

**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 2019 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer)	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	<a href="https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.pdf">https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.pdf</a>	
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 - The qualification standards for directors are contained in the Corporate Governance Manual. (Part II.A.iii - Qualifications of a Director) <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</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, 6 of which are Independent Directors. Website: <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see Board of Directors)	
<b>Recommendation 1.3</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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/Content/web/img/others/board_charter/Board_Charter_July_30_2018.pdf">https://www.rcbc.com/Content/web/img/others/board_charter/Board_Charter_July_30_2018.pdf</a>  <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> (Part XIII.A - Board of Directors Training Program)	
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. - Part XIII.A of the Corporate Governance Manual contains the training requirements for first-time directors as well as the continuing training requirement of all the directors.	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	For CY 2019, all the first time directors attended the ICD Corporate Governance Orientation Program for 8 hours, while all the directors attended the 4-hour Bank-sponsored Corporate Governance Seminar covering the following topics: (a) Sustainability Reporting conducted by Dr. Allinettes Go Adigue of Global Reporting Initiatives and (b) CDD (Customer Due Diligence) and Trade-based Money Laundering conducted by Dr. Jose Luis Syquia of ADB on Oct. 26, 2019.	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	COMPLIANT	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board. Part 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." ( <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> ) The Board is composed of 12 male directors, and 3 female directors including the Chairperson. Website: <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see <i>Board of Directors</i> )	

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<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.	COMPLIANT	<p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.</p> <p>Part II.A.ii.e of the Bank's 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." <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p> <p>As stated in the Annual Report, the Board of Directors promotes diversity in its membership. It is the policy of RCBC that no person shall be disqualified to sit as member of its Board on the basis of gender, age, religion or political affiliation. The representation of women in the Board has increased from 14% in 2015 to 20% in 2016, and remained at 20% from 2017 to 2019. Among the women in the Board is Mrs. Helen Y. Dee, the Chairperson. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p>	
<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.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	Atty. Dela Cuesta's profile is disclosed in the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> . The duties and functions of the Corporate Secretary are contained in the Bank's By-Laws and the Corporate Governance Manual:	

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3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	<a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a> (Article VIII, Section 6) <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> (Part II.B.iii - Corporate Secretary)	
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 2019, the Corporate Secretary attended a 4-hour bank-sponsored seminar covering the following topics: (a) Sustainability Reporting conducted by Dr. Allinettes Go Adigue of Global Reporting Initiatives and (b) CDD (Customer Due Diligence) and Trade-based Money Laundering conducted by Dr. Jose Luis Syquia of ADB on October 26, 2019. Please see schedule of Annexes for the details of the 2019 Bank-sponsored CG Seminar and attendance of directors and officers.	
<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. Ms. Lim's profile is disclosed in the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
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	Please see schedule of Annexes for the duties and functions of the Chief Compliance Officer.	

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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 seminar covering the following topics: (a) Sustainability Reporting conducted by Dr. Allinettes Go Adigue of Global Reporting Initiatives and (b) CDD (Customer Due Diligence) and Trade-based Money Laundering conducted by Dr. Jose Luis Syquia of ADB on October 26, 2019. Please see schedule of Annexes for the details of the 2019 Bank-sponsored CG Seminar and attendance of directors and officers.	
<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. Please see schedule of Annexes for sample Minutes of the Board meeting.	
<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 2019, part of the budget	

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2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	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. Please see schedule of Annexes for minutes of discussion involving business plan and strategy.	
<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/our-company">https://www.rcbc.com/our-company</a> (see <i>Mission &amp; Vision</i> ) ; 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. Also, Please see schedule of Annexes for the strategic initiatives under the Board Work Plan.	
<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 Mrs. Helen Y. Dee. Mrs. Dee's profile can be found in the 2019 Annual Report (Section 7 - Directors' Profile) : <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 - Please see schedule of Annexes for the Directors Succession Plan and Retirement Policy. Please see schedule of Annexes for the HR Policy on Employee	

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2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	Succession Planning.	
<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	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	( <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a> ), while the Compensation and Rewards program of the Bank for its employees is disclosed under the Social Contributions section of the 2019 Annual Report.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	<a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Optional: Recommendation 2.5</b>			

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1. Board approves the remuneration of senior executives.	COMPLIANT	Provide proof of board approval - The Board approves the remuneration of the senior executives through the Executive Committee, including the review and approval of their credentials and qualifications. Refer to the Annual Report for the aggregate compensation paid to the Bank's Chief Executive Officer and four other most highly compensated executive officers of the Bank in 2019. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
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. - Per Part II.A.v.1 of the Corporate Governance Manual, "A proportion of the executive directors' remuneration shall be structured so as to link reward to corporate and individual performance." <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> Please also see Remuneration and Performance under Risk and Capital Management section of the Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<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. Provide proof if minority shareholders have a right to nominate candidates to the board 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	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT		
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT		



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5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT	<p>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."  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a></p> <p>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 assisted by the Corporate Governance Committee in fulfilling its corporate governance responsibilities, including the oversight of 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, the Committee 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. All nominees to the Board undergo a Fit and Proper Test through the Corporate Governance Committee.  <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p> <p>Section 1.4 of the Corporate Governance Committee (CGC) Charter states that the CGC shall "Assist the Board in making an assessment of the Board's effectiveness in the process of replacing or appointing new members of the Board and/or Board Committees."  <a href="https://www.rcbc.com/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf</a></p>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	<p>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."  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a></p> <p>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 assisted by the Corporate Governance Committee in fulfilling its corporate governance responsibilities, including the oversight of 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, the Committee 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. All nominees to the Board undergo a Fit and Proper Test through the Corporate Governance Committee.  <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p> <p>Section 1.4 of the Corporate Governance Committee (CGC) Charter states that the CGC shall "Assist the Board in making an assessment of the Board's effectiveness in the process of replacing or appointing new members of the Board and/or Board Committees."  <a href="https://www.rcbc.com/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf</a></p>	
<b>Optional: Recommendation to 2.6</b>			

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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	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs. Identify transactions that were approved pursuant to the policy. The Related Party Transactions Policy of the Bank is approved by the Board and disclosed in the website: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Related Party Transactions Policy under Company's Policies</i> )	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	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/uploads/media/RPT-Committee-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/RPT-Committee-Charter---Oct-2019.pdf</a>	
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/corporate-governance">https://www.rcbc.com/corporate-governance</a> . (see <i>Related Party Transactions Policy under Company's Policies</i> )	

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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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> ) The Bank's senior management is disclosed in the website: <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see <i>Senior Management</i> ) <input type="checkbox"/>	
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. ( <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> );  Please see schedule of Annexes for the Performance Management process of the Bank.	
<b>Recommendation 2.9</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. - Please see schedule of Annexes for the Performance Management process of the Bank.	
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.b.4 of the Corporate Governance Manual.	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>	COMPLIANT	<p>(<a href="https://www.rcbc.com/Content/web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>)</p> <p>The Bank's internal control system is discussed in Section 7 (Corporate Governance - Internal Control ) of the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p> <p>The June 21, 2019 Revised ACC Charter provides: Section 2. - 2.1 The ACC shall be responsible for overseeing senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It shall ensure that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiencies and effectiveness of operations, and safeguarding assets. Please see schedule of Annexes for the Revised ACC Charter.</p> <p>Please see schedule of Annexes for the Basic Internal Control policy.</p> <p>The revised Internal Audit Charter also describes the responsibilities of Internal Audit, which include Section 5.3.4 (Evaluate the design, implementation and effectiveness of the Bank's ethics-related objectives, programs and activities) as well as Section 5.3.5 (Assist in the investigation of significant fraudulent activities within the Bank). Please see schedule of Annexes for the copy of the June 21, 2019 Internal Audit Charter.</p>	
<p>3. Board approves the Internal Audit Charter.</p>	COMPLIANT	<p>Provide reference or link to the company's Internal Audit Charter - The revised Internal Audit Charter was approved by the Board during the June 2019 Board Meeting. Please see schedule of Annexes for the copy of the June 21, 2019 Internal Audit Charter.</p>	
<b>Recommendation 2.11</b>			
<p>1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.</p>	COMPLIANT	<p>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.</p> <p>Provide proof of effectiveness of risk management strategies, if any. -</p> <p>The Board's responsibility is discussed in Part II.B.i.b.4 of the Corporate Governance Manual.</p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	( <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> ) Also, the ROC Charter provides that the Board, through the ROC, shall oversee the Risk Governance Framework. ( <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/ROC_Charter_20180226.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/ROC_Charter_20180226.pdf</a> ) The Risk Governance Framework also provides risk governance responsibilities and the framework employed to effectively manage risk. <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Enterprise Risk Management</i> ); The Bank is operating well within the 2019 Enterprise Risk Limits (Please see schedule of Annexes for the 2019 Enterprise Risk Limits); The Bank received satisfactory ratings from Internal Audit and BSP Examinations.	
<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. The Bank's Board Charter is disclosed in the website: <a href="https://www.rcbc.com/Content/web/img/others/board_charter/Board_Charter_July_30_2018.pdf">https://www.rcbc.com/Content/web/img/others/board_charter/Board_Charter_July_30_2018.pdf</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>			
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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Insider Trading Policy under Company's Policies</i> )  <i>The Code of Conduct portion on the Use of Inside Information states that, "Employees should not buy, sell or trade RCBC securities or the securities of other companies about which employees have inside information, until that information becomes public. "</i>	
<b>Optional: Principle 2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Related Party Transactions Policy under Company's Policies</i> )	
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 eight (8) Board-level Committees namely: Executive Committee, Trust Committee, Technology 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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>all Board Committee Charters under Board and Board Committee Chairs</i> )	
<b>Recommendation 3.2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. - Please see schedule of Annexes for the Audit and Compliance Committee (ACC) Charter.	
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: Laurito E. Serrano (Chairperson), Adelita A. Vergel De Dios, and 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. - The profiles of Audit and Compliance Committee members are disclosed in the 2019 Annual Report (Section 7 - Directors' Profile) <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Laurito E. Serrano, who is not the chairman of the Board or of any other Committee. Mr. Serrano's profile is disclosed in the 2019 Annual Report (Section 7 - Directors' Profile) <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Supplement to Recommendation 3.2</b>			



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor. Please see schedule of Annexes for the Minutes of Meeting of the Audit and Compliance Committee (ACC) dated October 18, 2019, which shows the ACC's approval for engaging Punongbayan & Araullo to review the Quarterly FS of the Bank.	
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 Board's Non-Executive Directors (NEDs), which include the Independent Directors of the Audit and Compliance Committee, would meet with the Punongbayan & Araullo (P&A) External Auditor in a venue without anyone from Management being present. This Executive Session or Separate Meeting with NEDs had been conducted on December 9, 2019. This particular meeting of the NEDs with the External Auditors had been facilitated by the Regulatory Affairs Division (Compliance Group). Please see schedule of Annexes for the Agenda of Separate Meeting with NEDs on December 9, 2019.  Moreover, in a separate Special AuditCom Meeting on October 18, 2019 with the P&A External Auditor, the P&A's Audit Plan for the Independent Audit of the Bank's Annual Financial Statements was presented by P&A without the presence of the President & Chief Executive Officer. Thereafter, in another Special AuditCom Meeting on February 21, 2020, the P&A presented, for review of AuditCom, the 2019 Audited Financial Statements and Auditor's Opinion, without the President & CEO being present, before the said 2019 Audited FS with Auditor's Opinion were finally approved by the Board. Please see schedule of Annexes for the Minutes of Special AuditCom Meeting with P&A Auditor on October 18, 2019 and February 21, 2020.	
<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 2019, the Audit and Compliance Committee (ACC) met twelve (12) times. (see Table of Attendance in Section 7 of the 2019 Annual Report). <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. - Please see schedule of Annexes for the Minutes of Meeting of the AuditCom in 2017 wherein the Approval of the appointment of CAE Edel Mary Vegamora was discussed.	
<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/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/Corporate-Governance-Charter---Oct-2019.pdf</a> (Part 5 - Duties and Responsibilities of the Corporate Governance Committee).	
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 two (2) Non-Executive directors as follows: (Chairperson) Adelita A. Vergel De Dios - ID, Vaughn F. Montes - ID, Gabriel S. Claudio - ID, Shih-Chiao (Joe) Lin - NED, and Lilia B. de Lima - NED. Their profiles are disclosed in the 2019 Annual Report (Section 7 - Directors' Profile) <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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. Atty. Vergel De Dios' profile is disclosed in the 2019 Annual Report (Section 7 - Directors' Profile) : <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 2019, the Corporate Governance Committee met ten (10) times. (see Table of Attendance in Section 7 of the 2019 Annual Report). <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<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/Content/Web/img/news-promos/pdf/aboutus/ROC_Charter_20180226.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/ROC_Charter_20180226.pdf</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 two (2) Independent Directors and one (1) Non-Executive Director as follows: - (Chairperson) Vaughn F. Montes, Ph.D. - ID, Laurito E. Serrano - ID, and Richard G.A. Westlake - NED. Their profiles are disclosed in the 2019 Annual Report (Section 7 - Directors' Profile): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. Mr. Montes' profile is disclosed in the 2019 Annual Report (Section 7 - Directors' Profile): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
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 Risk Oversight Committee members are disclosed in the 2019 Annual Report (Section 7 - Directors' Profile): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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/uploads/media/RPT-Committee-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/RPT-Committee-Charter---Oct-2019.pdf</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 two (2) Independent Directors and one (1) Non-Executive Director as follows: (Chairperson) Adelita A. Vergel de Dios - ID, Gabriel S. Claudio - ID, and Shih-Chiao (Joe) Lin - NED. Their profiles are disclosed in the 2019 Annual Report (Section 7 - Directors' Profile): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Recommendation 3.6</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. - All of the Bank's Board Committee Charters can be viewed at: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Board and Board Committee Chairs</i> )	
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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Board and Board Committee Chairs</i> )	
<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 and Section 52 of the Revised Corporation Code which allows remote communication as well: " x x x Directors or trustees who cannot physically attend or vote at board meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate". Please see schedule of Annexes for the pertinent section of the Bank's By-Laws on teleconferencing and for the Board Minutes showing the attendance and participation of its director through teleconferencing.	
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 that materials are given in advance.	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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>			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	<p>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 - Part II.A.iii.b of the Corporate Governance Manual states that: "A non-executive director may concurrently serve as director in a maximum of five (5) publicly listed companies." (<a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>)</p> <p>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.</p> <p>The details of the other positions held by the directors are disclosed in the 2019 Definitive Information Statement:  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a></p>	
<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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</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	Mr. Eugene S. Acevedo, the Bank's President & CEO and only Executive Director, is not serving in more than 2 Boards of listed companies outside of the group.	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	The 2019 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 on November 26, 2018. Please see schedule of Annexes for the proof of approval of 2019 Annual Board Plan.	
3.			
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 2019, the full Board of Directors met thirteen (13) times (see Table of Attendance in Section 7 of the 2019 Annual Report). <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>  The Separate Meeting of the Non-Executive Directors with heads of control units and external auditor was held on December 9, 2019. Please see schedule of Annexes for the details on attendance of directors.	
5. Company requires as minimum quorum of at least 2/3 for board decisions.	NON-COMPLIANT	Indicate the required minimum quorum for board decisions	Section 6, Article V of the By-Laws states 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." While the minimum quorum of at least 2/3 for board decisions is not specifically required under the By-Laws, all matters (except for RPT matters where abstentions are made) are passed unanimously by the Board after thorough discussion. So, in general (and by way of exception only as to RPT matters), the 2/3 vote is met. <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</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>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 six (6) of the Non-Executive directors are Independent Directors. <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see <i>Board of Directors</i> )	
<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 2019 Annual Report (Section 7 - Directors' Profile); <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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. - As per 2019 RCBC Definitive Information Statement, there are no shareholdings holding any Voting Trust Agreement or any such similar agreement. <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>	
<b>Recommendation 5.3</b>			
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 2019 Annual Report (Section 7 - Directors' Profile); <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 - Part II.A.iii.b of the 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." <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>	
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. Eugene S. Acevedo.	
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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</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.	Part 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 Chairperson and CEO are held by one person. In case of RCBC, the positions of Chairperson and CEO are held by different persons. The Chairperson of the Board is Mrs. Helen Y. Dee while the CEO is Mr. Eugene S. Acevedo. <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>
<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 involving abstentions.	
<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 scheduled to be held at least annually. For CY 2019, the meeting was held on December 9, 2019, attended by the Non-Executive Directors, the Chief Risk Officer, Chief Compliance Officer, Chief Audit Executive, and the external auditor (Punongbayan & Arallo). The said meeting was chaired by Mrs. Helen Y. Dee, who is also a Non-Executive director. Please see schedule of Annexes for the details on attendance of directors.	
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 the 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>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. None of the directors is a former CEO of the company in the past 2 years.	NON-COMPLIANT	Provide name/s of company CEO for the past 2 years -	Mr. Gil A. Buenaventura is a former President/CEO of the Bank until June 20, 2019. Mr. Buenaventura has been serving as a Non-Executive Director of the Bank since July 1, 2019.
<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 the portion of the Board Minutes covering the discussion of the summary of the results of the 2018 Board Evaluation: (a) Board self-assessment (b) Evaluation of the Chairperson by the Independent Directors (c) Evaluation of the CEO by the Non-Executive Directors (d) Evaluation of the different Board Committees	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
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. <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>
<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	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	<p>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. Part IV of the same Manual also states that the Board should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the shareholders. As indicated in the 2019 Annual Report, the Bank has established an Investor Relations Program wherein the Corporate Information Officer (CIO) is responsible for efficiently providing information and addressing the concerns of its shareholders and other stakeholders through the Bank webpage which provides complete information about the Bank in a form that is user-friendly. The Annual Stockholders Meeting also provides a venue for the shareholders to raise questions about the Bank's performance, strategic plans and other concerns.</p> <p><a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>  <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p>	
<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	<p>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. (Part X1 - Code of Conduct)  <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see Code of Business Conduct and Ethics)</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. - The dissemination of the Code of Business Conduct and Ethics to the Board, officers and employees is done through the Bank's RIZ Online library.</p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Part X1 - Code of Conduct) (see <i>Code of Business Conduct and Ethics</i> )	
<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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Code of Business Conduct and Ethics and Conflict of Interest Policy</i> ) These are also discussed in the 2019 Annual Report (Section 3 Economic Contributions - Business Ethics). <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 comply with the Code of Business Conduct and Ethics and any findings on non-compliance. - The Code of Business Conduct and Ethics applies to all Directors and Associates of the Bank. The Code of Conduct is posted in the Bank's intranet (HRG Online Library). The provisions of the Code are used to discipline erring employees.	
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
<p>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.</p>	COMPLIANT	<p>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/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>  <a href="https://www.rcbc.com/company-disclosures">https://www.rcbc.com/company-disclosures</a>  <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232</a>  <a href="https://www.rcbc.com/investor-relations">https://www.rcbc.com/investor-relations</a></p>	
<b>Supplement to Recommendations 8.1</b>			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	COMPLIANT	<p>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. - The annual audited financial statements were released 62 days from end of fiscal year 2019 while quarterly interim reports were published within 45 days from the end of the quarter. 2019 AFS is disclosed in the website:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7e0f498b3f0f12990de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7e0f498b3f0f12990de8473cebbd6407</a></p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	COMPLIANT	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> <li>1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</li> <li>2. cross-holdings among company affiliates; and</li> <li>3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.</li> </ol> <p>1. There are no identified risks to minority shareholders associated with the identity of the company's controlling shareholders. Nonetheless, the identity of the controlling shareholders as well as the ownership concentration are disclosed in the 2019 Annual Report  <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p> <p>2. 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/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p> <p>3. There are no voting agreements in place and the By-Laws of the Bank allows all shareholders, including minority shareholders, the right to nominate candidates for the Board of Directors.  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a></p>	
<b>Recommendation 8.2</b>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.</p>	COMPLIANT	<p>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</p> <p>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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p>	
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	COMPLIANT	<p>Please see schedule of Annexes for the Excerpt of Employee's Code of Conduct on the disclosure or reporting of any dealings in the company's shares to HRG – Employee Relations Department within 3 business days.</p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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 disclosures can be viewed at: <a href="https://www.rcbc.com/company-disclosures">https://www.rcbc.com/company-disclosures</a> .  <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see <i>Conglomerate Map</i> )	
<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/our-company">https://www.rcbc.com/our-company</a> (see <i>Board of Directors</i> ) Their profiles are also disclosed in the 2019 Annual Report (Section 7 - Directors' Profile): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
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/our-company">https://www.rcbc.com/our-company</a> (see <i>Senior Management</i> ) Their profiles are also disclosed in the 2019 Annual Report (Section 7 - Senior Management Profiles): <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Recommendation 8.4</b>			



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 (Article XI - Dividends and Profit Sharing): <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</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 Section 7 (Social Contributions - Compensation and Rewards Program) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Section 7 (Corporate Governance - Senior Executive Compensation) of the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Related Party Transactions Policy under Company's Policies</i> )	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company discloses material or significant RPTs reviewed and approved during the year.	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="https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.pdf">https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.pdf</a> (Item 12. Certain Relationships and Related Transactions)</p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	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 Committee member has conflict of interest in a particular RPT, he should refrain from evaluating that particular transaction.</p> <p>(<a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>)</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 97-100 of SEC Form 17-A and disclosed in the website: <a href="https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.pdf">https://www.rcbc.com/uploads/media/06152020---RCBC-2019-SEC-Form-17-A-Annual-Report_compressed.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/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Related Party Transactions Policy under Company's Policies</i> ) <a href="https://www.rcbc.com/uploads/media/RPT-Committee-Charter---Oct-2019.pdf">https://www.rcbc.com/uploads/media/RPT-Committee-Charter---Oct-2019.pdf</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="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=232</a> Website: <a href="https://www.rcbc.com/company-disclosures">https://www.rcbc.com/company-disclosures</a> ; Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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, an independent third party is appointed to evaluate the fairness of the transaction price.  For RCBC-RCBC Savings Bank merger in 2019, the Bank engaged Multinational Investment Bancorporation to render a fairness opinion report on the share swap ratio used for the said merger.	
<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 Definitive Information Statement, the Bank currently does not have shareholder or voting trust agreements. <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> ; The November 2017 Corporate Governance Manual was received by the SEC on May 30, 2018.	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
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 the provisions of BSP Circular No. 969, series of 2017, the Bank submitted to SEC its revised Corporate Governance Manual on May 30, 2018. <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.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 2019 Annual Report (AR) can be viewed at: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
a. Corporate Objectives	COMPLIANT	For (a), see Vision and Mission	
b. Financial performance indicators	COMPLIANT	For (b), see Financial Highlights	
c. Non-financial performance indicators	COMPLIANT	For (c), see Financial Highlights (see <i>Others</i> in the lower part of the table)	
d. Dividend Policy	COMPLIANT	For (d), see Dividend Policy under the Corporate Governance section	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT	For (e), see Directors' Profile For (f), see Board of Directors Table of Attendance under the Corporate Governance section	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT	For (g), see Remuneration of the Board under the Corporate Governance section	For security/safety and other concerns, only the aggregate remuneration is disclosed
g. Total remuneration of each member of the board of directors	NON-COMPLIANT		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	COMPLIANT	Provide link or reference to where this is contained in the Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> (Section 7 - Corporate Governance)	
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 (ACC) in the Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> Please see schedule of Annexes for the excerpt of the Minutes of the ACC Meeting dated May 15, 2019.	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	COMPLIANT	Provide link or reference to where this is contained in the Annual Report: Please see schedule of Annexes for the Minutes of the Audit and Compliance Committee Meeting dated May 15, 2019, which mentions the 2018 Annual Auditor's Report, part of which states that the overall opinion of the auditors is that RCBC's internal controls are adequate.	
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: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> (Section 7 - Risk Management)	
<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. - Please see schedule of Annexes for the Audit and Compliance Committee (ACC) Charter, revised on June 21, 2019.	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	<p>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor. - Please see schedule of Annexes for the Audit and Compliance Committee (ACC) Minutes of Meeting wherein the Committee agreed to recommend for Board approval the reappointment of Punongbayan &amp; Araullo (P&amp;A) as external auditor for RCBC.</p> <p>The Board approved the reappointment of P&amp;A while the Stockholders ratified the appointment of P&amp;A. (see Section VIII of the Minutes of the Annual Stockholders' Meeting on the Appointment of External Auditor) <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf</a> Please see see schedule of Annexes for the ACC Minutes of Meeting on Reappointment of Punongbayan and Araullo</p>	
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 2019, the Bank's external auditor remains to be Punongbayan & Araullo.
<b>Supplement to Recommendation 9.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	COMPLIANT	<p>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." (Part X.D.2 - External Auditor)  <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	COMPLIANT	<p>Provide link/reference to the company's Audit Committee Charter - Please see schedule of Annexes for the Revised Audit and Compliance Committee (ACC) Charter, which provides the following:</p> <p>2.0 General Purpose and Scope of Authority</p> <p>2.1 The ACC shall be responsible for xxx.</p> <p>2.2 The ACC shall provide oversight over the institution's financial reporting policies, practices and control and internal and external audit functions. It shall be responsible for the setting up of the internal audit department and for the appointment of the internal auditor as well as the independent external auditor who shall both report directly to the audit committee. In cases of appointment or dismissal of external auditors, it is encouraged that the decision be made only by independent and non-executive audit committee members. It shall monitor and evaluate the adequacy and effectiveness of the internal control system.</p> <p>2.3 The ACC shall review and approve the audit scope and frequency. xxx</p> <p>2.4 The ACC shall have explicit authority to investigate any matter within its terms of reference xxx.</p> <p>2.5 The ACC shall oversee the Compliance Program xxx.</p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 - Please see schedule of Annexes for the Revised Audit and Compliance Committee (ACC) Charter, which provides the following: xxx 5.2.2 External Audit: 5.2.2.1 Recommend to the Board the selection of the external auditors, considering professional qualification, independence and effectiveness, and recommend the fees to be paid. 5.2.2.2 Recommend any replacement of the external auditors. 5.2.2.3 Consult with external auditors without management's presence about internal controls and the accuracy of the financial statements. 5.2.2.4 Prior to the commencement of the audit, discuss with the external auditor the nature, scope, approach and expenses of the audit, including coordination of audit efforts with Internal Audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts; 5.2.2.5 Evaluate and determine non-audit work, if any, of the external auditor and review periodically the non-audit fees paid to the external auditor both in relation to their significance to the total annual income of the external auditor and in relation to the Bank's total expenditure on consultancy. 5.2.2.6 The Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. If allowed, the non-audit work shall be disclosed in the Company's Annual Report. 5.2.2.7 Ascertain the rotation of audit partner or external audit firm as required by regulations. 5.2.2.8 Ascertain that management responds to recommendations by	
<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 - Please see schedule of Annexes for the revised ACC Charter	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter - Please see schedule of Annexes for the Revised Audit and Compliance Committee (ACC) Charter.	
<b>Recommendation 9.3</b>			



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. As disclosed in the 2019 Annual Report (Section 7 - The External Auditor), the Non-audit fees include engagements for the quarterly review and agreed upon procedures in connection with the Bank's Offering Circulars. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
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 - Please see schedule of annexes for the revised ACC Charter	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	Provide information on audit and non-audit fees paid. - For 2019, fees for audit and non-audit services are as follows (in Million Pesos) (Section 7 - The External Auditor): AUDIT - Parent P7.39, Group P12.68 NON-AUDIT - Parent P6.39, Group P7.81 <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Additional Recommendation to Principle 9</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner;</li> <li>2. Accreditation number;</li> <li>3. Date Accredited;</li> <li>4. Expiry date of accreditation; and</li> <li>5. Name, address, contact number of the audit firm.</li> </ol> <p>Name of the audit engagement partner - Anthony L. Ng;</p> <p>Accreditation number - Partner - No. 1638-A, Firm - No. 0002-FR-5; Expiry date of accreditation - Partner - May 29, 2020, Firm - March 26, 2021; and</p> <p>Name, address, contact number of the audit firm - Punongbayan &amp; Araullo - 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue 1200, Makati City, Philippines Telephone +63 2 988 2288.</p>	
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).	N/A	<p>Provide information on the following:</p> <ol style="list-style-type: none"> <li>1. Date it was subjected to SOAR inspection, if subjected;</li> <li>2. Name of the Audit firm; and</li> <li>3. Members of the engagement team inspected by the SEC.</li> </ol>	The Bank's external auditor has agreed to be subjected to SOAR inspection program being conducted by the SEC but it has not yet been subjected to SOAR.
<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
<p>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.</p>	COMPLIANT	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues. The Bank is compliant with the reporting template of the SEC in accomplishing the sustainability report (SR). The SR has emphasis on the management of economic, environmental, and social issues, including risks and opportunities. Aside from the SEC-prescribed SR template, the Bank follows reporting commitments and disclosures required by its Sustainable Finance Framework that is based on ASEAN Sustainability Bond Standards.</p> <p>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. The Bank's Environmental and Social Management System is discussed in the website:  <a href="http://www.rcbc.com/sustainability">www.rcbc.com/sustainability</a></p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	COMPLIANT	<p>Provide link to Sustainability Report, if any. Disclose the standards used.  <a href="https://www.rcbc.com/uploads/media/06152020---RCBC-2019-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/06152020---RCBC-2019-Sustainability-Report.pdf</a></p>	
<p><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></p>			
<p><b>Recommendation 11.1</b></p>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	COMPLIANT	<p>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.</p> <p>[Please see link of latest quarterly report disclosure: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ec5ddd2706dd7df90de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ec5ddd2706dd7df90de8473cebbd6407</a>] [Website: <a href="http://www.rcbc.com">www.rcbc.com</a>] [<a href="https://www.rcbc.com/investor-presentations">https://www.rcbc.com/investor-presentations</a>]</p> <p>Below is the list of 2019 Media Briefings of the Bank: May 8, 2019 – Q1 Net Income Briefing; July 12, 2019 – Cebu Roundtable Discussion by President/CEO Eugene S. Acevedo; July 15, 2019 – Davao Roundtable Discussion by President/CEO Eugene S. Acevedo; August 7, 2019 – Q2 Net Income Briefing; October 17, 2019 – Media Briefing Auto and home Plus with Mr. Rommel Latinazo; November 27, 2019 – Media Briefing on Digital Transformation Updates with Mr. Lito Villanueva</p> <p>2019 List of Interviews: <a href="https://business.inquirer.net/274663/new-rcbc-ceo-preaches-the-10-commandments">https://business.inquirer.net/274663/new-rcbc-ceo-preaches-the-10-commandments</a> <a href="https://news.abs-cbn.com/business/07/26/19/rcbc-bank-fighting-its-way-back-to-the-top-president-says">https://news.abs-cbn.com/business/07/26/19/rcbc-bank-fighting-its-way-back-to-the-top-president-says</a></p>	
<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	COMPLIANT		
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		
<b>Additional Recommendation to Principle 11</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company complies with SEC-prescribed website template.	COMPLIANT	The Bank's website is compliant with the prescribed template for publicly-listed companies' websites, as prescribed by the SEC in Memorandum Circular No. 11, Series of 2014.	
<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 Section 7 (Corporate Governance - Internal Control) of the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Group has established a Risk Governance Framework (RGF) which aims to: - Identify, measure, control, and monitor the risk inherent to the Group's business activities or embedded in its products and portfolios; - Formulate, disseminate, and observe the corporate risk philosophy, policies, procedures and guidelines; - Guide risk-taking units in understanding and measuring risk-return profiles in their business transactions; - Continually develop an efficient and effective risk management infrastructure; and - Comply with regulations on risk and capital management. The Risk Appetite Framework which includes the Risk Appetite Statement (RAS) and Risk Limits is imbedded in RGF. The Bank also has an Internal Capital Adequacy Assessment Process & Recovery Plan (ICAAP-RP) Framework, Operational Risk Framework, Environmental & Social Management System (ESMS), and various risk framework and policies owned by the 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 schedule of Annexes for the for the copy of the Compliance Manual.	
<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 the Bank's IT Risk Management Program .	
<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. - The 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. Ms. Vegamora's profile is disclosed in the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> Please see schedule of Annexes for the for the Job Description (JD) of the CAE	
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 Job Description (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 Risk Management Group (RMG) and the Credit Management Group (CMG). RCBC recognizes that the core banking activity of managing risks is not the sole province of RMG and CMG. It is rather a function that cuts across the entire organization. Three Lines of Defense model was adopted by the Bank. Each line of defense play distinct role in managing risk. See responsibilities in RGF. RCBC has identified risk types that are inherent with its strategy and business model. The second line of defense (risk & control units) were also identified for each specific risk types. Risk control owners are responsible for developing and implementing a policy framework that reduces or eliminates preventable risks, and reduces the likelihood and impact of strategic and external risks. Please see schedule of Annexes for the 2019 Risk Governance Framework. Risk control owners regularly assess each risk type. In 2020, the forward looking assessment was included in the process. Risk assessment or the overall risk profile of the Bank and its subsidiaries is translated into a risk heatmap which is regularly reported to the ROC. Please see schedule of Annexes for the RCBC Risk Heatmap.	
<b>Supplement to Recommendation 12.4</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	COMPLIANT	<p>Identify source of external technical support, if any. - External technical support includes the engagement of consultants for:</p> <p>a) Social &amp; Environmental Management Systems (SEMS); SEMS is required by the IFC</p> <p>b) creation of various models</p> <p>c) validation of various models</p> <p>External technical support includes the engagement of consultants for:</p> <p>a) creation of various models (purchased risk rating model from S&amp;P, Application &amp; Behavioral scoring models for consumer loans are from FICO, PFRS 9 ECL model was developed by SGV &amp; CRIF)</p> <p>b) validation of various models (Validation of Market &amp; Liquidity Risk Models was performed by a, independent validator, a UP Professor, in 2019, PFRS 9 ECL Model Validation – Qualitative Assessment was conducted by Internal Audit thru KPMG in 2019 ICAAP Validation was conducted by Internal Audit thru Deloitte in 2019, Enterprise Fraud Diagnostic performed by EY in 2019)</p> <p>c) risk systems maintenance (FIS for ALM)</p>	
<b>Recommendation 12.5</b>			
<p>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).</p>	COMPLIANT	<p>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. Mr. Ahmad's profile is disclosed in the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a></p> <p>Please see schedule of Annexes for the for the Job Description (JD) of the CRO.</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	COMPLIANT	<p>Mr. Jamal Ahmad is a First Senior Vice President.</p> <p>Please see schedule of Annexes for the for the Job Description (JD) of the CRO.</p>	
<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 2019 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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</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/investor-relations-program">https://www.rcbc.com/investor-relations-program</a>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	COMPLIANT	Per Bank's Definitive Information Statement: As of April 30, 2019, 1,935,628,896 Common shares and 267,410 Preferred shares are outstanding, and are entitled to be represented and vote at the Annual Stockholders' Meeting. Each share is entitled to one vote. <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</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/Content/Web/img/about/pdf/AMENDED_AOI_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_AOI_2018.pdf</a> <a href="https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	<p>Provide link to voting procedure. Indicate if voting is by poll or show of hands. - Each matter is discussed individually and is passed only when there is a motion which is duly seconded. Board of Directors who object to a matter inform the Chair and the objection is recorded in the minutes.</p> <p>Please see schedule of Annexes for the sample Minutes of Board Meeting involving motions duly made and seconded.</p>	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	<p>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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>.</p> <p>The Bank is also guided by the requirement of 2/3 vote of shareholders for the matters enumerated under the Revised Corporation Code (e.g. Increase in Capital Stock, Mergers, Amendment of Articles of Incorporation, Removal of Directors, Shortening of Corporate Term, Sale of All or Substantially All of the Assets, etc.)</p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>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.</p>	COMPLIANT	<p>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/investor-relations-program">https://www.rcbc.com/investor-relations-program</a>.</p> <p>Stockholders' call for Special Stockholders' Meeting is allowed under Article IV, Section 2 of the Bank's By-Laws. Please see schedule of Annexes for the section of the Bank's By-Laws on Special Meetings, allowing the stockholders to call for Special Stockholders' Meeting.</p> <p>The Bank is also guided by Section 49 of the Revised Corporation Code on Regular and Special Meetings of Stockholders or Members.</p>	
<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	COMPLIANT	<p>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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 - The bank pays out dividends commensurate to income performance and aims to balance the need to plow back a good part of its earnings for productive activities to spur future dynamic growth. On the average, the Bank's historical dividend payout ratio ranges from 12% - 25%.Currently, the bank pays out dividends 10 trading days from record date. Record date, on the other hand, is set at 10 trading days after Board approval. Please see schedule of Annexes for the details of dividend declaration and payment for 2019 .	
<b>Optional: Recommendation 13.1</b>			
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. - Based on June 24, 2019 Minutes of the Annual Stockholders' Meeting, the Corporate Secretary explained that voting is by poll and the Bank has engaged an independent party, Punongbayan & Araullo, to count and/or validate the votes of the meeting. <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf</a>	
<b>Recommendation 13.2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>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.</p>	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> <p>The Bank complies with the notice requirement provided in its By-Laws. Section 49 of the Revised Corporation Code requires "...That written notice of regular meetings shall be sent to all stockholders or members of record at least twenty-one (21) days prior to the meeting..." Actual notices for 2019 were sent out more than 28 days before the meeting. Please see the Definitive Info Statement for the Date when the Notice was sent out.</p> <p>The SEC Form 20-IS for 2019 can be viewed at:  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>  Please see schedule of Annexes for the PSE Disclosure on Filed Definitive Info Statement</p>	
<b>Supplemental to Recommendation 13.2</b>			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>	COMPLIANT	<p>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/PSE%20Disclosure%20of%202019%20Annual%20Stockholders%20Meeting.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20of%202019%20Annual%20Stockholders%20Meeting.pdf</a></p> <p><a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a></p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	COMPLIANT	<p>Please see the Definitive Info Statement (DIS) at:  <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a></p>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
b. Auditors seeking appointment/re-appointment	COMPLIANT	Please see the Definitive Info Statement (DIS) at: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>	
c. Proxy documents	COMPLIANT	Please see the Definitive Info Statement (DIS) at: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>	
<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 2019 can be viewed at: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a>  Please see schedule of Annexes for the Notice of Meeting with Rationale for Agenda 2019.	
<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/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	<p>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</p> <p>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 5 days as mandated by the Revised Corporation Code. (<a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20of%20RCBC%20held%20on%20June%2024%20201920190703083709.pdf</a>)</p> <p>Please see schedule of Annexes for the Website Posting of ASM Minutes - June 28, 2019.</p>	
<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	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting - Please see Item A.7 of the Definitive Information Statement disclosed in the website: <a href="https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/disclosure/PSE%20Disclosure%20on%20Filed%20Definitive%20Info%20Statement%20with%20Annexes.pdf</a></p>	
<b>Recommendation 13.4</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 - Part 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." <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>	
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/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a> (Part XV.7 - Grievance Procedure)	
<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  SHAREHOLDER ASSISTANCE AND SERVICES Investor Relations Yuchengco Tower, RCBC Plaza Tower 1 Ayala Avenue, Makati City 1226 Philippines Tel: (+632) 8894-9000 Email: <a href="mailto:Investor_Relations@rcbc.com">Investor_Relations@rcbc.com</a>	
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 2019 ASM held on June 24, 2019.	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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, 2019 is 24.08%. This is actually higher than the minimum current requirement of 10%, and although SEC and PSE have plans to increase the minimum requirement to 20%-25%, the understanding is that publicly-listed companies are given 5 years to comply.
<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/investor-relations-program">https://www.rcbc.com/investor-relations-program</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/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf">https://www.rcbc.com/Content/Web/img/about/pdf/AMENDED_BYLAWS_2018.pdf</a>
<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>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 identifies its various stakeholders and how it creates wealth and promotes growth and sustainability in the annual report: <a href="http://www.rcbc.com/annual-reports">www.rcbc.com/annual-reports</a> The Bank's policies are discussed in the website: <a href="http://www.rcbc.com/sustainability">www.rcbc.com/sustainability</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 Corporate Governance Manual, the rights of Minority shareholders are also especially protected. <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a>	
<b>Recommendation 14.3</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>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.</p>	COMPLIANT	<p>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.</p> <p>Provide information on whistleblowing policy, practices and procedures for stakeholders - <a href="https://www.rcbc.com/investor-relations">https://www.rcbc.com/investor-relations</a> For Inquiries, Email: <a href="mailto:Investor_Relations@rcbc.com">Investor_Relations@rcbc.com</a></p> <p>The Bank's whistleblowing policy is disclosed in the website: <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf</a></p> <p>To give everyone an additional channel to raise concerns accordingly, an anonymous reporting system ("Talk to Us") is available at the bottom portion of the company website, <a href="http://www.rcbc.com">www.rcbc.com</a>. This reporting tool aims to further mitigate risks and losses through the early discovery of irregular activities.</p>	
<b>Supplement to Recommendation 14.3</b>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	COMPLIANT	<p>Provide information on the alternative dispute resolution system established by the company. - Part XV.7 of the Corporate Governance Manual on Grievance Procedure 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.</p> <p><a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Corporate_Governance_Manual_May2018.pdf</a></p>	
<b>Additional Recommendations to Principle 14</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	COMPLIANT	Disclose any requests for exemption by the company and the reason for the request. - No exemption was 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. - Approving and overseeing the implementation of the Bank's consumer protection policies as well as the consumer assistance mechanism to ensure that the consumer protection practices are embedded in its business operations as documented in the Financial Consumer Protection Framework and Annual Report of the Bank. The Consumer Protection Department is the sole unit of the bank under the Risk Management Group that handles the overall implementation of the Financial Consumer Protection Framework where all complaints received from all channels are assessed, analyzed and reported to the Risk Oversight Committee on a regular basis.	
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 Section 7 (Corporate Governance) of the 2019 Annual Report: <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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 Workplace Conditions, Labor Standards, and Human Rights policies of the Bank is discussed in Section 5 (Social Contributions) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Section 5 (Social Contributions) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Occupational Health and Safety policies of the Bank is discussed in Section 5 (Social Contributions) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 employee training and development is discussed in Section 5 (Social Contributions) of the 2019 Annual Report. The Occupational Health and Safety policies of the Bank is also discussed in Section 5 (Social Contributions) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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 Section 7 (Corporate Governance) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</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, to avoid conflict of interest, employees are to conduct business transactions for the Bank in accordance with Bank policy and avoid direct or indirect use of the Bank's goodwill, reputation, funds and property or other resources for personal gain. This involves, among other things, accepting gifts, entertainment or favors from customers or suppliers; outside employment; outside directorship; and receiving commissions or benefits from customers or suppliers. The Code of Conduct is a main topic included in the Bank's Employee Orientation Program (EOP) and Branch Induction Program (BIP), which are held on a regular basis. Please see schedule of Annexes for the sample training material for EOP and BIP. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Supplement to Recommendation 15.2</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 Section 7 (Corporate Governance) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	
<b>Recommendation 15.3</b>			
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/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf</a>  Any person may report such concerns thru the Talk to Us link found 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	The Bank's Whistleblowing Policy is disclosed in the website: <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf</a>	

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. <a href="https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf">https://www.rcbc.com/Content/Web/img/news-promos/pdf/aboutus/Whistleblowing%20Policy_approved%20July%202017_updated%20July%202018.pdf</a>	
<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/sustainability">https://www.rcbc.com/sustainability</a>	
<b>Optional: Principle 16</b>			
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 Environmental and Social Management System (ESMS) are discussed in the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a>	



	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. - The Bank's Corporate Social Responsibility efforts are discussed in Section 6 (Contributing to Sustainable Development through our Products and Services) of the 2019 Annual Report. <a href="https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/RCBC-2019-Annual-and-Sustainability-Report.pdf</a> Other activities of the Bank can also be found in the website. <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see <i>Corporate Social Responsibility</i> )	

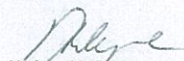
**SCHEDULE OF ANNEXES**

<b>Annex</b>	<b>Document</b>	<b>Pertinent I-ACGR Recommendations</b>
1	2019 Bank-sponsored CG Seminar	Recommendation 1.5 (4) Recommendation 1.6 (4)
2	Screenshot of Sample Dates of Sending Out Materials	Optional: Recommendation 1.5 (1) Recommendation 4.1 (2)
3	Duties and Functions of the Chief Compliance Officer	Recommendation 1.6 (1-3)
4	Sample Minutes of the Board Meeting	Recommendation 2.1 (1) Recommendation 4.1 (3)
5	Minutes of the Board Meeting on Business Plan and Strategy	Recommendation 2.2 (1-2)
6	Strategic Initiatives under the Board Work Plan	Supplement to Recommendation 2.2 (2)
7	CGC Retirement Policy of Directors as Part of the Succession Planning	Recommendation 2.4 (1-2)
8	HR Policy on Succession Planning	Recommendation 2.4 (1)
9	Performance Management Process	Recommendation 2.8 (2) Recommendation 2.9 (1-2)
10	Revised Audit and Compliance Committee (ACC) Charter	Recommendation 2.10 (1-2) Recommendation 3.2 (1) Recommendation 9.1 (1) Recommendation 9.2 (1 -2) Supplement to Recommendation 9.2 (1) Supplement to Recommendation 9.2 (2) Recommendation 9.3 (2)
11	Basic Internal Control Policy	Recommendation 2.10 (1-2)
12	Internal Audit Charter - June 21, 2019	Recommendation 2.10 (1-3)
13	2019 Enterprise Risk Limits	Recommendation 2.11 (1-2)
14	Minutes of Special ACC Meeting 10-18-19	Supplement to Recommendation 3.2 (1) Supplement to Recommendation 3.2 (2)
15	Agenda of Separate Meeting with NEDs 12-09-19	Supplement to Recommendation 3.2 (2)
16	Minutes of Special ACC Meeting 02-21-20	Supplement to Recommendation 3.2 (2)
17	Minutes of Meeting of the AuditCom - Approval on the Appointment of CAE 2017	Optional: Recommendation 3.2 (2)
18	Pertinent Section of the Bank's By-Laws on Teleconferencing	Recommendation 4.1 (1)
19	Board Minutes Showing Attendance and Participation of Directors through Teleconferencing	Recommendation 4.1 (1)
20	Proof of approval of 2019 Annual Board Plan	Optional: Principle 4 (2)
21	Separate Meeting of the Non-Executive Directors (NEDs) - Details of Attendance	Optional : Principle 4 (4) Recommendation 5.7 (1)
22	Minutes of Board Meeting involving Abstentions	Recommendation 5.6 (1)
23	Minutes of the Board Meeting covering the results of 2018 Board Evaluation	Recommendation 6.1 (1-4)
24	Disclosure or reporting of any dealings in the company's shares to HRG – Employee Relations Department	Recommendation 8.2 (2)
25	Excerpt of the Minutes of the ACC Meeting	Optional: Principle 8 (3-4)
26	ACC Minutes of Meeting - Reappointment of Punongbayan & Araullo	Recommendation 9.1 (2)
27	ACC Minutes of Meeting - External Audit Partner's discussion of whether or not there is any conflict of interest of the external auditor.	Recommendation 9.3 (2)
28	Compliance Manual	Supplement to Recommendation 12.1 (1)
29	IT Risk Management Program	Optional : Recommendation 12.1 (1)

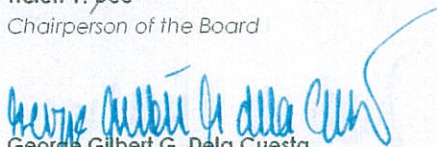
30	Job Description of Chief Audit Executive (CAE)	Recommendation 12.3 (1-2)
31	2019 Risk Governance Framework	Recommendation 12.4 (1)
32	RCBC Risk Heatmap	Recommendation 12.4 (1)
33	Job Description of Chief Risk Officer (CRO)	Recommendation 12.5 (1-2)
34	2019 Attestation	Additional Recommendation to Principle 12 (1)
35	Minutes of Meeting of the Board involving Motions Duly Made and Seconded	Supplement to Recommendation 13.1 (3)
36	Section of the Bank's By-Laws on Special Meetings, allowing the stockholders to call for Special Stockholders' Meeting	Supplement to Recommendation 13.1 (5)
37	Details of Dividend Declaration and Payment for 2019	Supplement to Recommendation 13.1 (7)
38	PSE Disclosure on Filed Definitive Info Statement	Recommendation 13.2 (1)
39	Notice of Meeting with Rationale for Agenda 2019	Optional: Recommendation 13.2 (1)
40	Website Posting of ASM Minutes - June 28, 2019	Optional: Recommendation 13.3 (2)
41	Sample Training Material for EOP and BIP	Recommendation 15.2 (2)



Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Compliance Governance Report (IACGR) is signed on behalf of the registrant by the undersigned.

  
**Helen Y. Dee**  
 Chairperson of the Board

  
**Eugene S. Acevedo**  
 President

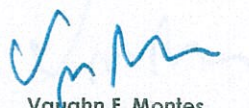
  
**George Gilbert G. Dela Cuesta**  
 Corporate Secretary

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

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

  
**Armando M. Medina**  
 Independent Director

  
**Juan B. Santos**  
 Independent Director

  
**Vaughn F. Montes**  
 Independent Director

  
**Gabriel S. Claudio**  
 Independent Director

  
**Laurito E. Serrano**  
 Independent Director

**ACKNOWLEDGEMENT**

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

BEFORE ME, a duly authorized Notary Public for and in **MAKATI CITY** City on \_\_\_\_\_, 2020 personally appeared before me, the following, who are personally known to me and/or identified through competent evidence of identity and with community tax certificate/s, to wit:

Helen Y. Dee	Passport No. P5952727A; DFA NCR South; Valid until 07 February 2028
Eugene S. Acevedo	Passport No. P75110801A; DFA NCR West; Valid until 10 June 2028
George Gilbert G. Dela Cuesta	SSS NO. 33-303-22455 and IBP ID Lifetime Member No. 03276
Ana Luisa S. Lim	Driver's Licnese No. NO1-89-098149 (Expiry Date: 2024/06/07)
Adelita A. Vergel De Dios	
Armando M. Medina	Passport No. P4912127B; DFA NCR South; Valid until 21 February 2030
Juan B. Santos	Passport No. P4425820A; DFA Manila; Valid until 18 September 2022
Vaughn F. Montes	Passport No. P1186014B; DFA NCR South; Valid until 24 March 2029
Gabriel S. Claudio	Passport No. P3227481B; DFA Manila; Valid until 15 September 2029
Laurito E. Serrano	Passport No. P1780647A; DFA Manila; Valid until 26 January 2022

  
**ATTY. CATALINO VICENTE L. ARABIT**  
 NOTARY Public  
 Appointment No. M-30(2019-2020)  
 Until 31 December 2020  
 PTR NO. 8117176; 01-02-20; Makati City  
 IBP NO. 089306; 01-02-20; Makati City  
 ROLL NO. 40145  
 21st Floor Yuchengco Tower 2, RCBC Plaza  
 Ayala Avenue, Makati City

Doc. No. 122  
 Page No. 24  
 Book No. 523  
 Series of 2020.



COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report (I-ACGR) is signed on behalf of the registrant by the undersigned.

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

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of August 2020, affiant exhibited to me her Competent Evidence of Identity as shown below:

Name	Competent Evidence of Identity
Adelita A. Vergel de Dios	

Doc. No. \_\_\_\_:  
Page No. \_\_\_\_:  
Book No. \_\_\_\_:  
Series of 2020.

NOTARY PUBLIC



**EMBASSY OF THE REPUBLIC OF THE PHILIPPINES**  
**AMBASSADE DE LA RÉPUBLIQUE DES PHILIPPINES**  
**OTTAWA, CANADA**

EMBASSY OF THE PHILIPPINES )  
CONSULAR SECTION ) S.S.  
OTTAWA, CANADA )

**SUBSCRIBED AND SWORN TO** before me this 27th day of August 2020 at  
Ottawa, Ontario, Canada, affiant exhibiting to me her Philippine Passport No.  
201666A issued on 22 May 2018 at the DFA NCR NORTHEAST.



  
**ERIC R. AQUINO**  
Consul

D No. : 0989  
Service No. : 3399  
File No. : 0064  
Book No. : XIII  
Series of : 2020  
F : C\$ 36.25  
O : 8487669