

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT - RIZAL COMMERCIAL BANKING CORPORATION

COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>		
<b>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.</b>		
<b>Recommendation 1.1</b>		
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors - The profile of the directors is disclosed in the 2018 SEC 17-A: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/FINAL%20RCBC%202018%20SEC%2017A%20compressed.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/FINAL%20RCBC%202018%20SEC%2017A%20compressed.pdf</a>	
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 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance - <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
<b>Recommendation 1.2</b>		
1. Board is composed of a majority of non-executive directors.	COMPLIANT Identify or provide link/reference to a document identifying the directors and the type of their directorships - 14 of the 15 Directors are Non-Executive, 7 of which are Independent Directors. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 1.3</b>		
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors. <a href="https://www.rcbc.com/Others/corporate_governance_board_charter">https://www.rcbc.com/Others/corporate_governance_board_charter</a> <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	

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2. Company has an orientation program for first time directors.	COMPLIANT	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. - The orientation program for first-time directors is contained in Part XIII.A.i of the Corporate Governance Manual. There are no first-time directors for the year 2018. The annual training requirement for all directors is contained in the Corporate Governance Manual. For CY 2018, the directors attended a 4-hour seminar on Corporate Governance and Financial technology with AML updates conducted by Chairperson Emiliano B. Aquino, ConsenSys, and by the Bank's Regulatory Affairs Group on October 27, 2018.	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. - The orientation program for first-time directors is contained in Part XIII.A.i of the Corporate Governance Manual. There are no first-time directors for the year 2018. The annual training requirement for all directors is contained in the Corporate Governance Manual. For CY 2018, the directors attended a 4-hour seminar on Corporate Governance and Financial technology with AML updates conducted by Chairperson Emiliano B. Aquino, ConsenSys, and by the Bank's Regulatory Affairs Group on October 27, 2018.	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	COMPLIANT	Section II.A.ii.e of the Corporate Governance Manual states that "The Board shall promote diversity in its membership and shall not disqualify a nominee/member on the basis of gender, race, age, religion, or political affiliation." The Board is composed of 12 male directors, and 3 Female directors including the Chairperson Website: <a href="https://www.rcbc.com/About/BoardofDirectors">https://www.rcbc.com/About/BoardofDirectors</a>	
<b>Optional: Recommendation 1.4</b>			
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	Provide information on or link/reference to a document containing the company's policy and measureable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.	The Bank's policy on Board Diversity is aimed towards non-discrimination against qualified nominees/appointees, in respect of the ultimate right to nominate/elect members to the Board of Directors is with the Stockholders.
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions. - The Corporate Secretary of the Bank is Atty. George Gilbert G. Dela Cuesta, while the Chief Compliance Officer of the Bank is Ms. Ana Luisa S. Lim; both are not members of the Board of Directors.	

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2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	His profile is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> The duties and functions of the Corporate Secretary are contained in the Bank's By-Laws and the Corporate Governance Manual: <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a> <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.- For CY 2018, the Corporate Secretary attended the training on Corporate Governance held by Ateneo - BAP Institute of Banking on August 2-3, 2018. Please see schedule of Annexes for the copy of the Certificate.	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting - Board Papers are generally released to the Board 5 business days (1 calendar week) before the meeting. Please see schedule of Annexes for the screenshot of sample dates of sending out of materials.	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	COMPLIANT	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions. - The Bank's Chief Compliance Officer and Head of the Regulatory Affairs Group is Ms. Ana Luisa S. Lim, with rank of Executive Vice President. Her profile is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> Please see schedule of Annexes for the duties and functions of the Chief Compliance Officer.	
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		
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered. The Chief Compliance Officer attended a 4-hour training on Corporate Governance held by ICD on October 9, 2018. Please see schedule of Annexes for the copy of the Certificate.	

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<b>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.</b>			
<b>Recommendation 2.1</b>			
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	Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting) - Materials are sent ahead of time to the Board so that they are fully informed of the matters to be taken up during Board Meetings. The discussions during meetings show that the directors act in good faith, with due diligence and care, and in the best interest of the company.	
<b>Recommendation 2.2</b>			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting), Indicate frequency of review of business objectives and strategy - There is no formal process specific to review of the vision and mission/strategy, which is generally set in the long-term. Every month, one business group makes a strategy presentation to the board for discussion. In 2018, part of the budget matters tackled in the Special BOD Meeting in December is the discussion on the strategy undertaken for the previous fiscal year and the strategy moving forward. Kindly see schedule of annexes for minutes of discussion.	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT		
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values. - Website: <a href="https://www.rcbc.com/About/MissionAndVision">https://www.rcbc.com/About/MissionAndVision</a> ; There is no formal process specific to review of the vision and mission/strategy. The vision, mission and core values are long-term. It is reviewed as needed.	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	Provide information on or link/reference to a document containing information on the strategy execution process. - Kindly see answer in Recommendation 2.2 (1) above.	

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<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications - The Chairperson of the Board is Ms. Helen Y. Dee. Her profile can be found in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation - The Board policy on retirement of directors is contained in Part II.A.ii.h of the Corporate Governance Manual which states that: h) While the Bank acknowledges the Stockholders' ultimate right to elect the directors that will best serve their interests, a director who ascertains that he/she is no longer fit to perform his/her functions shall refuse nomination, if not yet elected, or may opt to retire, if already elected. For key officers, As stated in the Annual Report, the Bank has an existing retirement plan. The Annual Report's section on Investment in People also states that, HRG in collaboration with management continues to subscribe to the Bank's Succession Planning Program, to ascertain that the organization has a deep bench of internal candidates ready to assume higher leadership responsibilities. Also, one of its functions of the Corporate Governance Committee is assisting the Board in the performance evaluation of and succession planning for Officers including the CEO and in overseeing the development and implementation of professional development programs for Officers. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT		
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance. - The Compensation of Directors is disclosed in the Bank's By-Laws ( <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a> ), while the Compensation and Rewards program of the Bank for its employees is disclosed in the 2017 Annual Report <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> .	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		

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3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	COMPLIANT	Provide proof of board approval - Please see answer in number 2.5 (1) above	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	COMPLIANT	Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company. - Please see answer in number 2.5 (1) above	
<b>Recommendation 2.6</b>			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	Provide proof if minority shareholders have a right to nominate candidates to the board	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director. The policy of the Bank is contained in Section 2, Article V, of the By-Laws which states that "all nominations for election of directors by the stockholders shall be submitted in writing to the President and the Secretary at the Corporation's principal place of business at least thirty (30) working days before the regular or special meeting of stockholders for the purpose of electing directors."	
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 of the Board's processes in the nomination, election or replacement of a director.	NON-COMPLIANT	https://www.rcbc.com/About/Articles; The Corporate Governance Manual refers to the Bank's By-Laws for the nomination and election process of directors. For the proper implementation of this provision, all nominations for election of directors by the stockholders shall be submitted in writing to the President and the Corporate Secretary at the Corporation's principal place of business at least thirty (30) working days before the regular or special meeting of stockholders for the purpose of electing directors. The policy does not distinguish on the number of shares held by the nominating shareholder. Part VI.D.ii of the Corporate Governance Manual provides that Board shall be	Article V, Section 2 of the Bank's bylaws states that the Directors shall be elected at the annual meeting of stockholders, each of whom shall hold office for a term of one (1) year or until his successor shall have been duly chosen and qualified. The fifteen candidates receiving the highest number of votes shall be declared elected.

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6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	The Corporate Governance Manual provides that Board shall be assisted by the Corporate Governance Committee in fulfilling its corporate governance responsibilities, including to oversee the nomination process for members of the board of directors and for positions appointed by the board of directors. The committee shall review and evaluate the qualifications of all persons nominated to the board of directors as well as those nominated to other positions requiring appointment by the board of directors. Also, as contained in the charter of the Corporate Governance Committee, it shall review the composition of the board and determine the set of qualifications, skills, experience and/or expertise which are aligned with the Bank's strategic direction.	
<b>Optional: Recommendation to 2.6</b>			
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	Identify the professional search firm used or other external sources of candidates	In accordance with the Bank's By-Laws mentioned above, the stockholders nominate the directors for election
<b>Recommendation 2.7</b>			
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	The Related Party Transactions Policy of the Bank is approved by the Board and disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_rptp">https://www.rcbc.com/Others/company_policy_rptp</a> There is a Board-level Related Party Transactions Committee. The Charter of the Committee can be found in the website: <a href="https://www.rcbc.com/Others/corporate_governance_board_rptc">https://www.rcbc.com/Others/corporate_governance_board_rptc</a>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT		

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT		
<b>Supplement to Recommendations 2.7</b>			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered de minimis or 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	Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories. - The threshold for disclosures and approval of RPTs, as well as the RPT categories are disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_rptp">https://www.rcbc.com/Others/company_policy_rptp</a>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	NON-COMPLIANT	Provide information on voting system, if any.	The approval of the related party transactions is done by the shareholders as a group, regardless of relationship
<b>Recommendation 2.8</b>			
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	Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management. Identify the Management team appointed. The Board's policy and responsibility for approving the selection of management is discussed in Part II.B.i.c of the Corporate Governance Manual. <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> ; The Bank's senior management team is disclosed in the website: <a href="https://www.rcbc.com/About/BoardofDirectors">https://www.rcbc.com/About/BoardofDirectors</a> <input type="checkbox"/>	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance. - The Board's policy and responsibility for assessing the performance of management is discussed in Part II.B.i.c.3 of the Corporate Governance Manual. Part II.B.i.d.1.f of the Manual also provides that the board of directors shall assess at least annually its performance and effectiveness as a body, as well as its various committees, the CEO, the individual directors, and the Bank itself. The Heads of control units are also assessed by the Appropriate Board-level Committee (Risk Oversight, Audit and Compliance). <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> ; Assessment process for other officers is discussed under Performance Management of the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 2.9</b>			
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	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel. - Assessment process for other officers is discussed under Performance Management of the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
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		
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system - The Board's responsibility is discussed in Part II.B.i.b4 of the Corporate Governance Manual. <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> . The	

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2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	Bank's internal control system is discussed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
3. Board approves the Internal Audit Charter.	COMPLIANT	Provide reference or link to the company's Internal Audit Charter - Please see schedule of annexes for the Internal Audit Charter	
<b>Recommendation 2.11</b>			
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	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any. - The Board's responsibility is discussed in Part II.B.i.b4 of the Corporate Governance Manual. <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> . Also, the Risk Oversight Committee (ROC) Charter provides that the Board, through the ROC, shall oversee the Risk Governance Framework. The Risk Governance Framework also provides risk governance responsibilities and the framework employed to effectively manage risk. <a href="https://www.rcbc.com/Others/corporate_governance_board_risk">https://www.rcbc.com/Others/corporate_governance_board_risk</a> ; The Bank received satisfactory ratings from Internal Audit and BSP Examinations	
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		
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	Provide link to the company's website where the Board Charter is disclosed. <a href="https://www.rcbc.com/Others/corporate_governance_board_charter">https://www.rcbc.com/Others/corporate_governance_board_charter</a>	
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		
<b>Additional Recommendation to Principle 2</b>			

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1. Board has a clear insider trading policy.	COMPLIANT	Provide information on or link/reference to a document showing company's insider trading policy. - The Bank's Insider Trading Policy is contained in the Code of Conduct and Business Ethics, and discussed in the website: <a href="https://www.rcbc.com/Others/company_policy_itp">https://www.rcbc.com/Others/company_policy_itp</a>	
<b>Optional: Principle 2</b>			
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	Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any. - The Related Party Transactions Policy is disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_rptp">https://www.rcbc.com/Others/company_policy_rptp</a>	
2. Company discloses the types of decision requiring board of directors' approval.	NON-COMPLIANT	Indicate the types of decision requiring board of directors' approval and where there are disclosed.	The Bank's disclosures are guided by the PSE Disclosure Rules. The types of decisions requiring board of directors' approval are in accordance with applicable laws and rules such as the Corporation Code, Banking Laws, and relevant issuances of the Securities and Exchange Commission and the Bangko Sentral ng Pilipinas.
<b>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.</b>			
<b>Recommendation 3.1</b>			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	Provide information or link/reference to a document containing information on all the board committees established by the company. - There are nine (9) Board-level Committees namely: Executive Committee, Trust Committee, Technology Committee, Personnel Evaluation and Review Committee, Audit and Compliance Committee, Risk Oversight Committee, Corporate Governance Committee, Related Party Transactions Committee, and Anti-Money Laundering Committee The committee charters are disclosed in the Bank's website: <a href="https://www.rcbc.com/Others/corporate_governance_board_executive">https://www.rcbc.com/Others/corporate_governance_board_executive</a>	
<b>Recommendation 3.2</b>			

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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.	COMPLIANT	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor. - The Board has an Audit and Compliance Committee and its charter is disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship. - The Committee is composed of three (3) Independent Directors: Melito S. Salazar, Jr. (Chairperson), Adelita A. Vergel De Dios, Vaughn F. Montes.	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee. - Their profiles are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	Provide information or link/reference to a document containing information on the Chairman of the Audit Committee - The Chairman of the Audit Committee is Director Melito S. Salazar, Jr., who is not the chairman of the Board or of any other Committee.	
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	NON-COMPLIANT	Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.	Non-audit services pertaining to the regular quarterly financial review are approved by the Committee. Other non-audit services, i.e., due diligence engagements related to debt issuances, are approved at the Group Head level.
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present. - Annually, the external auditor presents the audit plan to the Committee without the presence of anyone from Management. For 2018, the plan was presented on October 19, 2018.	

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<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	COMPLIANT	Indicate the number of Audit Committee meetings during the year and provide proof - For calendar year 2018, the Audit and Compliance Committee met twenty-seven (27) times. The attendance of directors in committee meetings are disclosed in the Annual Report. Please see schedule of annexes for summary of 2018 attendance	
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	Provide proof that the Audit Committee approved the appointment and removal of the internal auditor. - The Chief Audit Executive (CAE) was appointed by the Board on July 31, 2018. Prior to her presentation to the Board, her appointment has been favorably endorsed by the Corporate Governance Committee (July 24, 2017), and by the Audit Committee (July 11, 2017).	
<b>Recommendation 3.3</b>			
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	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable. - The Board has a Corporate Governance Committee whose functions include that of a Nomination and Remuneration Committee. The Committee's charter is disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_cgc">https://www.rcbc.com/Others/corporate_governance_cgc</a>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	COMPLIANT	Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship. The Committee is composed of three (3) Independent Directors and one Non-Executive director as follows: (Chairperson) Adelita A. Vergel De Dios - ID, Vaughn F. Montes - ID, Gabriel S. Claudio - ID, and Yuh-Shing (Francis) Peng - NED. Their profiles are disclosed in the Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee. - The Chairperson of the Corporate Governance Committee is Atty. Adelita A. Verge De Dios, an Independent Director. Her profile is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.	COMPLIANT	Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof. - For calendar year 2018, the Corporate Governance Committee met twelve (12) times. The attendance of directors in committee meetings are disclosed in the Annual Report. Please see schedule of annexes for summary of 2018 attendance	
<b>Recommendation 3.4</b>			
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	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions - The Board has a Risk Oversight Committee. Its charter is disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_board_risk">https://www.rcbc.com/Others/corporate_governance_board_risk</a>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship - The Risk Oversight Committee is composed of three (3) Non-Executive members with two (2) of whom are Independent Directors - Directors Vaughn F. Montes, Phd., Melito S. Salazar, Jr., Richard Gordon Alexander Westlake. The Committee also has two (2) observers, an Executive director, President Gil A. Buenaventura, and a Non-Executive director, Director John Law.	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	Provide information or link/reference to a document containing information on the Chairman of the BROC - The Chairman of the Risk Oversight Committee is Vaughn F. Montes, Phd., and he is not the chairman of the board or of any other committee.	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC. - The profiles of the directors are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions. - The Board has a Related Party Transactions Committee, and its charter is disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_board_rptc">https://www.rcbc.com/Others/corporate_governance_board_rptc</a>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship. - The Related Party Transactions Committee is composed of three (3) Non-Executive directors, two (2) of whom are Independent Directors, including the Chairperson, Atty. Adelita A. Vergel De Dios. The other members are directors Gabriel S. Claudio and Yuh-Shing (Francis) Peng. Their profiles are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 3.6</b>			
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	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes. - <a href="https://www.rcbc.com/Others/corporate_governance_board_executive">https://www.rcbc.com/Others/corporate_governance_board_executive</a>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	Provide link to company's website where the Committee Charters are disclosed. - <a href="https://www.rcbc.com/Others/corporate_governance_board_executive">https://www.rcbc.com/Others/corporate_governance_board_executive</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>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.</b>			
<b>Recommendation 4.1</b>			
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	Provide information or link/reference to a document containing information on the process and procedure for tele-/videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings. The Bank is guided by SEC Memorandum Circular No. 15, Series of 2001 regarding Board meetings through teleconferencing / videoconferencing, The attendance of the members of the Board to Board and Committee meetings is disclosed in the Annual Report. Please see schedule of annexes for summary of attendance.	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Materials are sent ahead of time to the Board so that the Board is fully informed of the matters to be taken up during Board Meetings. Please see schedule of Annexes for sample screenshot showing materials are given in advance.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors - Please see schedule of Annexes for sample Minutes of the Board meeting.	
<b>Recommendation 4.2</b>			



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies - Section II.A.iii.b of the November 2017 Corporate Governance Manual states that: A non-executive director may concurrently serve as director in a maximum of five (5) publicly listed companies. In applying this provision to concurrent directorship in entities within a conglomerate, each entity where the non-executive director is concurrently serving as director shall be separately considered in assessing compliance with this requirement. The concurrent positions of the directors are disclosed in the 2018 Definitive Information Statement ( <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.0oshijQ6.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.0oshijQ6.dpbs</a> ). Please see schedule of annexed for attendance of directors in 2018 meetings	
<b>Recommendation 4.3</b>			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed. - The Bank's policy on this is contained in Part II.A.iii.b of the Corporate Governance Manual: <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT		
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	The 2018 Annual Board Plan, which includes the schedule of Board and Committee meetings for the year, was presented to the Corporate Governance Committee and the Board of Directors at the start of the year. Please see schedule of annexes for the 2018 Board Plan	
3.			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
4. Board of directors meet at least six times during the year.	COMPLIANT	Indicate the number of board meetings during the year and provide proof - For CY 2018, the full Board of Directors met thirteen (13) times; The Non-Executive directors also held meeting without Mr. Buenaventura (Executive Director). The attendance of directors is disclosed in the Annual Report. Please see schedule of annexes for summary of Board attendance	
5. Company requires as minimum quorum of at least 2/3 for board decisions.	NON-COMPLIANT	Indicate the required minimum quorum for board decisions	The Section 6 Article V of the By-Laws state that: A majority of the incumbent Directors shall constitute a quorum at any meeting and a majority of the members in attendance at any Board meeting shall decide its action. <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a>
<b>Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.</b>			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	Provide information or link/reference to a document containing information on the number of independent directors in the board - The Board of Directors is composed of fifteen (15) members, fourteen (14) of whom are Non-Executive directors, and seven (7) of the Non-Executive directors are Independent Directors. <a href="https://www.rcbc.com/About/BoardofDirectors">https://www.rcbc.com/About/BoardofDirectors</a>	
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	Provide information or link/reference to a document containing information on the qualifications of the independent directors. - The profiles of the directors are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	Provide link/reference to a document containing information that directors are not constrained to vote independently. - There are no shareholdings holding any Voting Trust Agreement or any such similar agreement. Kindly see item 4 in the Definitive Information Statement: <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.0oshijQ6.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.0oshijQ6.dpbs</a>	
<b>Recommendation 5.3</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	Provide information or link/reference to a document showing the years IDs have served as such. - The profiles of the Independent Directors are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director - Section II.A.iii.e of the November 2017 Corporate Governance Manual states that: An independent director of the Bank may only serve as such for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from serving as independent director in the Bank, but may continue to serve as regular director. The nine (9) year maximum cumulative term for independent directors shall be reckoned from 2012.	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	N/A	Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.	The Bank's policy does not allow an Independent Director to serve in the same capacity after nine years reckoned from 2012.
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	Identify the company's Chairman of the Board and Chief Executive Officer - The Chairperson of the Board is Mrs. Helen Y. Dee while the President/CEO is Mr. Gil A. Buenaventura	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO. - The roles and responsibilities of the Chairperson and the CEO are discussed in the Corporate Governance Manual: <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> ; The Chairperson is not related to the President/CEO	
<b>Recommendation 5.5</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	NON-COMPLIANT	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.  Indicate if Chairman is independent.	Section II.A.vi.c of the November 2017 Corporate Governance Manual states that a Lead Independent Director shall be appointed when, in exceptional cases as approved by the Monetary Board, the positions of Chairman and CEO are held by one person. The Chairman of the Board is a Non-Executive Director.
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	Provide proof of abstention, if this was the case - Please see schedule of Annexes for sample Minutes of the Board meeting.	
<b>Recommendation 5.7</b>			
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 present.	COMPLIANT	Provide proof and details of said meeting, if any.  Provide information on the frequency and attendees of meetings. The separate meeting of the Non-Executive Directors is held annually. For 2018, meeting was held on December 10, 2018.	
2. The meetings are chaired by the lead independent director.	N/A		Currently, there is no Lead Independent Director because the condition in the Corporate Governance Manual that requires appointment of one is not applicable; The Chairman of the NED meeting is also the Chairman of the Board, who is a Non-Executive Director.
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	Provide name/s of company CEO for the past 2 years - Mr. Gil A. Buenaventura is the President/CEO since July 1, 2016.	
<b>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.</b>			
<b>Recommendation 6.1</b>			
1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees - Please see schedule of Annexes for copy of the Memorandum sent to the Directors regarding the 2018 Self-Assessment	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT	Identify the external facilitator and provide proof of use of an external facilitator.	Part IV of the Corporate Governance Manual provides that the Board should conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment may be supported by an external facilitator. The Board has not decided to exercise this option.
<b>Recommendation 6.2</b>			
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	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders - Part IV of the Corporate Governance Manual provides that the Board should conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.	
2. The system allows for a feedback mechanism from the shareholders.	NON-COMPLIANT		The results of the self-assessment are reported to the Board and Corporate Governance Committee, but not to the Shareholders; The Shareholders are apprised of the performance of the Board through the reports pertaining to the performance of the Bank
<b>Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</b>			
<b>Recommendation 7.1</b>			
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	Provide information on or link/reference to the company's Code of Business Conduct and Ethics. - The Bank's Code of Business Conduct and Ethics is discussed in the website. <a href="https://www.rcbc.com/Others/corporate_governance_cbce">https://www.rcbc.com/Others/corporate_governance_cbce</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. - A copy of the Code of Conduct and Business Ethics is provided to the directors by the Office of the Corporate Secretary, while for the senior management and other employees, this is disseminated through the Bank's Human Resources Information System	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed. - <a href="https://www.rcbc.com/Others/corporate_governance_cbce">https://www.rcbc.com/Others/corporate_governance_cbce</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery - The anti-corruption programmes and procedures are contained in the Bank's Code of Conduct and Business Ethics and in the Procurement/Supplier policies. <a href="https://www.rcbc.com/Others/company_policy_cip">https://www.rcbc.com/Others/company_policy_cip</a> These are also discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. Indicate who are required to Yes with the Code of Business Conduct and Ethics and any findings on non-compliance. - The Board ensures proper and efficient implementation through the Personnel Evaluation and Review Committee. It's charter is disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_board_perc">https://www.rcbc.com/Others/corporate_governance_board_perc</a>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		
<b>Disclosure and Transparency</b>			
<b>Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.</b>			
<b>Recommendation 8.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders - The Bank complies with the PSE Disclosure Rules as well as applicable laws and rules such as the Corporation Code, Banking Laws, and relevant issuances of the Securities and Exchange Commission and the Bangko Sentral ng Pilipinas. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a> <a href="http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232">http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232</a>	
<b>Supplement to Recommendations 8.1</b>			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	COMPLIANT	Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively. - 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. 2018 AFS is disclosed in the website: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/2018%20RCBC%20Audited%20Financial%20Statements-compressed.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/2018%20RCBC%20Audited%20Financial%20Statements-compressed.pdf</a>	
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.	N/A	Provide link or reference to the company's annual report where the following are disclosed: 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.	There are no identified risks to minority shareholders associated with the identity of the company's controlling shareholders; there are no voting agreements in place and the The By-Laws of the Bank allows to all shareholders, including minority stockholders, the right to nominate candidates for the Board of Directors; The cross-holdings among company affiliates are disclosed through the conglomerate structure; both the direct and indirect shareholdings in the Bank are also disclosed. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>
<b>Recommendation 8.2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction. - Part XIV of the Corporate Governance Manual requires the Directors to commit at all times to fully report dealings in the company's shares within the same day for disclosure within three (3) to five (5) days. <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a>	
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.	COMPLIANT		
<b>Supplement to Recommendation 8.2</b>			
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	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map. The Conglomerate Map can be viewed at: <a href="https://www.rcbc.com/About/ConglomerateMap">https://www.rcbc.com/About/ConglomerateMap</a> The top 100 shareholders can be viewed at: 598d7fe37067c55befdfc15ec263a54d	
<b>Recommendation 8.3</b>			
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	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. - The Directors are disclosed in the website: <a href="https://www.rcbc.com/About/BoardofDirectors">https://www.rcbc.com/About/BoardofDirectors</a> Their profiles are also disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. - The Senior Management of the Bank is disclosed in the website: <a href="https://www.rcbc.com/About/BoardofDirectors">https://www.rcbc.com/About/BoardofDirectors</a> Their profiles are also disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> Details of the other positions held by the directors are disclosed in the Definitive Information Statement: <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.jBpzSpjM.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.jBpzSpjM.dpbs</a>	
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	COMPLIANT	Disclose or provide link/reference to the company policy and practice for setting board remuneration - The Remuneration of the Board is disclosed in the Bank's By-Laws: <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	COMPLIANT	Disclose or provide link/reference to the company policy and practice for determining executive remuneration - The Compensation and Rewards Program of the Bank is disclosed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	NON-COMPLIANT	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	For security/safety and other concerns, the Bank only discloses the aggregate remuneration of the Board and the aggregate remuneration of the CEO and 4 other senior officers with highest remuneration. The details are disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	COMPLIANT	Disclose or provide reference/link to company's RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction. - The Policy on Related Party Transactions is disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_rptp">https://www.rcbc.com/Others/company_policy_rptp</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	COMPLIANT	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> <li>1. name of the related counterparty;</li> <li>2. relationship with the party;</li> <li>3. transaction date;</li> <li>4. type/nature of transaction;</li> <li>5. amount or contract price;</li> <li>6. terms of the transaction;</li> <li>7. rationale for entering into the transaction;</li> <li>8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</li> <li>9. other terms and conditions</li> </ol> <p>The Material transactions of the Bank is disclosed in its SEC Form 17-A:  <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=72150875549d6043efdfc15ec263a54d#sthash.XkRiU4sS.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=72150875549d6043efdfc15ec263a54d#sthash.XkRiU4sS.dpbs</a></p>	
<b>Supplement to Recommendation 8.5</b>			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	COMPLIANT	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests. - The members of the Board submit their updated Bio-Data annually, and whenever there are changes within the year. Further, as contained in Part III.ii of the Corporate Governance Manual, Directors should, whenever possible, avoid situations that would give rise to a conflict of interest. If transactions with the institution cannot be avoided, it should be done in the regular course of business and upon terms not less favorable to the institution than those offered to others. Also, Part VI.E.i of the same Manual states that, in case a Related Party Transactions member has conflict of interest in a particular RPT, he should refrain from evaluating that particular transaction.</p>	
<b>Optional : Recommendation 8.5</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	COMPLIANT	Provide link or reference where this is disclosed, if any. - The conduct of RPTs are discussed in pages 94-97 of SEC Form 17-A and disclosed in the website: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Annual%20Report.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Annual%20Report.pdf</a> The policy on Related Party Transactions and the Charter of the Related Party Transactions Committee are also disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_rptp">https://www.rcbc.com/Others/company_policy_rptp</a> <a href="https://www.rcbc.com/Others/corporate_governance_board_rptc">https://www.rcbc.com/Others/corporate_governance_board_rptc</a>	
<b>Recommendation 8.6</b>			
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.	COMPLIANT	Provide link or reference where this is disclosed - PSE Edge: <a href="http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232">http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232</a> Website: <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a> ; Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any. - For transactions not in the ordinary course of business where the value of the transaction is at least 1% of the Bank's capital and above, and independent third party is appointed to evaluate the fairness of the transaction price. For 2018, there were no acquisition/disposition as described.	
<b>Supplement to Recommendation 8.6</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide link or reference where these are disclosed. - As disclosed in the Information Statement, the Bank currently does not have shareholder or voting trust agreements. <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a>	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Provide link to the company's website where the Manual on Corporate Governance is posted. - <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a> ; The most recent Revised Corporate Governance Manual was submitted together with the 2017 iACGR May 30, 2018, and uploaded on June 5, 2018.	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT	<a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE_Disclosure_CorGov_Manual.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE_Disclosure_CorGov_Manual.pdf</a>	
3. Company's MCG is posted on its company website.	COMPLIANT		
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	Provide proof of submission. - In compliance with SEC Memorandum Circular No. 19, Series of 2016, the Bank submitted its revised Corporate Governance Manual on May 31, 2017; <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE_Disclosure_CorGov_Manual.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE_Disclosure_CorGov_Manual.pdf</a>	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		Provide link or reference to the company's Annual Report containing the said information. - The Annual Report covering calendar year 2018 is still being finalized. The 2017 Annual Report can be viewed at: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
a. Corporate Objectives	COMPLIANT		
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicators	COMPLIANT		
d. Dividend Policy	COMPLIANT		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT		

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	NON-COMPLIANT		For security/safety and other concerns, only the aggregate remuneration is disclosed
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	Provide link or reference to where this is contained in the Annual Report	
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	Provide link or reference to where this is contained in the Annual Report: Please see activity highlight of the Audit and Compliance Committee	
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.	NON-COMPLIANT	Provide link or reference to where this is contained in the Annual Report	The statement on the adequacy of the Bank's internal controls is contained under <i>Internal Control</i> portion of the Annual report, however, it does not specifically identify the Board or Audit Committee. The adequacy of the bank's internal controls/risk management systems is certified by the President and the Chief Audit Executive. Please see schedule of annexes for the Certification for calendar year 2018
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	Provide link or reference to where these are contained in the Annual Report	
<b>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.</b>			
<b>Recommendation 9.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor. - The Audit and Compliance Committee Charter is disclosed in website: <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
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.	N/A	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	For 2018, the Bank's external auditor remains to be Punongbayan & Araullo
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.	N/A	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	For 2018, the Bank's external auditor remains to be Punongbayan & Araullo
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years. - Part X.D.2.v of the Corporate Governance Manual states that: The Bank's external auditor shall be rotated, or the signing part of the external auditor assigned to the Bank shall be changed, every five (5) years or earlier. <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
<b>Recommendation 9.2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter - <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
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	Provide link/reference to the company's Audit Committee Charter - <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
<b>Supplement to Recommendations 9.2</b>			
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	Provide link/reference to the company's Audit Committee Charter - <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter - <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
<b>Recommendation 9.3</b>			
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	Disclose the nature of non-audit services performed by the external auditor, if any. The nature of non-audit services is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide link or reference to guidelines or policies on non-audit services - <a href="https://www.rcbc.com/Others/corporate_governance_board_audit">https://www.rcbc.com/Others/corporate_governance_board_audit</a>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	NON-COMPLIANT	Provide information on audit and non-audit fees paid. - For 2018, fees for audit and non-audit services are as follows (in Million Pesos): AUDIT - Parent P3.72, Group P12.32 NON-AUDIT - Parent P7.53, Group P8.98	Non-audit fees include engagements for the quarterly review and agreed upon procedures in connection with the Bank's Offering Circulars for one-off projects.
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm. Name of the audit engagement partner - Anthony L. Ng; Accreditation number - Partner - No. 1638-A, Firm - No. 0002-FR-5; Expiry date of accreditation - Partner - May 29, 2020, Firm - March 26, 2021; Name, address, contact number of the audit firm - Punongbayan & Araullo - 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue 1200, Makati City, Philippines Telephone +63 2 988 2288	
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).	NON-COMPLIANT	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC.	For discussion with the external auditor
<b>Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</b>			
<b>Recommendation 10.1</b>			



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	NON-COMPLIANT	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	The Bank's reporting/disclosures are guided by the PSE Disclosure Rules as well as by applicable laws and rules such as the Corporation Code, Banking Laws, and relevant issuances of the Securities and Exchange Commission and the Bangko Sentral ng Pilipinas. This is without any specific emphasis on EESG issues. The Bank's Social and Environmental Management System is discussed in the website: <a href="https://www.rcbc.com/Others/SemsPolicy">https://www.rcbc.com/Others/SemsPolicy</a>
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	NON-COMPLIANT	Provide link to Sustainability Report, if any. Disclose the standards used.	Please see answer in Recommendation 10.1 (1) above.
<b>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.</b>			
<b>Recommendation 11.1</b>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	NON-COMPLIANT	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.	The Bank has not determined a need for media and analysts' briefings at this time. However, the Bank conducts regular press releases on financial performance and other material matters.
<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:		Provide link to company website - <a href="http://www.rcbc.com">www.rcbc.com</a>	
a. Financial statements/reports (latest quarterly)	COMPLIANT		
b. Materials provided in briefings to analysts and media	N/A		Please see answer to 11.1(1) above
c. Downloadable annual report	COMPLIANT		
d. Notice of ASM and/or SSM	COMPLIANT		
e. Minutes of ASM and/or SSM	COMPLIANT		
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	COMPLIANT		
<b>Internal Control System and Risk Management Framework</b>			
<b>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.</b>			
<b>Recommendation 12.1</b>			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system - The Bank's Internal Control System is discussed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	Identify international framework used for Enterprise Risk Management Provide information or reference to a document containing information on: 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks Indicate frequency of review of the enterprise risk management framework. RCBC's Risk Governance Framework, ICAAP Document, and various risk management frameworks & policies owned by different units. The ROC reviews the Risk Governance Framework annually.	
<b>Supplement to Recommendations 12.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	COMPLIANT	Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review. - Please see the schedule of annexes for the copy of the Compliance Charter.	
<b>Optional: Recommendation 12.1</b>			
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	Provide information on IT governance process - Please see schedule of Annexes for details of IT governance process	
<b>Recommendation 12.2</b>			
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	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm. - Internal audit function of the Bank is in-house	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities. - The Chief Audit Executive (CAE) of the Bank is Ms. Edel Mary D. Vegamora. Her profile is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
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	Please see schedule of Annexes for the JD of the CAE	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	N/A	Identify qualified independent executive or senior management personnel, if applicable.	Please see answer to Recommendation 12.2(1)
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	Provide information on company's risk management function. - Risk management functions are performed by the Corporate Risk Management Services Group (CRISMS) and the Credit Management Group (CMG)	
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	Identify source of external technical support, if any. - External technical support includes the engagement of consultants for: a) Social & Environmental Management Systems (SEMS); SEMS is required by the IFC b) creation of various models c) validation of various models	
<b>Recommendation 12.5</b>			
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	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background. - The Bank's CRO is Mr. Jamal Ahmad. His profile is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> . Please see schedule of Annexes for a copy of the Job Description of the CRO.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	Mr. Jamal Ahmad is a First Senior Vice President.	
<b>Additional Recommendation to Principle 12</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide link to CEO and CAE's attestation - Please see schedule of Annexes for a copy of the 2018 Attestation.	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.</b>			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed. - The Shareholder rights are contained in Part XV of the Bank's Corporate Governance Manual disclosed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Provide link to company's website - <a href="https://www.rcbc.com/">https://www.rcbc.com/</a> <a href="https://www.rcbc.com/About/InvestorRelations">https://www.rcbc.com/About/InvestorRelations</a>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	COMPLIANT	<a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	Provide information on all classes of shares, including their voting rights if any. - <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a>	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	Provide link to voting procedure. Indicate if voting is by poll or show of hands. - The voting is by poll, validated by the external auditor	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any. - The By-Laws of the Bank provide that each share is entitled to one vote, regardless of the proportion of a particular shareholder's holdings. There are no supermajority or majority of minority voting mechanisms. However, rights of minority shareholders are discussed in Part XV of the Corporate Governance Manual: <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
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	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution) - As disclosed in the website, any shareholder or group of shareholders with at least five percent (5%) share of the total outstanding shares of the company shall be allowed to propose any relevant item for inclusion in the agenda for the meeting. <a href="https://www.rcbc.com/About/InvestorRelations">https://www.rcbc.com/About/InvestorRelations</a>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	Provide information or link/reference to the policies on treatment of minority shareholders - Part XV of the Corporate Governance Manual provides for the Stockholders' rights and protection of Minority Stockholders' interests: <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
7. Company has a transparent and specific dividend policy.	COMPLIANT	Provide information on or link/reference to the company's dividend Policy. Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration - <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a> January to October 2018, the bank pays out dividends 10 trading days from record date. Record date, on the other hand, is set at 10 trading days after receipt of BSP approval. For the November declaration, BSP approval is no longer required. Please see schedule of annexes for details of dividend declaration and payment for 2018.	
<b>Optional: Recommendation 13.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	Identify the independent party that counted/validated the votes at the ASM, if any. - Punongbayan & Araullo	
<b>Recommendation 13.2</b>			
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>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p>	The Bank complies with the notice requirement provided in its By-Laws and Under Rule 20, Section 20.3.3.4 of the 2015 SRC IRR – "The information statement, proxy form and management report referred to in SRC Rule 20.4, if applicable, shall be distributed to security holders at least fifteen (15) business days prior to the date of the stockholders' meeting; ..." The SEC Form 20-IS for 2018 can be viewed at: <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a>
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	Provide link or reference to the company's notice of Annual Shareholders' Meeting - <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Filed%20PIS%202018%20ASM%20Complete-ilovepdf-compressed.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Filed%20PIS%202018%20ASM%20Complete-ilovepdf-compressed.pdf</a>	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	The SEC Form 20-IS for 2017 can be viewed at: <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a>	
b. Auditors seeking appointment/re-appointment	COMPLIANT	Please see answer above	
c. Proxy documents	COMPLIANT	Please see answer above	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	Provide link or reference to the rationale for the agenda items - The SEC Form 20-IS for 2017 can be viewed at: <a href="https://www.rcbc.com/Others/company_disclosure">https://www.rcbc.com/Others/company_disclosure</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Recommendation 13.3</b>			
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	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM. - <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Results%20of%20Board%20ASM%20and%20Organizational%20Meeting%20June%2025,%202018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Results%20of%20Board%20ASM%20and%20Organizational%20Meeting%20June%2025,%202018.pdf</a>	
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	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any The disclosure on what transpired during the ASM and SSM are disclosed to the PSE on the same day. Request to post at the website is made on the next business day. Posting is normally done within 1 to 2 business days: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/2017RCBC_MinutesofASM_2706201720170916015925.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/2017RCBC_MinutesofASM_2706201720170916015925.pdf</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting - Please see number 7 of the Information Statement disclosed: <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.P622PhKr.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=369cff79cf2d049543ca035510b6ec2b#sthash.P622PhKr.dpbs</a>	
<b>Recommendation 13.4</b>			
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.	COMPLIANT	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes - Section XV.7 of the Corporate Governance Manual on Grievance Procedures states that: The Bank hereby adopts an arbitration system to resolve any dispute, controversy, or claim arising out of, or relating to, the Bank's relations with its shareholders, and other intra-corporate matters under applicable law and regulations, in accordance with the Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules, in accordance with The Arbitration Law and R.A. No. 9285, otherwise known as The Alternative Dispute Resolution Act of 2004.	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	Provide link/reference to where it is found in the Manual on Corporate Governance - <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address Ma. Christina P. Alvarez; 8949000 loc. 9457; Investor_Relations@rcbc.com	
2. IRO is present at every shareholder's meeting.	COMPLIANT	Indicate if the IRO was present during the ASM. - The IRO was present during the 2017 ASM held on June 25, 2018	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	N/A	Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.	There are no anti-takeover measures or similar devices
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT	Indicate the company's public float.	The Public Float as of December 31, 2018 is 24.32%.
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM - The Bank has an Investor Relations Program - <a href="https://www.rcbc.com/About/InvestorRelations">https://www.rcbc.com/About/InvestorRelations</a>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	N/A	Disclose the process and procedure for secure electronic voting in absentia, if any.	Section 1.e Article IV of the By-Laws states that any stockholder shall be allowed to vote either in person or by proxy duly executed in writing, signed by the person represented and presented to the Secretary before the meeting commences. <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a>

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Duties to Stakeholders</b>			
<b>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.</b>			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders. - The Bank's corporate social responsibility programs are discussed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Identify policies and programs for the protection and fair treatment of company's stakeholders - The Bank's By-Laws treat all shares equally. Also, as discussed in the November 2017 Corporate Governance Manual, the rights of Minority shareholders are also especially protected. <a href="https://www.rcbc.com/About/Articles">https://www.rcbc.com/About/Articles</a> <a href="https://www.rcbc.com/Others/corporate_governance_manual">https://www.rcbc.com/Others/corporate_governance_manual</a>	
<b>Recommendation 14.3</b>			
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	Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders - <a href="https://www.rcbc.com/About/InvestorEvents">https://www.rcbc.com/About/InvestorEvents</a> For Inquiries, Email: <a href="mailto:Investor_Relations@rcbc.com">Investor_Relations@rcbc.com</a> The Bank's whistleblowing policy is disclosed in the website: <a href="https://www.rcbc.com/Others/company_policy_whistleblower">https://www.rcbc.com/Others/company_policy_whistleblower</a> To give everyone an additional channel to raise concerns accordingly, an anonymous reporting system ("Talk to Us") is now available in the company website, <a href="http://www.rcbc.com">www.rcbc.com</a> , under the "Others" tab. This reporting tool aims to further mitigate risks and losses through the early discovery of irregular activities.	
<b>Supplement to Recommendation 14.3</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	Provide information on the alternative dispute resolution system established by the company. - Section XV.7 of the Corporate Governance Manual on Grievance Procedures states that: The Bank hereby adopts an arbitration system to resolve any dispute, controversy, or claim arising out of, or relating to, the Bank's relations with its shareholders, and other intra-corporate matters under applicable law and regulations, in accordance with the Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules, in accordance with The Arbitration Law and R.A. No. 9285, otherwise known as The Alternative Dispute Resolution Act of 2004	
<b>Additional Recommendations to Principle</b>			
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 Yes with the applicable law, rule or regulation.	COMPLIANT	Disclose any requests for exemption by the company and the reason for the request. - No exemption is sought	
2. Company respects intellectual property rights.	COMPLIANT	Provide specific instances, if any. - The Bank respects intellectual property rights in the conduct of its business. There are no cases filed against the bank for violation of Intellectual Property rights	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	COMPLIANT	Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same. - The Bank has it's own Consumer Protection Department under the Operational Risk Management Division, discussed in the Bank's Annual Report.Consumer Protection issues are also directly reported to the Risk Oversight Committee: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same. - The supplier/contractor selection and criteria policy of the Bank is disclosed in the 2017 Annual Report: <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>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.</b>			
<b>Recommendation 15.1</b>			
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	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation. - The Health, Safety, and Welfare policies of the Bank is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	COMPLIANT	Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders. - The Compensation and Rewards Program of the Bank is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Company has policies and practices on health, safety and welfare of its employees.	COMPLIANT	Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any. - The Health, Safety, and Welfare policies of the Bank is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Company has policies and practices on training and development of its employees.	COMPLIANT	Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended. - The Bank's policies and practices on training and development is discussed in the 2017 Annual Report under Investment in People. The Health, Safety, and Welfare policies of the Bank is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 15.2</b>			
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	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption - The Bank's Anti-Corruption Policy is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	Identify how the board disseminated the policy and program to employees across the organization - As discussed in the Annual Report, the policies, programs, code of conduct, company core values etc. are incorporated in the Employee Orientation Program (Head Office new hires) and the Branch Induction Program (Branch new hires), as well as in the continuing learning program for all employees as applicable	
<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	COMPLIANT	Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy. - The Bank's Anti-Corruption Policy is discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
<b>Recommendation 15.3</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior. - The Bank's Whistleblowing Policy is disclosed in the website. <a href="https://www.rcbc.com/Others/company_policy_whistleblower">https://www.rcbc.com/Others/company_policy_whistleblower</a> Any person may report such concerns thru the Talk to Us link contained in the Bank's website: <a href="https://www.rcbc.com/TalktoUs">https://www.rcbc.com/TalktoUs</a>	
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	Please see response to Recommendation 15.3(1) above	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing. - The policy provides that the Human Resources Group shall monitor all reported cases, and shall make a quarterly report to the Corporate Governance Committee on the number of reports received, actions taken and the latest status of each case.	
<b>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.</b>			
<b>Recommendation 16.1</b>			
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	Provide information or reference to a document containing information on the company's community involvement and environment-related programs. - The Bank's policy is discussed in the website: <a href="https://www.rcbc.com/Others/corporate_governance_csr">https://www.rcbc.com/Others/corporate_governance_csr</a>	
<b>Optional: Principle 16</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	COMPLIANT	Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development. - The Bank's efforts in ensuring environmentally-friendly value chain, its policy on Social and Environmental Management System are discussed in the 2017 Annual Report. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a>	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates. - As disclosed in the 2017 Annual Report, in 2017, RCBC through its subsidiaries, has reached out to the unbanked, when RCBC Savings Bank RSB visited GK's Enchanted Farm and conducted a financial literacy program on banking and savings accounts for the students of the organization's School for Experiential and Entrepreneurial Development (SEED) Program. Also, RCBC Bankard strengthened the Bank's partnership with Gawad Kalinga's Kusina ng Kalinga through a turnover of donation for its feeding program. Through its Diamond Cares Program, RCBC Bankard's Diamond Mastercard has been making waves as 'the card that cares'. For every Php 100 charged to the card, it automatically generates a Php 0.20 donation to Gawad Kalinga's feeding program, Kusina ng Kalinga. <a href="https://www.rcbc.com/Others/annual_reports">https://www.rcbc.com/Others/annual_reports</a> Other activities of the Bank can also be found in the website. <a href="https://www.rcbc.com/Others/corporate_governance_csr">https://www.rcbc.com/Others/corporate_governance_csr</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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**Helen Y. Dee**  
Chairperson of the Board

**Gil A Buenaventura**  
President

**George Gilbert G. Dela Cuesta**  
Corporate Secretary

**Ana Luisa S. Lim**  
Chief Compliance Officer

**Adelita A. Vergel De Dios**  
Independent Director

**Gabriel S. Claudio**  
Independent Director

**Vaughn F. Montes**  
Independent Director

**Lilia R. Bautista**  
Independent Director

**Armando M. Medina**  
Independent Director

  
**Laurito E. Serrano**  
Independent Director

**Juan B. Santos**  
Independent Director

**ACKNOWLEDGEMENT**


Republic of the Philippines)  
Makati City ) S.S.

**MAKATI CITY MAY 09 2019**

BEFORE ME, a duly authorized Notary Public for and in \_\_\_\_\_ City on \_\_\_\_\_, 2019 personally appeared before me, the following, who are personally known to me and/or identified through competent evidence of identity, to wit:

Helen Y. Dee	
Gil A Buenaventura	
George Gilbert G. Dela Cuesta	
Ana Luisa S. Lim	
Adelita A. Vergel De Dios	
Gabriel S. Claudio	
Vaughn F. Montes	
Lilia R. Bautista	
Armando M. Medina	
Laurito E. Serrano	Passport No. P1780647A Expiry date 26 January 2022
Juan B. Santos	

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Page No. 37  
Book No. 463  
Series of 2019.

  
**ATTY. CATALINO VICENTE L. ARABIT**  
NOTARY PUBLIC  
Notary Public  
Appointment No. M-30 (2019-2020)  
Until 31 December 2020  
PTR NO. 7333574; 01-03-2019; Makati City  
IBP NO. 058198; 01-03-2019; Makati City  
ROLL NO. 40145  
21st Floor Yuchengco Tower 2, RCBC Plaza  
Ayala Avenue - Makati City



COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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*Helen Y. Dee*  
**Helen Y. Dee**  
 Chairperson of the Board

*George Gilbert G. Dela Cuesta*  
**George Gilbert G. Dela Cuesta**  
 Corporate Secretary

*Adelita A. Vergel De Dios*  
**Adelita A. Vergel De Dios**  
 Independent Director

*Vaughn F. Montes*  
**Vaughn F. Montes**  
 Independent Director

*Armando M. Medina*  
**Armando M. Medina**  
 Independent Director

*Juan B. Santos*  
**Juan B. Santos**  
 Independent Director

*Gil A Buenventura*  
**Gil A Buenventura**  
 President

*Ana Luisa S. Lim*  
**Ana Luisa S. Lim**  
 Chief Compliance Officer

*Gabriel S. Claudio*  
**Gabriel S. Claudio**  
 Independent Director

*Lilia R. Bautista*  
**Lilia R. Bautista**  
 Independent Director

*Laurito E. Serrano*  
**Laurito E. Serrano**  
 Independent Director

**ACKNOWLEDGEMENT**

Republic of the Philippines)  
 Makati City ) S.S.

**MAKATI CITY MAY 27 2019**

BEFORE ME, a duly authorized Notary Public for and in \_\_\_\_\_ City on \_\_\_\_\_, 2019 personally appeared before me, the following, who are personally known to me and/or identified through competent evidence of identity, to wit:

Helen Y. Dee	Passport No. P5952727A Exp. date Feb 7, 2028
Gil A Buenaventura	Passport No. P1316244A Exp. date Dec 18, 2021
George Gilbert G. Dela Cuesta	SSS No. 33-30322455
Ana Luisa S. Lim	DI No. N01-89-098149 Exp. date 2019-06-07
Adelita A. Vergel De Dios	Passport No. P7262666A Exp. date May 21, 2028
Gabriel S. Claudio	Passport No. EC3575904 Exp. date Mar 2, 2020
Vaughn F. Montes	Passport No. P1186014B Exp. date Mar 24, 2029
Armando M. Medina	Passport No. EC4279016 Exp. date May 27, 2020
Lilia R. Bautista	Passport No. EC1817562 Exp. date Aug 5, 2019
Laurito E. Serrano	
Juan B. Santos	Passport No. P4425820A Exp. date Sept 18, 2022

Doc. No. 99  
 Page No. 21  
 Book No. 466  
 Series of 2019.

*[Signature]*  
 NOTARY PUBLIC  
**ATTY. CATALINO VICENTE L. ARABIT**  
 Notary Public  
 Appointment No. M-30 (2019-2020)  
 Until 31 December 2020  
 PTR NO.7333574; 01-03-2019; Makati City  
 IBP NO.058198; 01-03-2019; Makati City  
 ROLL NO. 40145  
 21st Floor Yuchengco Tower 2, RCBC Plaza  
 Ayala Avenue; Makati City