></tr><tr><td>Rebecca Maria A. Ynares</td><td>Nomination, Compensation And Remuneration Committee</td></tr><tr><td>Jose C. Nograles</td><td>Board Risk Oversight Committee</td></tr><tr><td>Ricardo D. Fernandez</td><td>Related Party Transaction Committee</td></tr><tr><td>Roberto C. Benares</td><td>Information Technology Steering Committee</td></tr><tr><td>Michelangelo R. Aguilar</td><td>Underwriting Committee</td></tr></table> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none">Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pp. 33-36 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf	Name	Chairman	Francis C. Chua	Board of Directors	Benedicta A. Du-Baladad	Executive Committee	Francis C. Chua	Trust And Investment Committee	Daniel Gabriel M. Montecillo	Corporate Governance Committee	Rebecca Maria A. Ynares	Nomination, Compensation And Remuneration Committee	Jose C. Nograles	Board Risk Oversight Committee	Ricardo D. Fernandez	Related Party Transaction Committee	Roberto C. Benares	Information Technology Steering Committee	Michelangelo R. Aguilar	Underwriting Committee
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Roberto C. Benares	Information Technology Steering Committee																					
Michelangelo R. Aguilar	Underwriting Committee																					

		<ul style="list-style-type: none"> Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<p>Based on SEC Memorandum Circular No. 2 Series of 2002, 'non-audit work' refers to <i>other services offered by the external auditor to a corporation that are not directly related to its statutory audit function. Examples include accounting, payroll, bookkeeping, reconciliation, computer project management, data processing or information technology outsourcing services, internal auditing, and services that may compromise the independence and objectivity of the external audit.</i></p> <p>Based on the definition and examples on non-audit services per SEC, the Bank's external auditor KPMG Philippines does not have a non-audit engagement with the Bank that may compromise its independence and objectivity in conducting the external audit.</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	<p>Besides the usual reporting of external auditor to the Audit Committee, in accordance with the Audit Committee Charter, an executive session was held on September 22, 2023 with the external auditor without anyone from Management.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf </p>	

Optional: Recommendation 3.2

1. Audit Committee meet at least four times during the year.	COMPLIANT	<p>In 2023, the Audit Committee held a total of 13 meetings on the following dates:</p> <table><tr><td>2023 Dates</td><td>Type</td></tr><tr><td>January 27</td><td>Regular</td></tr><tr><td>February 24</td><td>Regular</td></tr><tr><td>March 15</td><td>Special</td></tr><tr><td>March 24</td><td>Regular</td></tr><tr><td>April 21</td><td>Regular</td></tr><tr><td>May 26</td><td>Regular</td></tr><tr><td>June 23</td><td>Regular</td></tr><tr><td>July 21</td><td>Regular</td></tr><tr><td>August 25</td><td>Regular</td></tr><tr><td>September 22</td><td>Regular</td></tr><tr><td>October 27</td><td>Regular</td></tr><tr><td>November 24</td><td>Regular</td></tr><tr><td>December 15</td><td>Regular</td></tr></table> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none">• Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pg. 34 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf	2023 Dates	Type	January 27	Regular	February 24	Regular	March 15	Special	March 24	Regular	April 21	Regular	May 26	Regular	June 23	Regular	July 21	Regular	August 25	Regular	September 22	Regular	October 27	Regular	November 24	Regular	December 15	Regular	
2023 Dates	Type																														
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May 26	Regular																														
June 23	Regular																														
July 21	Regular																														
August 25	Regular																														
September 22	Regular																														
October 27	Regular																														
November 24	Regular																														
December 15	Regular																														
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 17.2 “Audit Committee”.																													

		<p>The Audit Committee represents and assists the Board in its general oversight of the Bank's financial reporting policies, practices and control and internal and external audit functions. It shall be responsible for the setting up of the internal audit department and for the appointment, removal and remuneration of the Chief Audit Executive as well as the appointment of the independent external auditor who shall both report directly to the Audit Committee.</p> <p>Reference documents/links BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.2.1 Purpose and Objective page 39) https://www.bankcom.com.ph/wp-content/uploads/2022/12/2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	<p>BankCom has a Corporate Governance Committee that meets monthly.</p> <p>The Corporate Governance Committee shall assist the Board of Directors in fulfilling its corporate governance responsibilities and in providing oversight in the implementation of the Bank's Compliance System.</p> <p>Reference documents/links BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2022/01/CGCOM-Charter.pdf 	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	COMPLIANT	<p>The members of the Corporate Governance Committee are appointed annually by the Board. It shall be composed of at least five (5) members of the board of directors who are all non-executive directors, and majority of whom shall be independent directors,</p>	

		<p>including the chairman. All decisions or resolutions of the Committee shall have the affirmative vote of at least a majority of the members of the Committee.</p> <p>Reference documents/links</p> <p>BankCom Website</p> <ul style="list-style-type: none">• Corporate Governance Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2022/01/CGCOM-Charter.pdf									
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	<p>Corporate Governance Committee Chairman Daniel Gabriel M. Montecillo is an independent director, it can be found in the Bank's Definitive Information Statement and the members of the board can also be viewed at the bank's website.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none">• Definitive Information Statement (as of 31 December 2023) Independent Directors page. 33 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf• Board of Directors Section https://www.bankcom.com.ph/about-us/board-of-directors/									
Optional: Recommendation 3.3.											
1. Corporate Governance Committee meet at least twice during the year. BLE UNIT: CD – CMMD	COMPLIANT	<p>The Corporate Governance Committee meets on a monthly basis. In 2023, the Committee held a total of 12 meetings on the following dates:</p> <table><tr><td>2023 Dates</td><td>Type</td></tr><tr><td>January 26</td><td>Regular</td></tr><tr><td>February 23</td><td>Regular</td></tr><tr><td>March 23</td><td>Regular</td></tr></table>	2023 Dates	Type	January 26	Regular	February 23	Regular	March 23	Regular	
2023 Dates	Type										
January 26	Regular										
February 23	Regular										
March 23	Regular										

		April 20	Regular		
		May 25	Regular		
		June 22	Regular		
		July 20	Regular		
		August 24	Regular		
		September 21	Regular		
		October 26	Regular		
		November 23	Regular		
		December 14	Regular		

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	<p>The BankCom's Board of Directors (BOD), Board Risk Oversight Committee (BROC), and Risk Management Division (RSK) are responsible for setting the overall risk-management framework and risk appetite of the Bank. The BOD is the sole arbiter of the risks taken by the organization, with the sole discretion of determining what manner (strategic direction) and magnitude (risk appetite) of risk are suitable for the organization. It is indicated under Section on Risk Management of Annual report and section on Risk Management Oversight found in the Bank's website.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Risk Management Section pp. 70-82) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf • Risk Management Philosophy Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
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<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 17.3 "Board Risk Oversight Committee (BROC)".</p> <p>The BROC shall be composed of at least three (3) members of the board of directors, majority of whom shall be independent directors, including the Chairperson.</p> <p>Profiles of holdover members, including the Committee's Chairman, can be found in the Bank's Definitive Information Statement and also the summary of each committee members can be viewed at the bank's website.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.3.2 Composition page 41) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pp. 33-36 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
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<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under Corporate Governance, item 17.3 "Board Risk Oversight Committee (BROC)".</p> <p>The BROC shall be composed of at least three (3) members of the board of directors, majority of whom shall be independent directors, including the Chairperson.</p> <p>The Chairman of the BROC is not the Chairman of the Board</p> <p>Reference documents/links BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.3.2 Composition page 41) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pp. 33-36 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
<p>4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under Corporate Governance item 17.3 "Board Risk Oversight Committee (BROC)".</p> <p>The Risk Oversight Committee shall possess a range of expertise and adequate knowledge on risk management issues and practices. It shall have access</p>	

		<p>to independent experts to assist it in discharging its responsibilities.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.3.2 Composition pg. 41) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 17.7 "Related Party Transactions Committee (RPTCom)".</p> <p>The Related Party Transactions Committee shall assist the Board of Directors in fulfilling its corporate governance responsibility related to the safety and soundness of the Bank's transaction/s with Related Parties, and ensure that such are conducted at arm's-length terms and conditions pursuant to relevant laws, regulations and Bank policies.</p> <p>BankCom has in place a Related Party Transactions Committee which meets monthly.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.7.1 Purpose and Objective pg. 44) 	

		https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 17.7 "Related Party Transactions Committee (RPTCom)".</p> <p>The RPTCom shall be composed of at least three (3) members of the Board of Directors, two (2) of whom shall be independent directors including the Chairperson</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (17.7.2 Composition page 44) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • Related Party Transactions Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/5_5/RPTCom-Charter_Revised-as-of-June-2023.pdf 	
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 other relevant information.	COMPLIANT	<p>BankCom's Board has nine (9) Committee Charters. The Charter contains the following information, among others:</p> <ul style="list-style-type: none"> • Purpose • Membership 	

<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Composition, Qualifications and Voting • Duties and Responsibilities <p>The Charters of the nine (9) Board Committees are provided in the Bank's website, as follows:</p> <ol style="list-style-type: none"> 1. Executive Committee Charter 2. Audit Committee Charter 3. Board Risk Oversight Committee Charter 4. Corporate Governance Committee Charter 5. Nominations, Compensation, and Remuneration Committee Charter 6. Trust and Investments Committee Charter 7. Related Party Transactions Committee Charter 8. Information Technology Steering Committee Charter 9. Underwriting Committee Charter <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ <p>The Board Committees Charters are embodied in the Corporate Governance Manual under V. Corporate Governance item 17 "Board Committees".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (items 17.1 to 17.7 pp. 38-44) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
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3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	<p>The Charters of the nine (9) Board Committees are provided in the Bank's website, as follows:</p> <ol style="list-style-type: none"> 1. Executive Committee Charter 2. Audit Committee Charter 3. Board Risk Oversight Committee Charter 4. Corporate Governance Committee Charter 5. Nominations, Compensation, and Remuneration Committee Charter 6. Trust and Investments Committee Charter 7. Related Party Transactions Committee Charter 8. Information Technology Steering Committee Charter 9. Underwriting Committee Charter <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Board Committees Section https://www.bankcom.com.ph/about-us/board-of-directors/ </p>	
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>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 13 "Board Meetings and Quorum Requirement"</p> <p>"The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of SEC"; and</p> <p>"Directors shall rigorously prepare for board meetings so that they can devote their undivided attention and actively participate in meetings"</p>	

		<p>The record of attendance of the meetings of the Board of Directors and stockholders held in 2023 is available on pages 33-36 of the Bank's Definitive Information Statement.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (13. Board Meetings and Quorum Requirement items 13.2 & 13.4 page 35) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pp. 33-36 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 13 "Board Meetings and Quorum Requirement"</p> <p>Directors shall rigorously prepare for board meetings so that they can devote their undivided attention and actively participate in meetings.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (13. Board Meetings and Quorum Requirement page 35) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 13 "Board Meetings and Quorum Requirement"</p> <p>Directors shall rigorously prepare for board meetings so that they can devote their undivided attention and actively participate in meetings. Prior Board and Committee meetings, the director should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (13. Board Meetings and Quorum Requirement page 35) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
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	<p>It is embodied in the Policy on Interlocking Positions and Secondment under Section VII.C.c.1.2.</p> <p>"A non-executive director may concurrently serve as a director in a maximum of five (5) publicly listed companies".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Policy on Interlocking Positions and Secondment https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/Policy-on-Interlocking-Positions-and-Secondment.pdf 	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	It is embodied in the Policy on Interlocking Positions and Secondment under Section VII.C.c.4.	

		<p>"Upon onboarding, the Directors/Officers will be required to accomplish an Undertaking to notify BankCom through HRMDD of a prospective new/additional interlocking position/s and request for approval of the BankCom's BOD prior to accepting the additional interlock/s. HRMDD shall update its database on interlocking positions of Director/Officers."</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Policy on Interlocking Positions and Secondment https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/Policy-on-Interlocking-Positions-and-Secondment.pdf </p>	
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	<p>Mr. Michelangelo R. Aguilar, President and CEO is the Bank's only executive director. He does not serve in more than two boards of listed companies outside of the group.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Definitive Information Statement (as of 31 December 2023) Board of Directors page 33 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf </p>	
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	<p>The Board of Directors' meetings are scheduled and approved by the Board of Directors before the beginning of the year, on the last meeting of the Board for the prior year. For the 2023 board meetings, the Board of Directors approved the proposed schedule of meetings on December 20, 2022.</p>	

<p>3. Board of directors meet at least six times during the year.</p>	<p>COMPLIANT</p>	<p>For the year 2023, there were 12 regular meetings and 2 special meetings, or a total of 14 meetings.</p> <p>The attendance of the Board at the said meetings is available in pages 33-36 of the Bank's Definitive Information Statement.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Board and Committee Meeting Attendance pp. 33-36 https://www.bankcom.com.ph/wp-content/uploads/2024/4_00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
<p>4. Company requires as minimum quorum of at least 2/3 for board decisions.</p>	<p>COMPLIANT</p>	<p>Section 7 of Article III of the Bank's By-laws provide, to wit:</p> <p>"Quorum. – A majority of the directors shall constitute a quorum to do business, and every decision of the majority of the directors present, whether physically or through remote communication, constituting a quorum shall be valid as an act of the entire Board."</p> <p>The Company complies with the provisions of the Revised Philippine Corporation Code in determining the quorum for the Board of Directors. There is no basis for the Board to adopt a different quorum as the current practice which is in accordance with law, is effective for the purpose of approving corporate actions.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • 2022 BankCom By-laws 	

		https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf	
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	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 1 "Composition of the Board"</p> <p>The Board shall consist of at least five (5) and maximum of fifteen (15) members and at least one-third (1/3) shall be Independent Directors. The members of the Board of Directors shall be elected annually by the stockholders entitled to vote and to serve until the election and qualification of their successors.</p> <p>As of December 31, 2023, six (6) out of the fifteen (15) directors of the Bank are independent directors which is indicated on the Bank's Definitive Information Statement.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (1. Composition of the Board page 10) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	

Recommendation 5.2

<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 5 "Qualification of Board Directors"</p> <p>The academic qualifications and professional experience of the independent directors of the Company are set forth on pages 17-28 of the Bank's Definitive Information Statement and pages 40-49 of SEC Form 17-A.</p> <p>Prior to onboarding of a new director, the Nomination Compensation and Remuneration Committee conducts assessment and evaluation on the qualification of the director to ensure that the director possess all the qualifications and none of the disqualifications to hold the position.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none">• Corporate Governance Manual (5. Qualification of Board of Directors pg. 12) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf• Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf• SEC Form 17-A (for the year ended 31 December 2023) pp. 40-49 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf	
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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	<p>BankCom has no shareholders holding any Voting Trust Agreement for shares constituting 5.0% or more of the outstanding capital stock, or any such similar agreement.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none">• Definitive Information Statement (as of 31 December 2023) Voting trust holders of 5% or more, page 15 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf• 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf	
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Recommendation 5.3

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 2 "Independent and Non-Executive Directors" provides that the independent directors shall serve for a maximum cumulative term of nine (9) years.</p> <p>The dates when the Company's independent directors were respectively elected as such are specified on pages 16-17 of the Definitive Information Statement and page 39 of SEC Form 17-A.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none">• Corporate Governance Manual (2. Independent and Non-Executive Directors page 10) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf	
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		<ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 16-17 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • SEC Form 17-A (for the year ended 31 December 2023) page 39 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf 	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 2 "Independent and Non-Executive Directors".</p> <p>"An independent director may only serve as such for a maximum of 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"</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (2. Independent and Non-Executive Directors page 10) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
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	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 2 "Independent and Non-Executive Directors".</p> <p>"An independent director may only serve as such for a maximum of cumulative term of nine (9) years. After which, the independent director shall be perpetually</p>	

		<p>barred from serving as independent director in the same Bank, but may continue to serve as regular director"</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (2. Independent and Non-Executive Directors page 10) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	<p>The chairman of the Board is Mr. Francis C. Chua. Meanwhile, the Bank's President and Chief Executive Officer is Mr. Michelangelo R. Aguilar.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 16-17 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • Board of Directors Section https://www.bankcom.com.ph/about-us/board-of-directors/ 	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	<p>The responsibilities of the Chairman of the Board and Chief Executive Officer are embodied in the Corporate Governance Manual under V. Corporate Governance item 4 "The Chairperson of the Board of Directors and Chief Executive Officer".</p> <p>Reference documents/links: BankCom Website</p>	

		<ul style="list-style-type: none"> • Corporate Governance Manual (items 4.1 to 4.7 page 11) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	NON-COMPLIANT		<p>The Chairman of the Board is not an independent director.</p> <p>There is no designated lead director among the independent directors.</p> <p>BankCom's Corporate Governance Manual will be updated to include a lead director among the independent directors.</p>
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	<p>BankCom has a Related Party Transaction Committee chaired by an independent director. The committee's primary responsibility is to vet the arm's length terms of any related party transaction including those of directors, if there's any. In case a member has conflict of interest in a particular RPT, he should refrain from evaluating that particular transaction.</p> <ul style="list-style-type: none"> • Related Party Transactions Policy https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf 	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal	NON-COMPLIANT		BankCom's Corporate Governance Manual will be updated to include

audit, compliance and risk functions, without any executive present.			the non-executive directors (NEDs) separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions and be chaired by lead independent director.
2. The meetings are chaired by the lead independent director.	NON-COMPLIANT		
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	Mr. Roberto C. Benares, a Non-Executive Director last held the position of BankCom CEO in July 2018.	
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 conduct of annual self, peer, Board and Board Committee assessments is embodied in the Corporate Governance Manual under Corporate Governance item 16 "Performance Evaluation". On an annual basis the members Board and Board Committees conduct the following assessments. Result thereof is reported to the Corporate Governance Committee and the Board. 1. Board Assessment 2. Self-Assessment 3. Peer Assessment 4. Board Committee Assessment 5. Board Advisers Assessment Reference documents/links: BankCom Website • Corporate Governance Manual (items 16.1 to 16.13 pp. 36-38)	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		

		https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf	
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT		The Annual Performance Evaluation of the Board Is internally developed and facilitated by BankCom's Compliance Office.
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.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 16 "Performance Evaluation".</p> <p>The Board shall institute an internal self-rating system that can measure the performance of the Board and Management. It shall conduct an annual review of performance, measuring results against target and other appropriate criteria defined by the Board.</p>	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	<p>The Annual Performance Evaluation of the Board Is internally developed and facilitated by BankCom's Compliance Office.</p> <p>Results of the annual performance assessment is reported to the Corporate Governance Committee and the Board.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (items 16.1 to 16.13 pp. 36-38) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf </p>	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	BankCom has a board approved Code of Discipline which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company. Reference documents/links: BankCom Website • Corporate Governance Section (Code of Discipline) https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	BankCom's Code of Discipline have been provided to employees and senior management including the newly hired employees. This Code is also posted in the company website.	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	Reference documents/links: BankCom Website • Corporate Governance Section (Code of Discipline) https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf	

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	Covered by the Code of Discipline on soliciting or receiving money, gifts or benefits in consideration of unduly favoring a private party in the performance of one's duties and in the whistleblowing policy. Reference documents/links: BankCom Website • Code of Discipline	
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		https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf <ul style="list-style-type: none"> Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Bankcom is committed to a high standard of transparency, openness, probity and accountability. It is the Bank's principle that Reporting Persons who have acted in good faith in reporting legitimate concerns shall be protected from reprisal or retaliatory action or not subject to disciplinary action, in case the Reporting Person is an employee, for making such disclosures. The Board has approved the reporting matrix of cases.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 26 "Accountability and Audit".</p> <p>The Board shall accurately disclose to its acknowledged publics all material information, to include its financial situation, performance ownership, and the Bank' governance practices.</p>	

		<p>The company's disclosure of policies and procedures are available in the Corporate Website.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 26.1 Financial Reporting and Transparency pp. 57-58) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Company Policies Section https://www.bankcom.com.ph/company-policies/ • Company Disclosures Section https://www.bankcom.com.ph/about-us/disclosures/ 	
Supplement to Recommendations 8.1			
<p>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.</p>	COMPLIANT	<p>Embodied in the Corporate Governance Manual under V. Corporate Governance item 26 "Accountability and Audit", that the Board shall therefore commit at all times to full disclosure of material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 26.1 Financial Reporting and Transparency pp. 57-58) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Company Disclosures Section (SEC Filings) https://www.bankcom.com.ph/about-us/disclosures/ 	

<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.</p>	<p>COMPLIANT</p>	<p>The Annual Report shows the Ownership Structure under Corporate Governance Section on page 45.</p> <p>The risk of an imbalance between the controlling shareholders' voting power and overall equity position in the company is mitigated through an existing shareholder voting mechanism that respects the rights of shareholders and minority interests.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Corporate Governance Section page 45) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf • SEC Form 17-A (for the year ended 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4/4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf 	
<p>Recommendation 8.2</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 8 "Duties and Responsibilities".</p> <p>A director must not deal in the Bank's securities during the period within which a material non-public information is obtained and up to two (2) full Trading Days after the price sensitive information is disclosed.</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (item 8.2.4 Disclosure and Transparency of Directors page 31) 	

		https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf	
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>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 8 "Duties and Responsibilities".</p> <p>In relation to Securities issuance by the Bank, a director should immediately disclose to the Bank his/her direct and indirect ownership in the Securities of the Bank.</p> <p>Any acquisition, disposal, or change in the shareholdings of the director/s should be immediately disclosed to the Bank without a need for demand from the Bank.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (item 8.2.4 Disclosure and Transparency of Directors page 31) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf </p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	<p>The directors' academic qualifications, share ownership in the Company, membership in other boards, other executive positions, Professional experiences, and expertise are set out on Bank's Definitive Information Statement.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Directors and Executive Officers pp. 17-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED- </p>	

		Bank-of-Commerce Definitive-Information-Statement 01APRIL2024 3rd-Pass.pdf	
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	<p>It is embodied in the Policy on Interlocking Positions and Secondment under Section VII.E, that of whenever a new Director or Officer has interlocking position/s in any other entity/ies, the NCRC must assess the Director's/Officer's capability to appropriately perform his/her responsibility with BankCom given his/her responsibilities with other institutions.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none">• Policy on Interlocking Positions and Secondment https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/Policy-on-Interlocking-Positions-and-Secondment.pdf	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	COMPLIANT	<p>Embodied in the Corporate Governance Manual under V. Corporate Governance item 7 "Responsibilities Duties and Functions of the Board" specifically item 7.2.3. is the appointing/selecting key members of senior management and heads of control functions and for the approval of a sound remuneration and other incentives policy for personnel".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none">• Corporate Governance Manual (item 7.2.3 page 18) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf	
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	COMPLIANT	BankCom has adopted an overarching policy on handling related party transactions which included the creation of a Board Level Related Party Transactions	

<p>transactions in their Manual on Corporate Governance.</p>		<p>Committee (RPTCom) and the crafting of the Related Party Transaction Policy (RPT Policy). The RPT policy is updated or amended as the need arises to include the requirements under relevant regulatory issuances.</p> <p>The policy provides guidelines on handling a Related Party Transaction as well as the guidelines on the identification Related Parties of the Bank.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Related Party Transactions Policy https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf 	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>COMPLIANT</p>	<p>Embodied in the Policy of Related Party Transactions, that the Bank shall comply with the disclosure and regulatory reporting requirements as prescribed by the BSP or pursuant to Section 136 of the MORB. Prior to submission of the reports to regulatory agencies, these must be presented to the Related Party Transactions Committee for notation.</p> <p>BankCom discloses material or significant RPTs on the Bank's website.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Related Party Transactions Policy (section 9 item 9.1 page 17) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf 	

		<ul style="list-style-type: none"> • Corporate Governance Section (Material Related Party Transactions – Material RPTs) https://www.bankcom.com.ph/about-us/corporate-governance/ 	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	<p>Embodied in the Policy on Interlocking Positions and Secondment that if an actual or potential conflict of interest should arise on the part of Director/Officer, it should be fully disclosed and the concerned director should not participate in the decision-making.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Policy on Interlocking Positions and Secondment https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/Policy-on-Interlocking-Positions-and-Secondment.pdf </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>Embodied in the Policy of Related Party Transactions, the Bank must ensure that all Related Party Transactions are entered into on an arm's length terms, not more favorable to the Related Party and not inimical to the interests of the Bank or any of its stakeholders.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Related Party Transactions Policy (Section 4 item 4.6 & 4.7 page 6) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/RPT-Policy_2023_final-v3.-09.26.2023-FINAL.pdf </p>	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur,	COMPLIANT	Embodied in the Corporate Governance Manual under V. Corporate Governance item 26 "Accountability and Audit", that the Board shall therefore commit at all times	

particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.		to full disclosure of material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders. Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (item 26.1 Financial Reporting and Transparency pp. 57-58) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf • Company Disclosures Section (SEC Filings) https://www.bankcom.com.ph/about-us/disclosures/ 	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	BankCom has a board approved policy on sale/disposal of Bank's assets which requires an independent appraisal.	
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 that may impact on the control, ownership, and strategic direction of the company.	COMPLIANT	BankCom has no shareholders holding any Voting Trust Agreement for shares constituting 5.0% or more of the outstanding capital stock, or any such similar agreement. Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Voting trust holders of 5% or more, page 15 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	

		<ul style="list-style-type: none">• 2022 BankCom By-laws https://www.bankcom.com.ph/wp-content/uploads/2022/08/Amended-BL_August-09-2022_Redacted.pdf	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Embodied in the Corporate Governance Manual are the principles of sound corporate governance which shall be observed and complied with by all directors, officers and employees of Bank of Commerce as they discharge their respective duties and responsibilities. It emphasizes the Board of Directors' Commitment to prudently manage the Bank thereby preserving the trust and confidence reposed on it by its clients and stakeholders. It shall also serve as a guide in the attainment of the Bank's mission and vision. Reference documents/links: BankCom Website <ul style="list-style-type: none">• Corporate Governance Manual (Definition of Terms item 21 Related Party Transactions page 8) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.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 corporate governance practices.	COMPLIANT	Prior to BankCom listing on March 2022. BankCom submitted to SEC a Certification on the Bank's substantial compliance with its Manual on Corporate Governance.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	COMPLIANT	BankCom's Annual Report discloses the following information: a. Vision Mission, Service Promise (page 4) b. Financial Highlights (page 14) c. Operational Highlights (pp. 15-20)	
a. Corporate Objectives	COMPLIANT		

b. Financial performance indicators	COMPLIANT	<p>d. Dividends</p> <p>(1) Page 43 "As provided for in the Bank's by-laws, dividends may be declared from the surplus profits arising from the business of the Bank at such time and in such percentage as the Board of Directors may deem proper. No dividends may be declared that will impair the capital of the Bank and stock dividends shall be declared in accordance with the law."</p> <p>(2) Section 24. "Capital", subsection "Regulatory Qualifying Capital" mentions about compliance with the requirements on the declaration of dividends as provided in the MORB (page 200);</p> <p>(3) Section 4. "Acquisition of Selected Assets and Assumption of Certain Liabilities of TRB," subsection "FAA" mentions about declaring or paying cash dividends in par. D on page 219.</p> <p>e. Board of Directors (pp. 54-63)</p> <p>f. Attendance</p> <p>(1) Board meetings (page 38)</p> <p>(2) EXCOM and AUDITCOM (page 39)</p> <p>(3) BROCOM, CGCOM, NCRC, TIC, RPT, ITSC and UC (pp. 40-41)</p> <p>g. Total remuneration of each member of the board of directors – The section "Remuneration and Succession Plan/Program" (page 43) states that the total remuneration for each member of the board is disclosed in the Bank's Definitive Information Statement an SEC Form 17-A, both of which are available in the Bank's website.</p> <p>(1) Section "Standard Arrangements" in the 2022 Definitive Information Statement provides the basis of computation.</p> <p>(2) Total amount is provided in the table with row heading "Aggregate compensation paid to all Directors and Senior Executive Officers as a group" found on the same page.</p>	
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 directorships in listed companies) of all directors	COMPLIANT		
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		

		<p>BankCom's 2022 Annual Report provides the Total Compensation of Directors, as a group unnamed, for the year 2022 (page 43).</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
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 for each such issue.	COMPLIANT	<p>The section "Manual on Corporate Governance" (page 36) states that "the Board adopted the Manual on Corporate Governance ("Manual"), which institutionalizes the principles of good corporate governance in the entire organization.... In adopting the Manual, the Board and its members acknowledge the responsibility in governing the conduct of the business of the Bank, in ensuring adherence to corporate principles and best practices."</p> <p>BankCom's 2022 Definitive Information Statement includes a section "Compliance with Corporate Governance Practice" that states, "The Bank has fully complied with the requirement on Corporate Governance consistent with the best practices. It has been responsive to newly issued circulars and memos by BSP as well as the comments and suggestions of BSP examiners with respect to governance structures, policies, procedures and practices."</p>	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf • Definitive Information Statement (as of 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
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	<p>The Annual Report discloses that the Board of Directors through its Board committees (Audit Committee, Board Risk Oversight Committee and Corporate Governance Committee) conducted a review of BankCom's material controls (including operational, financial and compliance controls) and risk management system.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Risk Management page 72) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
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	<p>The Annual Report contains a statement, "Joint Declaration of President & CEO and Chief Audit Executive on the Adequacy and Soundness of Internal Controls and Compliance System." Details are provided in the Internal Audit Division Report.</p>	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Internal Audit Division Report page 89) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
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	<p>The Annual Report contains the key risks to which BankCom is materially exposed i.e. financial risk, operational risk including IT, environmental, social and economic risks.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report – Risk Management pp. 72-84) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
<p>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.</p>			
<p>Recommendation 9.1</p>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	<p>The BankCom's Audit Committee Charter includes the following:</p> <ol style="list-style-type: none"> 1. Evaluate and endorse for Board approval the appointment, re-appointment, fees and replacement of External Auditor. This shall be further ratified in a shareholders' meeting. Audit fees shall be disclosed in the Annual Report. 2. Ensure that the reason for removal or change of External Auditor is fully disclosed to regulators and the public. 	

		<p>3. Evaluate the External Auditor's professional qualifications and ensure that External Auditor:</p> <ol style="list-style-type: none"> shall be chosen from SEC List of Accredited External Auditors and BSP's List of Selected External Auditors for BSP-Supervised Financial Institutions according to the Bank's classification. rotates lead audit partner every five (5) years. is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions. has adequate quality control procedures. <p>4. Review and endorse for board approval the engagement contract and ensure that the External Auditor's proposed audit scope and approach cover areas specifically prescribed by the Securities and Exchange Commission, Bangko Sentral ng Pilipinas and other regulators.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf 	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	Stockholders representing at least 76.54% of the total issued and outstanding common shares of the Bank approve the engagement of KPMG – R.G. Manabat & Co. (KPMG Philippines) as the external auditor of the Corporation for 2023.	
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	There has been no removal or change of the external auditor. The Bank has retained its external auditor, KPMG Philippines, from the previous year.	

Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	<p>he BankCom's Audit Committee Charter indicates that it is part of the Committee's responsibility to ensure that External Audit Lead Partner is rotated every five (5) years.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf </p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	COMPLIANT	<p>The BankCom's Audit Committee Charter includes its responsibilities on external audit.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf </p>	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	The BankCom's Audit Committee Charter includes responsibility to review the performance of the External Auditor, including External Auditor's suitability, effectiveness and coordination of audit effort with Internal Audit, on an annual basis.	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf 	
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>The BankCom's Audit Committee Charter includes a responsibility to "ensure that External Auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions."</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Audit Committee Charter (Duties and Responsibilities – External Audit item 3.c) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf 	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	<p>The BankCom's Audit Committee Charter includes responsibility to "ensure that External Auditor has adequate control procedures."</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Audit Committee Charter (Duties and Responsibilities – External Audit item 3.d) https://www.bankcom.com.ph/wp-content/uploads/2023/1_2/AUDITCOM-Charter-20Dec2022-FINAL.pdf 	

Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	Based on the definition and examples on non-audit services per SEC, the Bank's external auditor KPMG Philippines does not have a non-audit engagement with the Bank that may compromise its independence and objectivity in conducting the external audit.	
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>The BankCom's Audit Committee Charter includes responsibility to "approve non-audit services, including its fees, by the External Auditor, provided it does not pose a threat to auditor's independence and objectivity. Fees for non-audit services shall not outweigh the fees paid for audit services. Non-audit services by External Auditor shall be disclosed in the Annual Report."</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Audit Committee Charter https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/AUDITCOM-Charter_30-May-2023-FINAL-1.pdf </p>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	Audit Committee approved the KPMG audit engagement fee, including out-of-pocket expenses and VAT, for year 2023 Financial Statements Audit. KPMG did not provide any non-audit engagements that may possibly impair its independence as the Bank's external auditor.	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p>Information on BankCom's external auditor:</p> <ol style="list-style-type: none"> Name of the audit engagement partner: Vanessa P. Macamos Accreditation number: SEC Accreditation No. 102309-SEC, Group A 	

		<p>3. Date Accredited: Issued on August 23, 2022</p> <p>4. Expiry date of accreditation: Valid for five (5) years covering the audit of 2022 to 2026 financial statements</p> <p>5. Name, address, contact number of the audit firm: KPMG in the Philippines, R.G. Manabat & Co., The KPMG Center, 6/F 6787 Ayala Avenue Makati City 1209, Philippines, +63 2 8885 7000</p> <p>Vanessa P. Macamos' additional details:</p> <ul style="list-style-type: none"> • CPA License No. 0102309 • BSP - Selected External Auditor, Category A, valid for 5-year audit period (2019 to 2023) • Tax Identification No. 920-961-311 • BIR Accreditation No. 08-001987-038-2022 Issued June 27, 2022; valid until June 27, 2025 • PTR No. MKT 10075185 Issued January 2, 2024 at Makati City 	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	COMPLIANT	<p>The R.G. Manabat & Co (KPMG Philippines) was subjected to SOAR inspection in 2022.</p> <p>Further, none of the current engagement team members for the audit of Bank of Commerce have been subjected to SOAR inspection.</p>	
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>BankCom has board approved ESG and Sustainability Framework Manual which embodies the bank's policies and approaches on ESG and Sustainability.</p> <p>BankCom's 2022 Annual Report includes a new section, "Environmental, Social and Governance Report" based</p>	

		<p>on the BSP's disclosure requirements under BSP Circular 1085.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • ESG, SUSTAINABILITY AND CSR Section https://www.bankcom.com.ph/about-us/esg-sustainability-csr/ • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	<p>The standard or framework in reporting sustainability and non-financial issues are integrated in the SEC 17-A report for 2022 and 2023.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • SEC Form 17-A (for the year ended 31 December 2022) Sustainability Report page 220 https://www.bankcom.com.ph/wp-content/uploads/2023/4/4/BNCOM-SEC-17A-2022.pdf • SEC Form 17-A (for the year ended 31 December 2023) Sustainability Report page 225 https://www.bankcom.com.ph/wp-content/uploads/2024/4/4/ANNUAL-REPORT-SEC-Form-17-A-BNCOM-2023.pdf 	
<p>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.</p>			
<p>Recommendation 11.1</p>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate	COMPLIANT	<p>Material public information relevant to its shareholders and other investors can be found in the "About Us" and "Press Releases" sections of the Bank's website.</p>	

dissemination of public, material and relevant information to its shareholders and other investors.		Reference documents/links: BankCom Website <ul style="list-style-type: none">• About Us https://www.bankcom.com.ph/about-us/• Press Releases https://www.bankcom.com.ph/news/	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	COMPLIANT	Reference documents/links: BankCom Website	
a. Financial statements/reports (latest quarterly)	COMPLIANT	a) Financial Information Section https://www.bankcom.com.ph/about-us/financial-information/ Company Disclosures Section https://www.bankcom.com.ph/about-us/disclosures/	
b. Materials provided in briefings to analysts and media	COMPLIANT		
c. Downloadable annual report	COMPLIANT	b) About Us Section https://www.bankcom.com.ph/about-us/	
d. Notice of ASM and/or SSM	COMPLIANT	c) Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf	
e. Minutes of ASM and/or SSM	COMPLIANT		
f. Company's Articles of Incorporation and By-Laws	COMPLIANT	d) Financial Information Section https://www.bankcom.com.ph/about-us/financial-information/ Company Disclosures Section https://www.bankcom.com.ph/about-us/disclosures/ e) Same link as provided in letter D above. f) Same link as provided in letter D above.	

Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	COMPLIANT	<p>BankCom maintains an official company website that adheres to the SEC's prescribed format and template.</p> <p>Sections found in the "About Us" part of the website are based on the template provided to the Bank during the IPO.</p> <p>Reference documents/links:</p> <ul style="list-style-type: none">• BankCom Website https://www.bankcom.com.ph/	
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	<p>The Internal Audit function undergoes an annual Internal Quality Assurance Review (QAR) and an External QAR every five years. Based on latest Internal QAR and External QAR, Internal Audit obtained a 'Generally Conforms' rating, which is the highest rating.</p> <p>The review of the internal control system is done in various audit engagements executed throughout the year in accordance with the approved Audit Plan for the year. The assessment of the Bank's internal control system is annually issued by the CAE.</p> <p>For 2023, "Based on the results of the audit and other assurance activities performed in 2023, the CAE declared that the Bank's system of internal controls, compliance and risk management, along with its governance, is reasonably sound and adequate to address strategic, financial, regulatory, compliance (including AMLA), operational, and fraud-related risks."</p>	
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>The BankCom's risk management framework was formed using principles derived from BSP regulations, BASEL, and COSO.</p> <p>Risk management processes are reviewed on an annual basis</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Financial Information – Annual Report (2022 Annual Report) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf </p>	
<p>Supplement to Recommendations 12.1</p>			
<p>1. Company has a formal comprehensive 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.</p>	<p>COMPLIANT</p>	<p>BankCom's Compliance system is embodied in the Corporate Governance Manual under V. Corporate Governance item 22 "The Bank's Compliance System".</p> <p>BankCom has in place a Board approved Compliance Program which shall serve as guide in implementing the Bank's Compliance System in a logical, sequential, risk-oriented order and in an effective and efficient manner. It is designed to specifically identify and mitigate business risks which may erode the franchise value of the bank.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (22.1 The Compliance Function pp. 52-53) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf </p>	

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, managed and reported to the board.	COMPLIANT	<p>BankCom manages its operational and IT risks by ensuring such risks are thoroughly identified, assessed, monitored, reported, and mitigated. Some initiatives are as follows:</p> <ul style="list-style-type: none"> Information Technology Steering Committee Charter conducts regular monthly meeting; IT Disaster Recovery Plan and resources are approved by the Business Continuity Committee; Compliance with BSP Circular 1019; Cyber Security (Information Security Policies and Procedures Manual). <p>Reference documents/links: BankCom Website • Financial Information Section (2022 Annual Report - Support Initiatives – Digital Services Group pp. 21-22) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf</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	BankCom has an established in-house Internal Audit function under Internal Audit Division.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	The Internal Audit Division is headed by Mr. Reginald C. Nery, the Bank's duly qualified Chief Audit Executive (CAE). He exceeds the CAE qualifications per Internal Audit Charter (<i>The CAE must be a Certified Public Accountant or a Certified Internal Auditor. He must have at least five (5) years' experience as Auditor-In-</i>	

		<p><i>Charge, Senior Auditor or Audit Manager in the regular audit of a Bank.)</i> The CAE's responsibilities are included in the Internal Audit Charter.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> Internal Audit Charter https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/IA-Charter-as-of-July-2022.pdf 	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	COMPLIANT	<p>The Internal Audit Charter states that:</p> <p>"The CAE oversees and is responsible for the internal audit activities of the Bank, including outsourced activities."</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> Internal Audit Charter https://www.bankcom.com.ph/wp-content/uploads/2023/5_5/IA-Charter-as-of-July-2022.pdf 	
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.	NON - COMPLIANT		Not Applicable. BankCom has an in-house Internal Audit Division and does not fully outsource activity to a third-party provider.
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	BankCom is committed to implementing best practices in Enterprise Risk Management (ERM) across all of its businesses and processes. It has a well-established ERM and capital management framework that allows it to identify, measure, control, and monitor its significant financial and non-financial risk exposures, ensure	

		adequate liquidity, and set aside sufficient capital to cover and mitigate such risks. Reference documents/links: BankCom Website <ul style="list-style-type: none"> Financial Information Section (2022 Annual Report – Risk Management Section pp. 70-82) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	Risk Management Division does not have any outstanding outsourcing arrangement.	
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	The Chief Risk Officer (CRO) oversees the risk management function and supports the Board of Directors in the development of risk appetite of the Bank and in further translating the risk appetite into a risk limits structure. The CRO likewise proposes enhancements to risk management policies, processes, and systems to ensure that the Bank's risk management capabilities are sufficiently robust and effective to fully support strategic objectives and risk-taking activities.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> Financial Information Section (2022 Annual Report – Corporate Governance - "The Chief Risk Officer" page 44) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	

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>The undersigned President & CEO and the Chief Audit Executive jointly attest that a sound internal audit, control and compliance system is in place and working effectively.</p> <p>The CEO and CAE Attestation is attached as an Annex to this report.</p> <p>Reference documents/links:</p> <ul style="list-style-type: none"> • Joint Attestation of the CEO and CAE (see Annex A) 	
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>It is embodied in the Corporate Governance Manual under V. Corporate Governance, item 27 "Stockholders' Right and Protection of Minority Stockholders' Interest".</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Corporate Governance Manual (27. Stockholders' Right and Protection of Minority Stockholders' Interest pp. 58-59) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	<p>It is disclosed in the BankCom's Annual Report under Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest".</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Financial Information Section (2022 Annual Report – Corporate Governance - "Stockholders' Right and 	

		Protection of Minority Stockholders' Interest" (page 46) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	The Company's common shares carry one vote per share. Preferred shares are not entitled to vote except in those cases expressly provided by law. The terms and features of the preferred shares of the Company are set out in Article VII of the Amended Articles of Incorporation.	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Articles of Incorporation (as of August 2022) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Articles-of-Incorporation-as-of-August-2022.pdf 	
3. Board has an effective, secure, and efficient voting system. RESPONSIBLE UNIT: CORSEC	COMPLIANT	A discussion of the voting procedure of the Company is found on pages 63-64 of the latest Definitive Information Statement, to wit: The ballots/proxy forms are available for download on the Bank's website at https://www.bankcom.com.ph/about-us/disclosures The ballots and proxies may be submitted via email to stockholders@bankcom.com.ph, which submission shall be duly acknowledged and validated by the Bank's stock transfer agent, SMC Stock Transfer Service Corporation. For an individual, the submission must be accompanied by a copy of a government-issued ID with photo, as proof of identification. For a corporation, the submission must be accompanied by a certification from its Corporate Secretary stating the corporate	

		<p>officer's authority to represent the corporation in the meeting. In the event that the Covid-19 alert level status restricts the movement of persons and makes submission of the originally signed ballots, proxies, and notarized Secretary's Certificate difficult, these documents shall be submitted to the SMC Stock Transfer Service Corporation within a reasonable time after the Annual Stockholders' Meeting.</p> <p>The deadline for submission of the proxy and ballot is on Tuesday, April 23, 2024. Validation of proxies and ballots will be on April 25, 2024 at 10:00AM at the SMC Stock Transfer Service Corporation Office, 2nd Floor, SMC Head Office Complex, No. 40 San Miguel Ave., Mandaluyong City, Philippines. Only stockholders who have notified the Bank of their intention to participate through remote communication as above described and have been validated by the Office of the Corporate Secretary to be stockholders of record of the Bank as of April 8, 2024 will be considered in computing stockholder attendance at the meeting together with the stockholders attending through proxies.</p> <p>For the election of directors, the fifteen (15) nominees with the greatest number of votes will be elected as directors. Shareholders vote by ballot, forms for which are available at the Bank's website, and must be submitted to the Bank on or before Tuesday, April 23, 2024 for validation and counting by the Bank's stock transfer agent on April 25, 2024, as set forth above.</p> <p>Other matters for approval includes: (1) the amendment of the by-laws, to be approved by a majority of the shareholders present or represented at the meeting; and (2) delegation to the Board of Directors of the power to amend or repeal the bylaws, or adopt new bylaws in accordance with Section 47 of the Revised Corporation Code, to be approved by the</p>	
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		<p>affirmative vote of at least two-thirds (2/3) of the outstanding capital stock.</p> <p>In all proposals or matters for approval except for election of directors, each share of stock entitles its registered owner (who is entitled to vote on such particular matter) to one vote. In case of election of directors, cumulative voting as set out in Item 4 of this Information Statement shall be adopted. Counting of the votes will be done by the Corporate Secretary or Assistant Corporate Secretary with the assistance of the independent auditors and the stock transfer agent of the Bank.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Voting Procedures pp. 63-64 https://www.bankcom.com.ph/wp-content/uploads/2024/4_00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
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	<p>It is disclosed in the BankCom's Annual Report under Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information Section (2021 Annual Report) Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest" (page 30) https://www.bankcom.com.ph/wp-content/uploads/2022/06/AR-Bank-of-Commerce-2021.pdf 	

5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	COMPLIANT	<p>It is embodied in the BankCom's Annual Report under Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information Section (2022 Annual Report – Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest" (page 46) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p>It is disclosed in the BankCom's Annual Report under Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest".</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information Section (2022 Annual Report – Corporate Governance - "Stockholders' Right and Protection of Minority Stockholders' Interest" (page 46) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
7. Company has a transparent and specific dividend policy.	NON-COMPLIANT		As disclosed in the Definitive Information Statement on Dividends Section page 56, since the purchase of Traders Royal Bank assets in 2001, the Bank has been restricted by BSP from declaring dividends until it fully provisions for the various

			<p>miscellaneous assets acquired from the transaction.</p> <p>As of December 31, 2023, BankCom has not declared dividends and does not have a formal dividend policy approved by the Board.</p> <p>Management's goal is to be able to issue dividends by 2023.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Dividends page 57 https://www.bankcom.com.ph/wp-content/uploads/2024/4/00-FINAL-SCANNED-Bank-of-Commerce-Definitive-Information-Statement-01APRIL2024-3rd-Pass.pdf </p>
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	BankCom engages the services of SMC Stock Transfer Services Corporation as its stock transfer agent to count and/or validate the votes at the Annual Shareholders' Meeting.	

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.	NON-COMPLIANT	<p>For the 2023 ASM (April 25, 2023), the Definitive Information Statement provide that the Information and Proxy was sent to the stockholders-of-record on March 27, 2023, or not later than 15 business days prior to the date of its annual meeting on April 25, 2023</p> <p>The Notice for the 2023 ASM, which includes the agenda therefor, may be accessed via PSE Edge.</p> <p>Moreover, the notice and agenda for the 2023 AGSM are set out on the first page of the Definitive Information Statement filed with the Commission on 27 March 2023 ("2023 DIS") and published on the Company's website.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf PSE Edge <ul style="list-style-type: none"> • Notice of 2023 Annual Stockholders Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=22ae37b69b5f624f9e4dc6f6c9b65995 </p>	The notices and information statements for the 2023 Annual Stockholders' meeting is compliant with the current regulatory requirements of the SEC and the PSE, which should not be later than 15 business days prior to the date of the meeting.
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	<p>Reference documents/links:</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Directors and Key Officers pp. 16-28 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
b. Auditors seeking appointment/re-appointment	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Independent Public Accountants page 54 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
c. Proxy documents	COMPLIANT	Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Ballot & Proxy pp. 4-5 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting RESPONSIBLE UNIT: CORSEC	COMPLIANT	The rationale for the agenda items for the annual stockholders meeting is embodied in the Definitive Information Sheet. Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	

		Bank-of-Commerce Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	<p>The results of the vote taken during the 2023 Annual Stockholders' Meeting of the Bank was disclosed on the same day of the meeting or on 25 April 2023.</p> <p>Reference documents/links:</p> <ul style="list-style-type: none"> • 2023 Results of Annual Stockholders Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=e4faeeb89019309b9e4dc6f6c9b65995 	
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	<p>The Notice of the 2023 Annual Stockholders' Meeting stated, to wit:</p> <p>"During the meeting, the Bank shall entertain questions and comments from the stockholders after the presentation of the Annual Report. Questions and comments must be submitted either in advance by email to stockholders@bankcom.com.ph or during the meeting by posting the questions and comments in the feedback box that will be made available. Priority will be given to questions sent in advance. Questions which are not answered during the meeting shall be forwarded to the Office of the Corporate Secretary for the appropriate response."</p> <p>The draft Minutes of the 2023 Annual Stockholders' Meeting of the Company was disclosed by the Company in its 2024 Definitive Information, first made available to the stockholders on April 1, 2024 via the Bank's website.</p> <p>The voting results for the 2023 Annual Stockholders' Meeting were made available to the stockholders on April 26, 2023 via the PSE EDGE, or within five (5) business days from the date of the annual meeting.</p>	

		<p>The voting results for the 2023 Annual Stockholders' Meeting are as follows:</p> <p>a) 76.54% of the total issued and outstanding common shares of the Bank approved the following:</p> <ol style="list-style-type: none"> 1. Minutes of the Annual Stockholders' Meeting held on April 29, 2022 2. Ratification of Acts and Proceedings of the Board of Directors and Corporate Officers; 3. Confirmation of the Bank's Significant Transactions with its DOSRI and Related Parties 4. Engagement of KPMG – RG Manabat & Co as the external auditor of the Bank for 2023 5. Approval of Directors' Fees <p>b) 81.91% of the total issued and outstanding capital stock of the Bank approved the following:</p> <ol style="list-style-type: none"> 1. Amendment to the Article Seventh of the Bank's Articles of Incorporation 2. Amendments to Sections 2 Article II and Sections 1, 4, 5, 8, and 9 Article III of the Bank's By-laws <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Minutes of the Annual Stockholders' Meeting held on April 25, 2023 https://www.bankcom.com.ph/about-us/disclosures/ <p>PSE Edge</p> <ul style="list-style-type: none"> • Bank's 2024 DIS Attachment https://edge.pse.com.ph/openDiscViewer.do?edge_no=2738db902a20e8faabca0fa0c5b4e4d0 • 2023 Annual Stockholders' Meeting Voting Results https://edge.pse.com.ph/openDiscViewer.do?edge_no=e4faeeb89019309b9e4dc6f6c9b65995 	
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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	The external auditor, R.G. Manabat & Co., CPAs, and other relevant individuals were present during the 2023 Annual Stockholders' Meeting of the Company.	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	NON-COMPLIANT		BankCom's Corporate Governance Manual will be updated to include an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	NON-COMPLIANT		
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	Mr. Robby Carlo J. Gaerlan is the Investor Relations Officer of the Company. His contact information are as follows: <ul style="list-style-type: none">Telephone Number: (02) 8982-6062E-mail address: rjgaerlan@bankcom.com.ph Reference documents/links: BankCom Website <ul style="list-style-type: none">Investor Relations https://www.bankcom.com.ph/investor-relations/	
2. IRO is present at every shareholder's meeting.	COMPLIANT	The IRO was present during the 2023 Annual Stockholders' Meeting of the Company held on April 25, 2023 and April 30, 2024.	

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	There are no antitakeover measures employed by the Company and no shareholder agreements, voting trust agreements or other agreements that may impact the control, ownership, and strategic direction of the Company are in place.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT		The percentage of public ownership of the Bank as of March 31, 2024 is 23.77%. The Bank complies with the current Minimum Public Ownership Requirement of the Commission and the Philippine Stock Exchange. The percentage of public ownership of the Bank as of March 31, 2024 is 23.77%. The Bank complies with the current Minimum Public Ownership Requirement of the Commission and the Philippine Stock Exchange.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	<p>BankCom's Annual Report contains a statement that encourage shareholders to engage with the Bank beyond the Annual Stockholders Meeting.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> About Us https://www.bankcom.com.ph/about-us/ </p>	

<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.</p>	<p>COMPLIANT</p>	<p>A discussion of the voting procedure of the Company is found on page 64 of the Definitive Information Statement.</p> <p>The ballots and proxies may be submitted via email to stockholders@bankcom.com.ph, which submission shall be duly acknowledged and validated by the Bank's stock transfer agent, SMC Stock Transfer Service Corporation. For an individual, the submission must be accompanied by a copy of a government-issued ID with photo, as proof of identification.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Definitive Information Statement (as of 31 December 2023) Voting Procedures page 63 https://www.bankcom.com.ph/wp-content/uploads/2024/4_4/00-FINAL-SCANNED-Bank-of-Commerce_Definitive-Information-Statement_01APRIL2024_3rd-Pass.pdf 	
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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

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>COMPLIANT</p>	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 28 "Stakeholders".</p> <p>The Board shall identify the corporation's stakeholders in the community in which it operates or are directly affected by its operations and formulate a clear policy of accurate, timely and effective communication with them.</p>	
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		Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (28. Stakeholders page 59) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf 	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under Corporate Governance item 28 "Stakeholders".</p> <p>The Board shall recognize the rights of the stakeholders as established by law and shall encourage active cooperation with them in promoting the sustainability of financially sound, as well as socially responsible, endeavors.</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> • Corporate Governance Manual (28. Stakeholders page 59) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf </p>	
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>It is embodied in the Corporate Governance Manual under Corporate Governance item 28 "Stakeholders".</p> <p>The Board shall recognize the rights of the stakeholders as established by law and shall encourage active cooperation with them in promoting the sustainability of financially sound, as well as socially responsible, endeavors.</p>	

		<p>Mr. Robby Carlo J. Gaerlan is the Investor Relations Officer of the Company. His contact information are as follows:</p> <ul style="list-style-type: none"> Telephone Number: (02) 8982-6062 E-mail address: rjgaerlan@bankcom.com.ph <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Corporate Governance Manual (28. Stakeholders page 59) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf </p>	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	NON-COMPLIANT		BankCom's Corporate Governance Manual will be updated to include an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or 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.	COMPLIANT	None in 2023.	

2. Company respects intellectual property rights.	COMPLIANT	BankCom observes and respects intellectual property rights.	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	COMPLIANT	<p>The policies and practices that address customers' welfare are comprehensively discussed in the Annual Report specifically the section about "Consumer Protection".</p> <p>Reference documents/links: BankCom Website <ul style="list-style-type: none"> Financial Information Section (2022 Annual Report – Consumer Protection pp. 49-53) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf </p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	<p>BankCom has a Policy on Supplier/Vendor Accreditation which contains the guidelines and procedures for accreditation and performance evaluation of suppliers/vendors.</p> <p>This applies to accreditation/re-accreditation of new/existing suppliers/vendors. It also examines the financial and technical capability of suppliers/vendors in order to ensure their capability to provide quality and cost-effective goods and services to the Bank.</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 procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	BankCom has a merit-based performance incentive mechanism that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	

		<p>The Bank implements an Annual Performance Appraisal Review to:</p> <ul style="list-style-type: none"> • measure employees' attainment of pre-defined individual Key Result Areas (KRAs) aligned to the Bank's overall objectives • encourage feedback and open discussion between the employee and the supervisor • identify employees' strengths and areas for improvement • support the employees' areas of strength • come up with a development action plan to support the employees in improving their performance 	
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>BankCom has a merit-based performance incentive mechanism that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p> <p>The Bank implements an Annual Performance Appraisal Review to:</p> <ul style="list-style-type: none"> • measure employees' attainment of pre-defined individual Key Result Areas (KRAs) aligned to the Bank's overall objectives • encourage feedback and open discussion between the employee and the supervisor • identify employees' strengths and areas for improvement • support the employees' areas of strength • come up with a development action plan to support the employees in improving their performance 	
2. Company has policies and practices on health, safety and welfare of its employees.	COMPLIANT	BankCom complies with the requirements of RA 11058 and DOLE Department Order 198-18 (its Implementing Rules and Regulations) and the applicable provisions of the Occupational Safety and Health Standards (OSHS).	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Company Policies Section (Policy and date relating to health, safety and welfare of employees, including company-sponsored trainings) https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-OSH-Program-111621_for-CCCPD.pdf 	
<p>3. Company has policies and practices on training and development of its employees.</p> <p>RESPONSIBLE UNIT: HRMDD</p>	COMPLIANT	BankCom has an updated hiring guidelines which has practices on training and development of its employees.	
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>BankCom has in place a Policy on Whistleblowing which provides for the guidelines in handling issues involving feedback/concerns/complaints against its Officers and Staff.</p> <p>BankCom's Code of Discipline also provides for the procedures in handling concerns/complaints against its Officers and Staff.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Code of Discipline https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf • Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
2. Board disseminates the policy and program to employees across the organization	COMPLIANT	BankCom's Policy on Whistleblowing and the Code of Discipline are posted in the Bank's internal library accessible to all employees and in the Bank's website.	

through trainings to embed them in the company's culture.		<p>These are also discussed during the New Employees Orientation.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Code of Discipline https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf • Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	COMPLIANT	<p>Covered by the Code of Discipline on soliciting or receiving money, gifts or benefits in consideration of unduly favoring a private party in the performance of one's duties and in the whistleblowing policy.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> • Code of Discipline https://www.bankcom.com.ph/wp-content/uploads/2021/11/BankCom-Code-of-Discipline.pdf • Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
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	BankCom has a Board approved Policy on Whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	

		<p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	COMPLIANT	<p>BankCom has a Board approved Policy on Whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	<p>It is embodied in the Corporate Governance Manual under V. Corporate Governance item 7.2.1.3 of 7. "Responsibilities, Duties and Functions of the Board" that is needed to oversee the integrity, independence, and effectiveness of Bank's policies and procedures for whistle blowing.</p> <p>Reference documents/links:</p> <p>BankCom Website</p> <ul style="list-style-type: none"> Corporate Governance Manual (item 7.2.1.3 page 17) https://www.bankcom.com.ph/wp-content/uploads/2022/12_2/Manual-on-Corporate-Governance-Updated-April-2022.pdf Whistleblowing Policy https://www.bankcom.com.ph/wp-content/uploads/2021/11/OPPM-Issue-No.-20-034-re-Guidelines-on-Whistleblowing.pdf 	

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>The Bank actively organizes various Corporate Social Responsibility (CSR) events that promote a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p> <p>BankCom's 2022 Annual Report provides highlights of the Bank's CSR activities.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • ESG, Sustainability and CSR Section https://www.bankcom.com.ph/about-us/esg-sustainability-csr/ • Financial Information Section (2022 Annual Report – Corporate Social Responsibility pp. 23-25) https://www.bankcom.com.ph/wp-content/uploads/2023/7_7/BankCom-2022-Annual-Report.pdf 	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	COMPLIANT	<p>Ensuring that its value chain is environmentally friendly or consistent with promoting sustainable development is embodied in the Bank's mission and goals under its ESG and Sustainability Framework.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • ESG, Sustainability and CSR Section https://www.bankcom.com.ph/about-us/esg-sustainability-csr/ 	

<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>COMPLIANT</p>	<p>In order to interact positively with the communities in which it operates, the Bank ensures to pay the correct taxes in a timely manner.</p> <p>BankCom branches work together with their local banking chambers or local government units to implement socially oriented endeavors and environmental thrusts.</p> <p>The Bank holds various financial literacy sessions in different institutions including, but not limited to, schools, SMC subsidiaries and the bank's third-party service providers.</p> <p>Reference documents/links: BankCom Website</p> <ul style="list-style-type: none"> • Financial Information Section (2022 Annual Report – Corporate Social Responsibility pp. 23-25; Consumer Protection pp. 49-53) https://www.bankcom.com.ph/wp-content/uploads/2023/7/7/BankCom-2022-Annual-Report.pdf 	
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Pursuant to the requirements of the Securities and Exchange Commission Memorandum Circular No. 15, Series of 2017, this Integrated Annual Corporate Governance Report (I-ACGR) for 2023 is signed on behalf of the registrant by the undersigned, thereunto duly authorized, this _____ day of MAY 30 2024, 2024 in the City of Mandaluyong, Metro Manila.

BANK OF COMMERCE

Issuer

SIGNATURE PAGES FOLLOWS:





ATTY. EVITA C. CABALLA
Corporate Secretary


MICHELANGELO R. AGUILAR
President and Chief Executive Officer


ATTY. GREGORIO M. YARANON, JR
Chief Compliance Officer

MANDALUYONG CITY

SUBSCRIBED AND SWORN to before me this _____ day of 30 MAY 2024, 2024; signatories exhibited to me their valid identification cards:


Name(s)	Valid ID	Date / Place Issued	Valid Until
MICHELANGELO R. AGUILAR	PASSPORT NO. 	10 SEPTEMBER 2018 / DFA NCR EAST	09 SEPTEMBER 2028
GREGORIO M. YARANON, JR.	PASSPORT NO. 	12 JANUARY 2019 / DFA MANILA	11 JANUARY 2029
EVITA C. CABALLA	PASSPORT NO. 	02 MARCH 2018 / DFA NCR EAST	01 MARCH 2028

Doc No. 833 :
Page No. 68 :
Book No. XI :
Series of 2024


EVA E. BANZON
NOTARY PUBLIC FOR MANDALUYONG CITY
APPOINTMENT NO. 0529-23
UNTIL 31 DECEMBER 2024
SMPC, #7 ST. FRANCIS ST., MANDALUYONG CITY
PTR No. 5425491 / 03 JAN 2024 / MANDALUYONG CITY
IBP OR No. 332607 / 20 DEC 2023
ROLL OF ATTORNEYS NO. 


FRANCIS C. CHUA
Chairman

SUBSCRIBED AND SWORN to before me this _____ day of 30 MAY 2024, 2024; signatories exhibited to me their valid identification cards:

Name(s)	Valid ID	Date / Place Issued	Valid Until
FRANCIS C. CHUA	TAX IDENTIFICATION NUMBER 	-	-

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Page No. 78 :
Book No. III :
Series of 2024


ALYSSA MAE G. CAYABA
NOTARY PUBLIC FOR MANDALUYONG CITY
APPOINTMENT NO. 0676-23
UNTIL 31 DECEMBER 2024
SMPC, #7 ST. FRANCIS ST., MANDALUYONG CITY
PTR No. 5425492 / 03 JAN 2024 / MANDALUYONG CITY
IBP OR No. 332593 / 20 DEC 2023
ROLL OF ATTORNEYS NO. 

REBECCA MARIA A. YNARES
Independent Director

SUBSCRIBED AND SWORN to before me this APR 30 2024 day of APR 30 2024, 2024; signatories exhibited to me their valid identification cards:

Name(s)	Valid ID	Date / Place Issued	Valid Until
REBECCA MARIA A. YNARES	TAX IDENTIFICATION NUMBER [REDACTED]	-	-

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Page No. 28 :
Book No. 14 :
Series of 2024

SAUDENCIA A. BARBOZA, JR.
NOTARY PUBLIC
Cities of Pasig, San Juan and
in the Municipality of Pateros, Metro Manila
Until December 31, 2024
PTR No. 0112601 / 01/02/2024 Pasig City
P No. 326534 / 12/11/2023 For Year 2024/RSI
Roll No. 41969
MCLE Comp. VII-0028557/April 19, 2023
No. 11, Unit J Freemont Arcade Bldg.
Shaw Blvd. Brgy. San Antonio, Pasig City
Appointment No. 61 (2023-2024)

RICARDO D. FERNANDEZ
Independent Director

SUBSCRIBED AND SWORN to before me this ____ day of 30 MAY 2024, 2024; signatories exhibited to me their valid identification cards:

Name(s)	Valid ID	Date / Place Issued	Valid Until
RICARDO D. FERNANDEZ	TAX IDENTIFICATION NUMBER [REDACTED]	-	-


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Page No. 78 :
Book No. III :
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ALYSSA MAE S. CAYABA
NOTARY PUBLIC FOR MANDALUYONG CITY
APPOINTMENT NO. 0676-23
UNTIL 31 DECEMBER 2024
SMPC, #7 ST. FRANCIS ST., MANDALUYONG CITY
PTR No. 5425492 / 03 JAN 2024 / MANDALUYONG CITY
IBP OR No. 332593 / 20 DEC 2023
ROLL OF ATTORNEYS NO. [REDACTED]

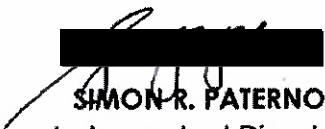
SUBSCRIBED AND SWORN to before me this ____ day of 30 MAY 2024, 2024; signatories exhibited to me their valid identification cards:

Name(s)	Valid ID	Date / Place Issued	Valid Until
DANIEL GABRIEL M. MONTECILLO	TAX IDENTIFICATION NUMBER [REDACTED]	-	-

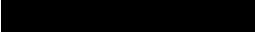
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Page No. 78 :
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DANIEL GABRIEL M. MONTECILLO
Independent Director


ALYSSA MAE G. CAYABA
NOTARY PUBLIC FOR MANDALUYONG CITY
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PTR No. 5425492 / 03 JAN 2024 / MANDALUYONG CITY
IBP OR No. 332593 / 20 DEC 2023
ROLL OF ATTORNEYS NO. [REDACTED]


SIMON R. PATERNO
Independent Director

SUBSCRIBED AND SWORN to before me this APR 30 2024 day of 2024; signatories exhibited to me their valid identification cards:

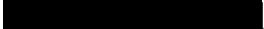
Name(s)	Valid ID	Date / Place Issued	Valid Until
SIMON R. PATERNO	TAX IDENTIFICATION NUMBER 	-	-

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Page No. 28 :
Book No. 14 :
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GAUDENCIO A. BARBOZA, JR.
NOTARY PUBLIC
Cities of Pasig, San Juan and
in the Municipality of Pateros, Metro Manila
Until December 31, 2024
PTR No. 0112601 / 01/02/2024 Pasig City
P No. 326534 / 12/11/2023 For Year 2024/RS
Roll No. 41969
MCLE Comp. VII-0028557/April 19, 2023
No. 11, Unit J Freemont Arcade Bldg.
Shaw Blvd. Brgy. San Antonio, Pasig City
Appointment No. 61 (2023-2024)


LEONARDO J. MATIGNAS, JR.
Independent Director

SUBSCRIBED AND SWORN to before me this ____ day of 30 MAY 2024, 2024; signatories exhibited to me their valid identification cards:

Name(s)	Valid ID	Date / Place Issued	Valid Until
LEONARDO J. MATIGNAS, JR.	TAX IDENTIFICATION NUMBER 	-	-

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ALYSSA MAE G. CAYABA
NOTARY PUBLIC FOR MANDALUYONG CITY
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PTR No. 5425492 / 03 JAN 2024 / MANDALUYONG CITY
IBP OR No. 332593 / 20 DEC 2023
ROLL OF ATTORNEYS NO. 