



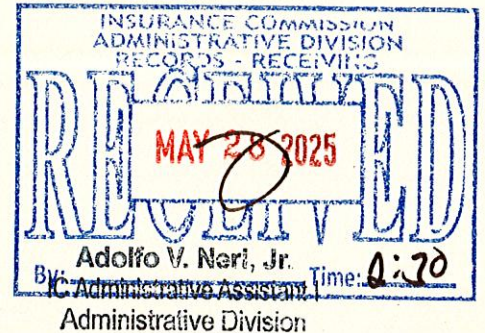
May 28, 2025

ATTY. REYNALDO A. REGALADO

Commissioner

Insurance Commission

1071 United Nations Avenue, City of Manila



Attention: **ATTY. JAN LAURENCE G. GATCHALLAN**

Division Manager

Anti-Money Laundering and Corporate Governance

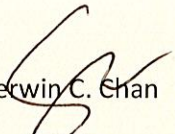
SUBJECT: BONIFACIO INSURANCE BROKER CORPORATION (BIBC)

ANNUAL CORPORATE GOVERNANCE REPORT – 2024

Dear Atty. Gatchallan,

We are pleased to submit the annual corporate governance report for 2024 in compliance with amendment to the submission of the Annual Corporate Governance Report (ACGR) CL-2020-72 / Extension of period for the submission of the annual corporate governance report under circular letter no. 2022-28.

Respectfully,


Sherwin C. Chan
General Manager

An affiliate of United Laboratories, Inc.

132 Pioneer Street, Mandaluyong City, Philippines, 1550
Direct Line: (632) 631 8351 to 52
Trunkline: (632) 858 1000 Fax: (632) 631 3353
E-mail: bibc@bonifacioinsurance.com.ph
URL: www.bonifacioinsurance.com.ph

ANNUAL CORPORATE GOVERNANCE REPORT OF

Bonifacio Insurance Broker Corporation

(Name of Company)

1. For the fiscal year ended : 2024
2. Certificate Authority Number : IB-12-2025-R
3. Mandaluyong City, Metro Manila, Philippines
Province, Country or other jurisdiction of incorporation or organization
4. 1 3 2 Pioneer Street, Mandaluyong 1 5 5 0
Address of principal office Postal Code
5. 8 - 6 3 1 - 8 3 5 2
Company's telephone number, including area code
6. www.bonifacioinsurance.com.ph
Company's official website
7. NA
Former name, former address, and former fiscal year, if changed since last report.

CERTIFICATION

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

Signed in the City of Mandaluyong on the 21st of May, 2025

Sherwin C. Chan
GENERAL MANAGER
Signature over printed name

Marievic R. Anonuevo
CORPORATE SECRETARY
Signature over printed name

Reynaldo L. Davadilla
INDEPENDENT DIRECTOR
Signature over printed name

Gerardo A. Remo
INDEPENDENT DIRECTOR
Signature over printed name

Atty. Dikki Jean Y. Sian
COMPLIANCE OFFICER
Signature over printed name

SUBSCRIBED AND SWORN to before me this __day of May, 2025 , by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

NAME	IDNO.	DATE/PLACE ISSUED
1. Sherwin C. Chan		
2. Marievic R. Añonuevo		
3. Reynaldo L. Davadilla		
4. Gerardo A. Remo		
5. Atty. Dikki Jean Sian		

Doc. No.
Page No.
Book No.
Series of 2025

ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
<p>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.</p>			
Recommendation 1.1			
<p>1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</p>	Compliant	<p>1. The Board of Directors has vast array of working knowledge, experience and expertise in managing companies across different Industries (Pharma, Retail, Distribution, Real Estate, etc.). The Board manages Bonifacio Insurance Broker Corporation (BIBC) thru the General Manager. The BOD appointed the GM to oversee the day-to-day operations and administration of the company. The GM has more than 15 years of relevant experience in the Insurance Industry.</p>	
<p>2. Board has an appropriate mix of competence and expertise.</p>	Compliant		
<p>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.</p>	Compliant		
Recommendation 1.2			

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1. Board is composed of a majority of non-executive directors.	Compliant	The BOD is composed of the following: Ms. Jocelyn Campos Hess, Mr. Clinton Andrew C. Hess, Mr. Mariano John L. Tan, Jr., Mr. Richard C. Dee, Ms. Vida V. De Jesus, Mr. Reynaldo L. Davadilla Mr. Gerardo A. Remo. Aside from Mr. Clinton Andrew C. Hess who is President and Ms. Vida V. De Jesus who is Treasurer, no other board member has management responsibilities in BIBC	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Not Applicable	To be covered by the Manual of Corporate Governance to be created within 2025.	BIBC will create a Manual on Corporate Governance within 2025.
2. Company has an orientation program for first time directors.	Not Applicable		
3. Company has relevant annual continuing training for all directors.	Not Applicable		
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	Of the seven members of the Board, five are male and the two are female.	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	The Corporate Secretary is Atty.	

2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	Marievic G. Ramos-Añonuevo.	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Attended Seminars	

Recommendation 1.6

1. Board is assisted by a Compliance Officer.	Compliant	CO: Atty. Dikki Jean Y. Sian Position: Compliance Officer Experience: 12 years of experience in corporate and labor laws, 7 years of experience in taxation, 3 years of experience in banking law	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		BIBC is a small company; the Compliance Officer has a managerial rank.
3. Compliance Officer is not a member of the board.	Compliant		Compliance Officer reports to the Committee of the Board
4. Compliance Officer attends training/s on corporate governance.	Compliant		Attended training on Money Laundering

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	BIBC By-Laws	Defined in the By-Laws - Article III Board of Directors
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Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	BIBC – Company By-Laws Annual Budget Presentation and Quarterly Business Review	Defined in the By-Laws - Article III Board of Directors
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		Defined in the By-Laws - Article III Board of Directors

Recommendation 2.3

1. Board is headed by a competent and qualified Chairperson.	Compliant	The Chairman is a Bachelor's Degree holder in Mathematics and minor in Physics from Manhattanville College of the Sacred Heart in Purchase, New York.	
Recommendation 2.4			
1. Board ensures and adopts an effective succession-planning program for directors, key officers and management.	Compliant	BIBC – Company By-Laws	Defined in the By-Laws - Article III Board of Directors Sec 4 - Vacancies
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		Defined in the By-Laws - Article III Board of Directors Sec 4 - Vacancies
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	Compliant	BIBC – Company By-Laws	Defined in the By-Laws - Article III Board of Directors Sec 9 - Compensation
2. Board aligns the remuneration of key officers and board members with long-term interests of the company	Compliant		Defined in the By-Laws - Article III Board of Directors Sec 9 - Compensation
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		Defined in the By-Laws - Article III Board of Directors Sec 9 - Compensation
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	compliant	BIBC – Company By-Laws	Defined in the By-Laws - Article III Board of Directors Sec 3 – Election and Terms

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2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Not Applicable	To be covered by the Manual of Corporate Governance to be created this 2025	BIBC is a private corporation between families who have been business partners for eighty years.
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Not Applicable		
4. Board nomination and election policy includes how the board reviews nominated candidates.	Not Applicable		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Not Applicable		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Not Applicable		
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.	Not Applicable	No material or significant RPTs disclosed in the Audited Financial Statement	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Not Applicable		

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3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Not applicable		
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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	BIBC – Company By-Laws	<p>Management Team Appointed:</p> <p>Chairman: Jocelyn Campos Hess President/CEO: Clinton Andrew C. Hess VP & EO: Mariano John L. Tan Jr. VP & EO: Richard C. Dee Treasurer: Vida V. De Jesus Corp. Sec: Marievic G. Ramos-Añonuevo Asst. Corp. Sec: Luis R. Ladrera GM: Sherwin C. Chan</p> <p>Other Control Functions:</p> <p>Internal Audit Head: Rex R. Doria CO: Dikki Jean Y. Sian</p>
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2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	Annual Performance Alignment and Measurement System (PAMS)	
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Recommendation 2.9

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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	Annual Performance Alignment and Measurement System.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The Board approves Internal Control Mechanism for the following:	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	Anti-Money Laundering Code of Conduct, Compliance Office Internal Audit/External Audit	Policy on Business Conduct - Conflict of Interest
3. Board approves the Internal Audit Charter.	Not Applicable	BIBC outsources Audit Functions to Unilab Internal Audit Group.	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	The Board oversees the enterprise risk management of BIBC thru the Compliance group. The Compliance group reports directly to the Committee of the board related to	The compliance group is currently conducting Compliance Test/Check on Anti-Money Laundering Prevention program and other related control procedures.

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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	the risk identification, assessment and prevention.	
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Recommendation 2.12

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	BIBC – Company By-Laws	Defined in the By-Laws - Article III Board of Directors
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		
3. Board Charter is publicly available and posted on the company's website.	Compliant	www.bonifacioinsurance.com.ph	

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	The Board establishes the following Committee: Anti-Money Laundering	
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Recommendation 3.2

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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.	Not Applicable	BIBC outsourced the Internal Audit function to Unilab, Inc. - Corporate Internal Audit Group.	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Not Applicable	Further, company micro sized not practical to have an audit committee	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Not Applicable		
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Not applicable		

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.	Not applicable	To be covered by the Manual of Corporate Governance to be created this year	BIBC is a private corporation.
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Not applicable		
3. Chairman of the Corporate Governance Committee is an independent director.	Not applicable		

Recommendation 3.4

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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.	Not applicable	BIBC is a small private corporation. The risk management function is under BIBC compliance group.	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Not applicable		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Not applicable		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Not applicable		
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.	Not applicable	No material or significant RPTs disclosed in the Audited Financial Statement.	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Not applicable		
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.	Not applicable	To be covered by the Manual of Corporate Governance to be created this year.	

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2. Committee Charters provide standards for evaluating the performance of the Committees.	Not applicable		
3. Committee Charters were fully disclosed on the company's website.	Not applicable	To be posted once Manual of Corporate Governance is done.	

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	BIBC – Company By-Laws	Article III Board of Directors Sec 2,5,6 and 8 Notice of Meetings, Special Meetings, Minutes and Conduct of Meetings
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	BIBC – Company By-Laws	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	BIBC – Company By-Laws	

Recommendation 4.2

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<p>1. Non-executive directors concurrently serve as directors to a maximum of five. Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p>The BOD is composed of the following: Ms. Jocelyn Campos Hess, Mr. Clinton Andrew C. Hess, Mr. Mariano John L. Tan, Jr., Mr. Richard C. Dee, Ms. Vida V. De Jesus, Mr. Reynaldo L. Davadilla, Mr. Gerardo A. Remo.</p> <p>Aside from Mr. Clinton Andrew C. Hess who is President and Ms. Vida V. De Jesus who is Treasurer, no other board member has management responsibilities in BIBC.</p>	<p>BIBC is a small private corporation.</p>
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Recommendation 4.3

<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>Not applicable</p>	<p>To be covered by the Manual of Corporate Governance to be created this year</p>	
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

<p>1. The Board is composed of at least twenty percent (20%) independent directors.</p>	<p>compliant</p>	<p>There are 7 members of the BOARD, two (2) are Independent Directors namely: Mr. Reynaldo Davadilla Mr. Gerardo Remo</p>	
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Recommendation 5.2

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1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	To be covered by the Manual of Corporate Governance to be created this year.	
Recommendation 5.3			
<p>1. The independent directors serve for a maximum cumulative term of nine years.</p> <p>As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.</p> <p>For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.</p>	Compliant	Board Resolution dated August 7, 2020	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant		
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	Compliant		
Recommendation 5.4			

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Chairman: Jocelyn Campos Hess CEO: Clinton Andrew C. Hess	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	BIBC By-Laws	Defined in the Article V - Officers

Recommendation 5.5

1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Not applicable	BIBC is a small private corporation	
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Recommendation 5.6

1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Not applicable	BIBC is a small private corporation	
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Recommendation 5.7

1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	Not applicable	BIBC is a small private corporation	
2. The meetings are chaired by the lead independent director.	Not applicable		

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

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1. Board conducts an annual self-assessment of its performance as a whole.	Not applicable	BIBC is a small private corporation. To be covered by the Manual of Corporate Governance to be created this year.	
2. The performance of the Chairman is assessed annually by the Board.	Not applicable		
3. The performance of the individual member of the Board is assessed annually by the Board.	Not applicable		
4. The performance of each committee is assessed annually by the Board.	Not applicable		
5. Every three years, the assessments are supported by an external facilitator.	Not applicable		
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.	Not applicable	BIBC is a small private corporation.	
2. The system allows for a feedback mechanism from the shareholders.	Not applicable		
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	BIBC Code of Conduct	

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2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	The Board and Senior Management approved BIBC Code of Conduct. Employees received copy of the Code of Conduct.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Code of Conduct is posted in BIBC's website www.bonifacioinsurance.com.ph	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Company provides copy of the Code of conduct to employees. Code of Conduct is posted in BIBC's website.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	Management and Employees	
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	Thru Audited Financial Statement and Quarterly Business Reviews	
Recommendation 8.2			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Thru Annual Declaration of Conflict of Interest by Management and Employees	

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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.	Not applicable	BIBC is a small private corporation.	
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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	Annual Conflict of Interest Disclosure Code of Conduct policies.	
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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	Company By-Laws	Article III Board of Directors Sec. 9
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	Company By-Laws	Article III Board of Directors Sec. 9
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Not Applicable	BIBC is a private company. Salaries and remunerations are confidential. The Board of Directors receive no compensation from the company.	

Recommendation 8.5

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Not Applicable	No Material Related Party Transaction with Parent and affiliated companies as disclosed in the Audited Financial Statement	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Not Applicable	No material RPTs	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Not Applicable	BIBC is a private company. Disclosure of material fact or event is part of the Audited Financial Statement.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Not Applicable	BIBC BOD includes independent Directors. To date no transactions on acquisition and disposal of material asset.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Not Applicable	BIBC will create a Manual on Corporate Governance within 2025.	
2. Company's MCG is posted on its company website.	Not Applicable		
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.			

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Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Not Applicable	BIBC By-Laws, Appointment of External Auditors thru the regular stockholder meetings.	Article VII Audit of Book, Fiscal Year and Dividends Sec 1
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.	Not Applicable		
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	BIBC changes External Auditor every 5 years in compliance with SEC regulations and properly disclosed to the regulators.	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <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. 	Not Applicable	BIBC outsourced Internal Audit Function to Unilab Inc.	To be covered by the Manual of Corporate Governance to be created this year.

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Not Applicable	To be covered by the Manual of Corporate Governance to be created this year.	
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.	Not applicable	To date no non-audit services performed by External Auditor.	
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.	Not applicable	To date no non-audit services performed by External Auditor.	
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	Disclosure on the Audited Financial Statements.	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Business Continuity Plan and Disaster Recovery plan	

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Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	Compliant	Website: www.bonifacioinsurance.com.ph Facebook: @bibcinsurance	
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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	1. Annual Risk Assessment and compliance check conducted by BIBC Compliance Group. 2. Random Annual Compliance Audit by Unilab Corporate Internal Audit	
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2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>Risk and Control Assessment focus on the following:</p> <p>Risk Identification Risk Measurement and Assessment Risk Mitigation Risk Reporting Risk Governance</p> <p>BIBC already identified all process risk Next Step: Risk measurement and mitigation.</p>	Currently being conducted by Compliance Group
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	Outsourced: Unilab Corporate Internal Audit.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Internal Audit Function outsourced to Unilab.	

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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	Internal Audit Head: Rex R. Doria Certification: CPA Responsibilities: - Lead and manage Internal Audit Plans and Program - Reports to Sr Mgt and Audit Committee	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	The General Manager is the responsible person to manage the fully outsourced Internal Audit activity.	

Recommendation 12.4

1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The function is under the Compliance Group of BIBC. The group is in charge of Risk identification, assessment and mitigation.	
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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 function is under the Compliance Group. The compliance officer ("CO") is Atty. Dikki Jean Y. Sian	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	The CO has a rank of a senior manager with direct reports handling the assigned responsibilities/task. The CO is directly reporting to the Committee of the Board.	

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.	Not Applicable	To be covered by the Manual of Corporate Governance to be created within 2025.	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Not Applicable		

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.	Not Applicable	To be covered by the Manual of Corporate Governance to be created within 2025.	
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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.	Not applicable	To be covered by the Manual of Corporate Governance to be created within 2025.	
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.	Not applicable		

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.	Not Applicable	The only effective intra-corporate dispute resolution is the VOTE and no other. Any shareholder who disagrees with the vote of the Majority may exercise their APPRAISAL RIGHTS and leave the	
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2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Not applicable	corporation.	
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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

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Company corporate governance manual being crafted.	
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Company corporate governance manual being crafted.	
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Recommendation 14.3

1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	Company corporate governance manual being crafted.	
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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	Thru Annual Budget Preparations and Quarterly Business Review.	
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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	BIBC Code of Conduct	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Code of Conduct is provided to the employees. The Code of Conduct is posted in BIBC's website.	

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	Not applicable	To be covered by the Manual of Corporate Governance to be created this year.	
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.	Not applicable		
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Not applicable		

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

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<p>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.</p>	<p>Compliant</p>	<p>Social work volunteered by BIBC employees</p> <p>The need of key stakeholders are satisfied; i.e. timely payments to suppliers, employees, BIR and other regulatory bodies.</p>	
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