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June 22, 2021

**SECURITIES AND EXCHANGE COMMISSION**

G/F Secretariat Building  
PICC Complex, Roxas Boulevard  
Pasay City, 1307

Attention: Director Rachel Esther J. Gumtang - Remalante  
Corporate Governance and Finance Department

Dear Director Gumtang - Remalante,

Pursuant to SEC Memorandum Circular No. 15, Series of 2017, we submit herewith the 2020 Integrated Annual Corporate Governance Report of Rizal Commercial Banking Corporation.

Thank you.

Very truly yours,

**RIZAL COMMERCIAL BANKING CORPORATION**

By:

A handwritten signature in black ink, appearing to read "Brent C. Estrella", written in a cursive style.

**BRENT C. ESTRELLA**  
*Chief Compliance Officer*

COVER SHEET

1 7 5 1 4

S.E.C. Registration Number

R I Z A L C O M M E R C I A L B A N K I N G

C O R P O R A T I O N

(Company's Full Name)

6 8 1 9 A Y A L A A V E N U E C O R N E R G I L

P U Y A T A V E N U E M A K A T I C I T Y

(Business Address: No. Street City/ Town/ Province)

Ma. Dianette D. Dionisio

Contact Person

8894-9000 (loc. 1912)

Company Telephone Number

SEC FORM 17-C

1 2 3 1

Month Day Fiscal Year

I A C G R

FORM TYPE

0 6 2 8

Month Day Annual Meeting

Secondary License Type, If Applicable

C G F

Dept. Requiring this Doc.

Amended Articles Number/Section

831

Total No. Of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

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LCU

Document I.D.

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Cashier

STAMPS

Remarks= pls. Use black ink for scanning purposes



## SEC FORM – I-ACGR

### INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended December 31, 2020
2. SEC Identification Number 17514
3. BIR Tax Identification No. 000-599-760-000
4. Exact name of issuer as specified in its charter RIZAL COMMERCIAL BANKING CORP
5. Philippines  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. RCBC Plaza Yuchengco Tower 6819 Ayala Ave. cor. Sen. Puyat Avenue, Makati 1200  
Address of principal office Postal Code
8. (632) 8894-9000  
Issuer's telephone number, including area code
9. Not Applicable  
Former name, former address, and former fiscal year, if changed since last report.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT - 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;	1. The profiles of the directors are disclosed in the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer) Link/Reference: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	2. The qualification standards for directors are contained in the Corporate Governance Manual. (Part II.A.iii - Qualifications of a Director) Link/Reference: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.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		
<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.	In accordance with RCBC's By-Laws and Corporate Governance Manual, RCBC's Board of Directors is comprised of 15 members. In 2020, the 15-member board is composed of 14 Non-Executive Directors, including 6 Independent Directors, and one Executive Director. This information is disclosed in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement (under Board Composition) which are posted in the RCBC website. Links: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual & Sustainability Report) <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.	The policy on the training of the directors is provided in Part XIII.A (Board of Directors Training Program) of the Corporate Governance (CG) Manual, and in Section 5.2 of the CG Committee Charter. The CG Manual and the CG Committee Charter are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <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>
2. Company has an orientation program for first time directors.	COMPLIANT	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. -	The orientation program for first time directors shall be for at least eight hours, while the annual continuing training shall be at least for four hours. The training programs should cover topics relevant in carrying out their duties and responsibilities as directors. In 2020, Dir. Gayatri P. Bery, a first time director of RCBC, attended the ICD course on Corp. Governance Orientation Program (CGOP) held on Sept. 8 and 9, 2020, 8:00am - 12:00nn. Refer to the schedule of Annexes (Annex 01) for the e-Certificate of Attendance of Dir. Gayatri Bery from ICD

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Company has relevant annual continuing training for all directors.	COMPLIANT		<p>The Directors' annual continuing training program makes certain that the directors are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the company. It involves courses on corporate governance, matters relevant to the company, including audit, internal controls, risk management, sustainability and strategy. The Bank shall assess its own training and development needs in determining the coverage of their continuing training program. The annual continuing training shall be at least for four hours.</p> <p>In 2020, the Directors attended the following online seminars as part of their continuing education:</p> <ol style="list-style-type: none"> <li>1. August 26, 2020, 2:00-4:00pm – Best practices to manage ML/TF risks arising from OSEC coursed through Banks/MSBs</li> <li>2. Sept. 23, 2020, 3:00-5:00pm – BSP Supervisory Assessment Framework to replace CAMELS</li> </ol> <p>Refer to the schedule of Annexes (Annex 02) for the details of the 2020 Annual Training of the Directors.</p>
<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.	<p>Part II.A.ii.e of the Bank's Corporate Governance (CG) Manual states that "The Board should be composed of directors with collective working knowledge, experience or expertise that is relevant to the industry/sector that the company is in. The Board should always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and to respond to the needs of the organization based on evolving business environment and strategic direction. 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."</p> <p>In Y2020, the Board has 4 female directors out of the 15 board members. Among the women in the Board are Atty. Adelita A. Vergel De Dios, an independent director, Atty. Lilia B. de Lima, Gayatri P. Bery and Mrs. Helen Y. Dee, the Chairperson. The CG Manual and the current members of the RCBC Board of Directors are posted in the RCBC website.</p> <p>Link/References:  <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>  <a href="https://www.rcbc.com/our-company#Board-of-Directors">https://www.rcbc.com/our-company#Board-of-Directors</a></p>
<b>Optional: Recommendation 1.4</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	COMPLIANT	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.	Part II.A.ii.e of the Bank's Corporate Governance Manual states that "The Board should be composed of directors with collective working knowledge, experience or expertise that is relevant to the industry/sector that the company is in. The Board should always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and to respond to the needs of the organization based on evolving business environment and strategic direction. The Board shall promote diversity in its membership and shall not disqualify a nominee/member on the basis of gender, race, age, religion, or political affiliation." The progress on the Board diversity is reported yearly in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement which is posted in the RCBC website. In Y2020, the representation of women in the Board increased from 20% in 2019 to 26.67% in 2020. The Board has 4 female directors out of the 15-member board. Among the women in the Board are Atty. Adelita A. Vergel De Dios, an independent director and Mrs. Helen Y. Dee, the Chairperson. Links/References: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/annual-reports%20(2020%20Annual%20and%20Sustainability%20Report)">https://www.rcbc.com/annual-reports (2020 Annual and Sustainability Report)</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
<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.	Atty. George Gilbert G. Dela Cuesta is the Bank's Corporate Secretary. He is not the Chief Compliance Officer nor is he a member of the Board. His profile is disclosed in the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer) while the duties and responsibilities of the Corporate Secretary are contained in the Bank's By-Laws and in the Corporate Governance Manual (Part II.B.iii - Corp. Secretary). Said documents are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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> (Article VIII, Section 6) <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.-	In 2020, the Corporate Secretary attended the following online seminars as part of his continuing education: 1. August 26, 2020, 2:00-4:00pm – Best practices to manage ML/TF risks arising from OSEC coursed through Banks/MSBs 2. Sept. 23, 2020, 3:00-5:00pm – BSP Supervisory Assessment Framework to replace CAMELS
<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 -	The Board meeting materials are generally released to the Board 5 business days (1 calendar week) before the meeting. Refer to the schedule of Annexes (Annex 03) for the sample Board materials distributed at least 5days before the Board meeting.
<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 (CCO) and Head of the Regulatory Affairs Group is Mr. Brent C. Estrella. He has a rank of First Senior Vice President and he is not a member of the Board. The profile of Mr. Estrella is disclosed in the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer) while the duties and responsibilities of the CCO are provided in Part X.A of the Corporate Governance Manual. Both documents are posted in the RCBC website. Links/Reference: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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		

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Compliance Officer is not a member of the board.	COMPLIANT		<a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>
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.	In 2020, the Chief Compliance Officer attended the following online seminars as part of the CCO's continuing education: 1. August 26, 2020, 2:00-4:00pm – Best practices to manage ML/TF risks arising from OSEC coursed through Banks/MSBs 2. Sept. 23, 2020, 3:00-5:00pm – BSP Supervisory Assessment Framework (SAFr) to replace CAMELS
<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) -	Board 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. Reference: See schedule of Annexes (Annex 04) 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 -	In November 2020, the Board approved the 2021 Board Work Plan which contains the business strategies of the different business groups. Thus every month, one business group makes a strategy presentation to the board for discussion. In addition, part of the budget matters tackled in the Special BOD Meeting in December 2020 is the discussion on the strategy undertaken for the previous fiscal year and the strategy moving forward. Refer to schedule of Annexes (Annex 05) for Board minutes on the discussion involving business plan and strategy.
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT		
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values.	The Bank's Mission and Vision are set in the long-term, and are reviewed as necessary. With regard to the Core Values, the YGC Human Resources (HR) Council undertook a thorough review of the corporate values of all YGC member-companies to derive common standards for behavioral excellence and arrive at common appellations therefor. The review resulted in the indication of five (5) YGC Core Values, to wit: 1. Passion for Excellence - striving to be great and not just good; improving our results continuously. 2. Sense of Urgency - doing things fast; taking the initiative to respond to the needs of various stakeholders, internal and external clients. 3. Professional Discipline - possessing strong work ethic; deserving trust and respect; using bank funds and property (including time) prudently; acting with fairness and objectivity; being accountable for actions. 4. Loyalty - being good corporate citizens; pursuing corporate interests as one's own; speaking well of the company & taking pride in its achievements. 5. Teamwork - tapping areas of synergy actively; collaborating toward shared goals. The Mission, Vision and Core Values are disclosed in the website. Reference/Link: Website: <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see Mission & Vision);

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	In November 2020, the Board approved the 2021 Board Work Plan which contains the business strategies of the different business groups. Thus every month, one business group makes a strategy presentation to the board for discussion. Refer to the schedule of Annexes (Annex 06) for the approved 2021 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 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer) which is posted in the RCBC website. Link/Reference: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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 -	The succession plan for the directors and senior management are provided in the Corporate Governance Manual, under Sections II.A.viii and XIII.C, which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT		
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance. -	The policy on the remuneration of the directors is disclosed in the Bank's By-Laws (under Article V, Sec. 8- Directors Fees) and in the Corporate Governance (CG) Manual which are posted in the RCBC website. Links: ( <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> ) <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		The Bank's Compensation and Rewards program for its Employees is disclosed in the 2020 Sustainability Report under Employee Management in the Social section. The Bank's Remuneration Policy is also disclosed in the 2020 Annual and Sustainability Report under Employee Management in the Social Contributions section. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual & Sustainability Report)
<b>Optional: Recommendation 2.5</b>			
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. The aggregate compensation paid to the Bank's Chief Executive Officer and four other most highly compensated executive officers of the Bank in 2020 is disclosed in the 2020 SEC FORM 17-A. <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>



	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	Part II.A.v.1 of the Corporate Governance Manual states that "A proportion of the executive directors' remuneration shall be structured so as to link reward to corporate and individual performance." The Compensation and Rewards Program of the Bank for its employees, including the senior officers, is disclosed in the 2020 Sustainability Report, under Employee Management of the Social section. The Bank's Remuneration Policy is also disclosed in the Annual and Sustainability Report under Employee Management of the Social Contributions section. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
<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.	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. Links: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <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>
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	Provide proof if minority shareholders have a right to nominate candidates to the board	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
<b>Optional: Recommendation to 2.6</b>			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	COMPLIANT	Identify the professional search firm used or other external sources of candidates	In accordance with the Bank's By-Laws, the stockholders nominate the directors for election. The candidates that are nominated by the stockholders comes from various sources. Some of the bank's directors and stockholders are fellows of the Institute of Corp. Directors, thus they have access to the database of ICD.
<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 is posted in the RCBC website, under Company Policies. The Bank's definition of related parties include, among others, the Bank's DOSRI and close family members within the 4th degree of consanguinity and affinity, subsidiaries, affiliates and all other YGC companies. The Bank has constituted the Related Party Transactions (RPT) Committee to review all material RPTs to ensure that they are conducted in the regular course of business and not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, and collateral requirement) to such

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT		related parties than similar transactions with non-related parties under similar circumstances. On favorable review, the RPT Committee endorses material RPTs to the Board for approval. Material RPTs approved by the Board shall be submitted to the Stockholders for confirmation during the Annual Stockholders Meeting. The Charter of the RPT Committee can be found in the website. The material RPTs that were approved in 2020 are disclosed in the SEC FORM 17-A. Links: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a> <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> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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 materiality threshold for disclosure and approval of RPTs, as well as the RPT categories, are disclosed in the RPT Policy. Transactions with related parties involving amounts of at least Php10,000,000.00 are considered as material RPTs. The said threshold shall not apply to DOSRI loans and other credit accommodations and guarantees, and other transactions requiring Board approval under the regulations, i.e., cross-selling, outsourcing, etc., which are always considered "material" regardless of amount. All material RPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the material RPT. In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Material RPTs approved by the Board shall be submitted to the Stockholders for confirmation during the Annual Stockholders Meeting. The Related Party Transactions Policy is posted in RCBC website under Corporate Governance > Company Policies. Links: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a>
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	COMPLIANT	Provide information on voting system, if any.	The approval of the material RPTs is done by all the shareholders present during the Annual Stockholders' Meeting, regardless of relationship. Thus the approval of the material RPTs by all the non-related party shareholders are also secured during the Annual Stockholders' Meeting.
<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. <input type="checkbox"/>	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 which is posted in the RCBC website. The Bank's senior management is disclosed in the website. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (see Senior Management)

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance.	The Board's policy and responsibility for assessing the performance of management is discussed in Part II.B.i.c.3 of the Corporate Governance Manual. Part II.B.i.d.1.f of the Manual also provides that the board of directors shall assess at least annually its performance and effectiveness as a body, as well as its various Committees, the individual directors, the Chairperson, the CEO and Senior Management. For the 2020 performance evaluation, RCBC has engaged the Institute of Corporate Directors (ICD) to facilitate the assessment of the performance and effectivity of the board, board committees, individual directors, the Chairperson, the CEO and Senior Management which includes the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive). The result of the 2020 Board performance evaluation as well as the processes and criteria used are disclosed in the 2020 Annual and Sustainability Report and in the 2020 Definitive Statement which are posted in the RCBC website. Links/References: <a href="https://www.rcbc.com/uploads/media/11132020-SEC-Form-17-18-Revised-Corporate-Governance-Manual_WITH-ANNEX.pdf">https://www.rcbc.com/uploads/media/11132020-SEC-Form-17-18-Revised-Corporate-Governance-Manual_WITH-ANNEX.pdf</a> <a href="https://www.rcbc.com/annual-reports%20Annual%20and%20Sustainability%20Report">https://www.rcbc.com/annual-reports (2020 Annual and Sustainability Report)</a> <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf</a> (under Board Performance) Refer also to the schedule of Annexes (Annex 07) for the detailed report of ICD on the results of the 2020 Board performance evaluation, including the methodology used in the evaluation.
<b>Recommendation 2.9</b>			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.	Refer to the schedule of Annexes (Annex 08) for the Bank's Performance Management Framework for management and personnel .
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	As provided under Sec. II.B.i.b.4 of the Corporate Governance Manual and in the Sec. 2.2 of the Audit and Compliance Committee (ACC) Charter, the Board, through the Audit and Compliance Committee, monitors and evaluates the adequacy and effectiveness of the bank's internal control systems. In the 2020 Annual and Sustainability Report and 2020 Definitive Information Statement, the following critical components of the internal control system are discussed: control environment, risk assessment, control activities, management reporting system, monitoring activities and correcting deficiencies. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> (ACC Charter) <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf</a> (page 80) <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT	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. Refer to the schedule of Annexes (Annex 09) for the copy of the June 21, 2019 Internal Audit Charter.

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any.	The Board's oversight responsibility on the establishment of a sound enterprise risk management is discussed in Part II.B.i.b.4 of the Corporate Governance Manual. The Risk Oversight Committee (ROC) Charter also provides that the Board, through the ROC, shall oversee the Risk Governance Framework. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf">https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf</a>
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT		The Risk Governance Framework also provides risk governance responsibilities and the framework employed effectively manage the risks. The Bank is operating well within the 2020 Enterprise Risk Limits. Link: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (see Enterprise Risk Management); Refer also to the schedule of Annexes (Annex 10) for the 2020 Risk Governance Framework
<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 RCBC 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 disclosed in the RCBC website. Link: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Company Policies - Insider Trading Policy)
<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	COMPLIANT	Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.	The policy on granting of loans to directors is incorporated in the Bank's RPT Policy which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a>
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	Indicate the types of decision requiring board of directors' approval and where there are disclosed.	The types of decision requiring board approval are incorporated in the Board Charter, under Sec. 3, Powers, Duties and Responsibilities of the Directors. Link/Reference: <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>
<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>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	RCBC has eight (8) Board-level Committees: 1. Executive Committee 2. Audit and Compliance Committee 3. Risk Oversight Committee 4. Corporate Governance Committee 5. Related Party Transactions Committee 6. Anti-Money Laundering (AML) Committee 7. Trust Committee 8. Technology Committee The charters of the Board Committees are posted in the RCBC website. Link: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (under Board and Board Committee chairs)
<b>Recommendation 3.2</b>			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.	The Charter of the Audit and Compliance Committee (ACC) is posted in the RCBC website. As stated in Sections 5.2.2.1 and 5.2.2.2 of the ACC Charter, part of the duties and responsibilities of the ACC is to recommend to the Board the selection and replacement of the external auditors. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> (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 Audit and Compliance Committee (ACC) is composed of three (3) Independent Directors: Laurito E. Serrano (Chairperson), Adelita A. Vergel De Dios, and Vaughn F. Montes. The qualifications and membership of the ACC are provided in the ACC Charter which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> (ACC Charter)
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 the members of the Audit and Compliance Committee - Laurito E. Serrano (chairman), Vaughn F. Montes and Adelita A. Vergel de Dios are disclosed in the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer) Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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 qualifications of the Chairman of the Audit and Compliance Committee (ACC) are provided in the ACC Charter which is posted in the RCBC website. Director Laurito E. Serrano, the Chairman of the ACC, is not the chairman of the Board or of any other Committee. Mr. Serrano's profile is disclosed in the 2020 SEC FORM 17-A (Item 9) Links: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> (ACC Charter) <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> (Item 9)
<b>Supplement to Recommendation 3.2</b>			
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.	Refer to the schedule of Annexes (Annex 11) for the minutes of the Audit and Compliance Committee (ACC) which showed ACC's approval of the Quarterly FS review (non-audit services) by Punongbayan & Araullo in 2020.

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	In the January 19, 2021 Audit and Compliance Committee (ACC) Meeting, the ACC members (all of whom are independent directors) conducted an Executive Session with the External Auditor, without anyone from the Management present. Refer to the schedule of Annexes (Annex 12) for the excerpt of the ACC Meeting minutes with executive session with Punongbayan & Araullo.  Moreover, the Board's Non-Executive Directors (NEDs), which include the Independent Directors of the Audit and Compliance Committee, would meet annually with the Punongbayan & Araullo (P&A) External Auditor in a venue without anyone from Management being present. In 2020, this Separate Meeting with NEDs was conducted on Dec. 14, 2020. Refer to the schedule of Annexes (Annex 13) for the Agenda of Separate Meeting of NEDs with the External Auditor on December 14, 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 -	In 2020, the Audit and Compliance Committee (ACC) met eighteen (18) times. This is disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under the 2020 Table of Attendance of the Board and Board Committees) which are posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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. -	Sec. 5.2.1.10 of the Audit and Compliance Committee (ACC) Charter provides that the Committee shall be responsible for the appointment, replacement or dismissal of the Chief Audit Executive. In 2020, the Committee approved the resignation/retirement of Edel Mary Vegamora and the appointment of Aline Novilla as the new Chief Audit Executive. Link/Reference: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> (ACC Charter) Refer to the schedule of Annexes (Annex 14) for the minutes of the ACC Meeting wherein the approval of the resignation of Edel Mary Vegamora and the appointment of Aline Novilla were 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 Corporate Governance Committee (CGC) Charter is disclosed in the RCBC website. The duties and responsibilities of the CGC which are contained in Section V of the CGC Charter include the review of the composition of the Board and determine the set of qualifications, skills, experience and/or experience which are aligned with the Bank's strategic direction. Link: <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>
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 qualifications and membership of the Corp. Governance Committee (CGC) are provided in the CGC Charter which is posted in the RCBC website. The CGC is composed of three (3) Independent Directors and two (2) Non-Executive Directors: Adelita A. Vergel De Dios - Chairperson/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 Item 9 of the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer). Links: <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> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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 qualifications of the Chairperson of the Corp. Governance Committee (CGC) are provided in the CGC Charter which is posted in the RCBC website. The Chairperson of the CGC, Adelita A. Verge De Dios, is an Independent Director. Her profile is disclosed in Item 9 of the 2020 SEC FORM 17-A (Item 9 - Directors and Executive Officers of the Issuer). Links: <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> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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.	In 2020, the Corporate Governance Committee met 11 times. This is disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under 2020 Table of Attendance of the Board and the Board Committees) which are posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS--Definitive-Information-Statement--Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS--Definitive-Information-Statement--Part-1-of-2.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
<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 -	RCBC has a Board-level Risk Oversight Committee (ROC). The functions of the ROC are provided in the ROC Charter and in the Corporate Governance Manual which are both posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf">https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.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 qualifications and membership of the Risk Oversight Committee (ROC) are provided in the ROC Charter and in the Corporate Governance Manual which are both posted in the RCBC website. The ROC is composed of three (3) directors, majority of which are independent directors, including the Chairman. The members are as follows: Vaughn F. Montes (Chairman/ID), Laurito E. Serrano (ID), and Gayatri P. Bery (NED). Their profiles are disclosed in Item 9 (Directors and Executive Officers of the Issuer) of the 2020 SEC FORM 17-A. Link: <a href="https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf">https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>
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 qualifications of the Chairman of the Risk Oversight Committee are provided in the ROC Charter and Corporate Governance Manual which are both posted in the RCBC website. Director Vaughn F. Montes, the Chairman of the ROC is not the Chairman of the Board or of any other committee. The profile of Dir. Montes is disclosed in the 2020 SEC Form 17-A (Item 9 - Directors and Executive Officers). Link: <a href="https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf">https://www.rcbc.com/uploads/media/Approved-RCBC-ROC-Charter_2020.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
4. At least one member of the BROCC 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 BROCC.	The profiles of the members of the Risk Oversight Committee (Vaughn F. Montes, Laurito E. Serrano and Gayatri P. Bery) are disclosed in the SEC FORM 17-A (Item 9 - Directors and Executive Officers). Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.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 composition, functions and other information on the Related Party Transactions (RPT) Committee are provided in the RPT Committee Charter and Corporate Governance Manual which are both posted in the RCBC website. Links: <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> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.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 qualifications and membership of the RPT Committee are provided in the RPT Committee Charter and in the Corporate Governance Manual which are both posted in the RCBC website. The RPT Committee is composed of two (2) Independent Directors and one (1) Non-Executive Director: Adelita A. Vergel de Dios - Chairperson/ID, Gabriel S. Claudio - ID, and Shih-Chiao (Joe) Lin - NED. Their profiles are disclosed in Item 9 (Directors and Executive Officers) of the 2020 SEC Form 17-A. Links: <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> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	All the Charters of the Board-level Committees, which contain their functions and other relevant information, are posted in the RCBC website. Link: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Board and Board Committee Chairs)
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.	
<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>			



	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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". The provision on meetings via teleconferencing is provided in the Bank's By-Laws (under Article V, Sec. 3 - Regular Meetings) and in the Board Charter which are both posted in the RCBC website. Due to the pandemic, most of the Board meetings in 2020 were conducted via remote communication or video conferencing. Links/References: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <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> Refer to the schedule of Annexes (Annex 15) for an excerpt of a Board Meeting showing the attendance and participation of the directors via videoconferencing.
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT		Materials are sent ahead of time to the Board and Committee members so that they are fully informed of the matters to be taken up during Board and Committee Meetings. Refer to the schedule of Annexes (Annex 03) for sample screenshot showing that the Board materials were given in advance.
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors	Refer to the schedule of Annexes (Annex 16) for sample Minutes of the Board meeting where questions were raised or clarification/explanation were sought by the directors.
<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	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." In applying this provision to concurrent directorship in entities within a conglomerate, each entity where the non-executive director is concurrently serving as director shall be separately considered in assessing compliance with this requirement. The details of the other positions held by the directors are disclosed in the 2020 Definitive Information Statement (Part 1 of 2). Links: <a href="https://www.rcbc.com/uploads/media/11132020-SEC-Form-17-18-Revised-Corporate-Governance-Manual_WITH-ANNEX.pdf">https://www.rcbc.com/uploads/media/11132020-SEC-Form-17-18-Revised-Corporate-Governance-Manual_WITH-ANNEX.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
<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.	Part II.A.iii.b of the Corporate Governance Manual states that a director should notify the Bank's Board of Directors before accepting directorship in another company. In 2020, the Corporate Secretary did not receive any such notification. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.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 2021 Annual Board Plan, which includes the schedule of Board and Committee meetings for the year, was presented to the Corporate Governance Committee (CGC) and the Board of Directors for approval on Nov. 23 and Dec. 1, 2020 respectively. Refer to the schedule of Annexes (Annex 06 and Annex 17) for the 2021 Annual Board Plan and for the Nov. 23, 2020 CGC Meeting Agenda wherein the 2021 Annual Board Plan was discussed.
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 -	In 2020, the Board of Directors met 12 times. This is disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under 2020 Table of Attendance of the Board and the Board Committees) which are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS--Definitive-Information-Statement--Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS--Definitive-Information-Statement--Part-1-of-2.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
5. Company requires as minimum quorum of at least 2/3 for board decisions.	COMPLIANT	Indicate the required minimum quorum for board decisions	While the bank's By-Laws states that majority of the members in attendance at any board meeting shall decide on its action, all matters that require Board decisions are passed unanimously by the Board after thorough discussion. So in general, the 2/3 vote requirement is always met.
<b>Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.</b>			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	Provide information or link/reference to a document containing information on the number of independent directors in the board	The RCBC Board of Directors is comprised of 15 members. In 2020, the Board has 6 Independent Directors (IDs) or 40% of the Board. The independent directors are: Adelita A. Vergel de Dios, Gabriel S. Claudio, Armando M. Medina, Vaughn F. Montes, Juan B. Santos and Laurito E. Serrano. Dir. A.M.Medina, after serving the bank as an ID for a cumulative term of 9 years (reckoned from 2012) has ceased to be an ID by Dec. 31, 2020 and was elected by the Board as a regular director effective Jan. 1, 2021 to serve the remainder of the term which will end upon the election of directors during the 2021 Annual Stockholders' Meeting. Links containing the information on the number of Independent Directors in the Board: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> (under Independent Directors) <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report, under Independent Directors)
<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 qualifications of an independent director are contained in the Sec. II.A.iii.b of the Corp. Governance Manual while the profiles of the independent directors are disclosed in Item 9 (Directors and Executive Officers of the Issuer) of the SEC Form 17-A. The certification of the independent directors that they continue to possess all the qualifications and none of the disqualifications are attached in the 2020 Definitive Information Statement under Annexes D to D-5. These documents are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-2-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-2-of-2_compressed.pdf</a>
<b>Supplement to Recommendation 5.2</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 2020 RCBC Definitive Information Statement, there are no shareholdings holding any Voting Trust Agreement or any such similar agreement. <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.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, including the number of years that they have served the Bank, are disclosed in Item 9 (Directors and Executive Officers of the Issuer) of the 2020 SEC Form 17-A and in the Definitive Information Statement. Dir. Armando A. Medina, after serving the Bank as an independent director for a cumulative term of 9 years (reckoned from 2012), has ceased to be an independent director by Dec. 31, 2021 and was elected by the Board as a regular director effective Jan. 1, 2021 to serve the remainder of the term which will end upon the election of directors during the 2021 Annual Stockholders' Meeting. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC-17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC-17A_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director	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." Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.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.	COMPLIANT	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. In adherence to this policy, Dir. Armando M. Medina, an Independent Director who has served the bank for a cumulative term of 9 years, reckoned from 2012, has ceased to be an ID by Dec. 31, 2021 and has been appointed as a regular director effective Jan. 1, 2021 to serve the remainder of the term which will end upon the election of directors during the 2021 Annual Stockholders' Meeting. None of the remaining Independent Directors of RCBC has served for more than nine years, with the earliest join date being 2016.
<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. To promote checks and balances, the Chairperson of the Board of Directors shall be a non-executive director or an independent director, and must not have served as CEO of the Bank within the past three (3) years. The positions of Chairperson and CEO shall not be held by one person. Refer to Sec. II.A.vi.a&c of the Corp. Governance Manual which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
<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.	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.	Sec. II.A.vii of the Corporate Governance Manual states that the Board shall designate a Lead Independent Director among the independent directors if the Chairman of the Board is not an independent director, including if the positions of the Chairman of the Board and Chief Executive Officer are held by one person. Mrs. Helen Y. Dee, the Chairperson of the Board is not an independent director, thus, the Board has appointed Mr. Juan B. Santos as the Bank's Lead Independent Director effective March 29, 2021. The Lead Independent Director shall perform a more enhanced function over the other Independent Directors and shall: a. Lead the independent directors at BOD meetings in raising queries and pursuing matters; b. Convene and chair meetings of the non-executive directors without the presence of the executive directors; c. Serve as an intermediary between the Chairperson and the other directors when necessary; and d. Contribute to the performance evaluation of the Chairperson, as required. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report, under Lead Independent Director)
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	Provide proof of abstention, if this was the case -	Please see schedule of Annexes (Annex 18) for sample Board minutes 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 with the external auditor and heads of the internal audit, compliance and risk functions is held annually. In 2020, the meeting was held on December 14, 2020 via videoconferencing, attended by all the Non-Executive Directors, the Chief Risk Officer, Chief Compliance Officer, Chief Audit Executive, and the external auditor (Punongbayan & Araullo). The said meeting was chaired by Mrs. Helen Y. Dee, who is a Non-Executive director since the Lead Independent Director (LID) was only appointed by the Board on March 24, 2021. Thus moving forward, the succeeding separate meetings of the NEDs with the external auditor and the control units heads shall already be chaired by the LID. Refer to the schedule of Annexes (Annex 13) for the Agenda of the Separate NEDs Meeting with the Control Unit Heads and External Auditors which was held on Dec. 14, 2021.
2. The meetings are chaired by the lead independent director.	COMPLIANT		
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	Provide name/s of company CEO for the past 2 years -	Mr. Gil A. Buenaventura is a former President/CEO of the Bank until June 30, 2019 and he has been serving as a Non-Executive Director of the Bank since July 1, 2019. By July 1, 2021, the Bank will already be compliant with this recommendation.
<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	The results of the self-assessment of the 2020 performance of the Board, the individual members, the Chairman and the Committees are contained in the Board Evaluation Report of the Institute of Corporate Directors (ICD), the 3rd party that was engaged by the Bank to support the 2020 board performance assessment. Refer to the Annexes (Annex 07) for the 3rd Party Board Evaluation Report of ICD.
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	Identify the external facilitator and provide proof of use of an external facilitator.	The Bank has engaged the Institute of Corporate Directors (ICD) to support the self-assessment of the 2020 performance of the Board, the Committees, the individual directors, the Chairman and the CEO. Refer to the schedule of Annexes (Annex 07) for the 3rd Party Board Evaluation Report of ICD.
<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	The self-assessment of the 2020 performance of the Board, individual directors and committees was conducted with the support of an external facilitator, the Institute of Corp. Directors (ICD). This is in compliance with the SEC Recommendation 6.1 which states that every 3 years, the assessment should be supported by an external facilitator. The result of the 2020 Board performance assessment, as well as the criteria and procedure by which the assessments were performed are disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under Board Performance) which are posted in the RCBC website. They are also posted in the PSE Edge. These disclosures allow for a feedback mechanism from the shareholders. Links: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1744507563b9ea235d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1744507563b9ea235d542af6f1e997b9</a>
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT		
<b>Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</b>			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	The Bank's Code of Business Conduct and Ethics is posted in the RCBC website. <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf</a>
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. -	The Bank's Code of Business Conduct and Ethics is posted and can be accessed in the RCBC website. It is also posted in the RCBC's intranet, the RCBC RIZ Online Library ( <a href="http://riz.rcbc.com/">http://riz.rcbc.com/</a> ) which can be accessed by all RCBC employees. New Directors are given a Board Kit which includes, among others, the Bank's Code of Business Conduct and Ethics while all new employees are required to undergo the Employee Orientation Program/Branch Induction Program wherein the bank's Code of Business Conduct and Ethics is one of the major topics being discussed.
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. -	The Bank's Code of Business Conduct and Ethics is posted in the RCBC website which is accessible by the public. <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf</a>
<b>Supplement to Recommendation 7.1</b>			

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 -	Under Part D of the Code of Business Conduct and Ethics, 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 Business Conduct and Ethics also has a provision on the different Types of Penalties corresponding to the various Types of Offenses. Link: <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).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. -	To ensure compliance with the Code of Conduct and Business Ethics, all new employees undergo the Employee Orientation Program/Branch Induction Program of the Bank wherein the Code is discussed thoroughly while new directors are given the Code during onboarding. The Code is also posted in the RCBC website and intranet (RIZ Online Library). The Personnel Evaluation and Review Committee (PERC) was created to act as an independent body in the evaluation and review of cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee. The Committee also ensures that the appropriate preventive, corrective and disciplinary measures are imposed on cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee.
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>			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders -	The Bank complies with the PSE Disclosure Rules as well as applicable laws and rules such as the Revised Corporation Code, Banking Laws, and relevant issuances of the Securities and Exchange Commission and the Bangko Sentral ng Pilipinas. The Bank also 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 RCBC website also contains all the required company disclosures. Links: <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpr_id=232">https://edge.pse.com.ph/companyInformation/form.do?cmpr_id=232</a> <a href="https://www.rcbc.com/investor-relations">https://www.rcbc.com/investor-relations</a> <a href="https://www.rcbc.com/company-disclosures">https://www.rcbc.com/company-disclosures</a>
<b>Supplement to Recommendations 8.1</b>			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	COMPLIANT	Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.	The 2020 Audited Financial Statements (AFS) was submitted to the PSE on March 1, 2021 or 60 days from end of fiscal year 2020 while quarterly interim reports were filed within 45 days from the end of the quarter. The 2020 AFS is also disclosed in the website. Links: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=9f3e6ac99fc9723c5d542af61e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=9f3e6ac99fc9723c5d542af61e997b9</a> <a href="https://edge.pse.com.ph/companyPage/financial_reports_view.do?cmpr_id=232">https://edge.pse.com.ph/companyPage/financial_reports_view.do?cmpr_id=232</a> <a href="https://www.rcbc.com/uploads/media/20210302-RCBC-2020-Audited-Financial-Statements.pdf">https://www.rcbc.com/uploads/media/20210302-RCBC-2020-Audited-Financial-Statements.pdf</a>

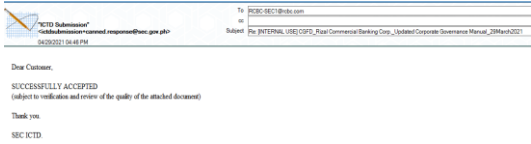
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	COMPLIANT	Provide link or reference to the company's annual report where the following are disclosed: 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.	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 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement (under Shareholdings in the Company). 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. 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. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
<b>Recommendation 8.2</b>			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.	Part XIV of the Corporate Governance Manual requires the Directors to commit at all times to fully report dealings in the Bank's shares within the same day for disclosure within three to five days. For the Bank employees, the Code of Business Conduct and Ethics, under Company Shares, requires all employees to disclose/report any dealings in the company's shares to HRG – Employee Relations Department within 3 business days. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev).pdf</a>
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT		
<b>Supplement to Recommendation 8.2</b>			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	COMPLIANT	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map. -	The information on the shareholdings of the directors and management as of Dec. 31, 2020 is disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement posted in the RCBC website. Links: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf</a>  The list of Top 100 Shareholders of RCBC as of Dec. 31, 2020 is posted in PSE Edge. Link: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=4bbceb09d65ee29a5d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=4bbceb09d65ee29a5d542af6f1e997b9</a>  The Conglomerate Map showing the relationship between the Company and its Related Entities is disclosed in the RCBC website under Our Company (Conglomerate Map). Link: <a href="https://www.rcbc.com/our-company">https://www.rcbc.com/our-company</a> (Conglomerate Map)
<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 profiles of the Bank's Board of Directors are disclosed in the 2020 Definitive Information Statement as well as in Item 9 of the SEC Form 17-A. Links: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	The profiles of the Bank's Senior Management are disclosed in the 2020 Definitive Information Statement as well as in Item 9 of the SEC Form 17-A. Links: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	COMPLIANT	Disclose or provide link/reference to the company policy and practice for setting board remuneration -	The policy on the remuneration of the directors is disclosed in the Bank's By-Laws (Article V, Sec. 8 – Director's Fee and Article XI – Dividends and Profit Sharing), Corp. Governance Manual (Sec. II.A.v) and in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement (under Remuneration of the Board), which are all posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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 policy Executive Remuneration is disclosed in the 2020 Annual and Sustainability Report (under Senior Executive Remuneration in the Corp. Governance section and under Remuneration Policy in the Social Contributions section, which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	The individual remuneration of the directors shall be disclosed confidentially to the SEC and shall be shared with the stockholders during the Annual Stockholders' Meeting on June 28, 2021. However, 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 in the Annual Report. Refer to Item 10 – Executive Compensation of the 2020 SEC Form 17-A which is posted in the RCBC website. <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.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 Related Party Transactions (RPT) Policy provides that any member of the Board who has an interest in the transaction under discussion shall not participate in discussions and shall abstain from voting on the approval of the Related Party Transaction. The RPT Policy is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a>



	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company discloses material or significant RPTs reviewed and approved during the year.	COMPLIANT	Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs: 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 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 9. other terms and conditions	The material RPTs in 2020 are disclosed in Item 12 of the SEC Form 17-A (Certain Relationships and Related Transactions) Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a>
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	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. Section IX of the RPT Policy also provides that interested directors and officers with personal interest in the transaction shall fully and timely disclose any and all material facts, including their respective interests in the related party transaction. Interested directors and officers shall abstain from discussion, approval and management of such transaction or matter affecting the company. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a>
<b>Optional : Recommendation 8.5</b>			
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 policy in ensuring that RPTs are conducted at arms' length terms is provided in the RPT Policy which is posted in the RCBC website. Also as provided in the RPT Committee Charter, the Committee was constituted by the Board of Directors to review proposed Related Party Transactions for the purpose of determining whether or not the transaction is on terms no less favorable to the Bank than terms available to any unconnected third party under the same or similar circumstances. The RPT Policy and the RPT Committee Charter are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a> <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>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Material transactions, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders, are disclosed in accordance with the PSE and SEC disclosure rules and regulations. The disclosures are also posted in the RCBC website, under Company Disclosures and Investor Relations. Disclosure links: PSE Edge link: <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> RCBC Website links: <a href="https://www.rcbc.com/company-disclosures">https://www.rcbc.com/company-disclosures</a> ; <a href="https://www.rcbc.com/investor-relations">https://www.rcbc.com/investor-relations</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.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.	As provided in the RPT Policy, where the amount involved in the transaction is at least 10% of the combined assets of the RCBC Group based on the latest audited financial statement, the transaction shall be accompanied by a fairness opinion issued by an external independent party to be appointed by the Board of Directors. An external independent party may include, but is not limited to, auditing/accounting firms and third party consultants and appraisers. Link: <a href="https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf">https://www.rcbc.com/uploads/media/Rizal-Commercial-Banking-Corp_Updated-RPT-Policy_03June2021.pdf</a>
<b>Supplement to Recommendation 8.6</b>			
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 2020 Definitive Information Statement, there are no shareholdings holding any Voting Trust Agreement or any such similar agreement. <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.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. -	The Bank's updated Corporate Governance Manual is posted in the RCBC website as well as in the PSE Edge. Links: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d0398ccf8cf821185d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d0398ccf8cf821185d542af6f1e997b9</a>
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>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. -	<p>Proof of submission to PSE: Link: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d0398ccf8c821185d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d0398ccf8c821185d542af6f1e997b9</a></p> <p>Proof of submission to SEC:</p> 
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		<i>Provide link or reference to the company's Annual Report containing the said information.</i>	<p>The 2020 Annual and Sustainability Report can be viewed at the RCBC website: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (RCBC 2020 Annual and Sustainability Report)</p> <p>For (a), see Vision and Mission For (b), see Financial Highlights For (c), see Financial Highlights (see Others in the lower part of the table) and Operational Highlights For (d), see Dividend Policy under the Corporate Governance section For (e), see Directors' Profiles For (f), see Attendance in Board and Board Committees Meetings under the Corporate Governance section For (g), see Remuneration of the Board under the Corporate Governance section</p> <p>The individual remuneration of the directors shall be disclosed confidentially to the SEC and shall be shared with the stockholders in the Annual Stockholders' Meeting on June 28, 2021. However, for security/safety and other concerns, only the aggregate remuneration of the directors is disclosed in the 2020 Annual and Sustainability Report and 2020 SEC Form 17-A. Links: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf</a></p>
a. Corporate Objectives	COMPLIANT		
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicators	COMPLIANT		
d. Dividend Policy	COMPLIANT		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT		
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT		
g. Total remuneration of each member of the board of directors	COMPLIANT		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	COMPLIANT	Provide link or reference to where this is contained in the Annual Report	<p>As provided in the 2020 Annual and Sustainability Report, under the Corporate Governance section, the corporate governance framework of RCBC combines global best practices such as the G20/OECD Principles of Good Governance and the general principles of the ASEAN Corporate Governance Scorecard, and the regulatory requirements of SEC Memorandum Circular No. 19, series of 2016 or the Code of Corporate Governance for Publicly-listed Companies and BSP Circular No. 969, series of 2017 or the Enhanced Corporate Governance Guidelines for BSP Supervised Financial Institutions. RCBC's corporate governance framework is embodied in its Corporate Governance Manual, the latest version of which was approved by the Board in March 2021. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)</p>
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	<p>The Audit and Compliance Committee disclosed the highlights of its reviews conducted in 2020 that pertains to internal audit, external audit and compliance functions in the 2020 Annual and Sustainability Report, under Audit and Compliance Committee. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)</p>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	As stated in the 2020 Annual and Sustainability Report, under Audit and Compliance Committee, the Audit and Compliance Committee reports its evaluation of the effectiveness of the internal controls, financial reporting processes, information technology security and controls, risk management systems and governance process of the Bank based on the report and unqualified opinion obtained from the External Auditor, the overall assurance provided by the Chief Audit Executive and additional reports and information requested from Senior Management, and found that these are generally adequate across RCBC. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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	The Board and Management of RCBC believe that effective management of risk is central to achieving strategic objectives and performance targets. In the pursuit of strategy and to produce a superior return for its shareholders, RCBC has identified the various types of risk which is disclosed in the SEC Form 17-A under Major Risks Involved. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf</a>
<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>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	The process for approving and recommending the appointment, reappointment, removal and fees of the external auditor is provided in the Audit and Compliance (ACC) Charter which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	As disclosed in the Highlights of Actions of the Audit and Compliance Committee in the 2020 Annual and Sustainability Report, the ACC endorsed for Board approval the reappointment of Punongbayan and Araullo (P&A) as the external auditor of RCBC for the fiscal year 2020. The reappointment of P&A was approved by the Board and ratified by the Stockholders who were present during the Annual Stockholders' Meeting on July 27, 2021 representing 1,545,912,855 shares or 100.00% of the votes. Links: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a>
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	COMPLIANT	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	For 2020, the Bank's external auditor remains to be Punongbayan & Araullo.
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.	Part X.D.2.v of the Corporate Governance Manual states that: "The Bank's external auditor shall be rotated, or the signing part of the external auditor assigned to the Bank shall be changed, every five (5) years or earlier." Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
<b>Recommendation 9.2</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter -	The duties and responsibilities of the Audit and Compliance Committee (ACC) are provided in the ACC Charter, which is posted in the RCBC website. The ACC's duties and responsibilities include among others, the following: (a) oversight over the internal and external audit functions, (b) ensuring the independence of the external auditors; (c) review the effectiveness of the internal audit function and assess compliance with sound internal auditing standards by commissioning an assessment team outside of the organization to conduct an assessment team outside of the organization to conduct an independent quality assurance review at least every five (5) years. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter -	The Audit and Compliance Committee (ACC) Charter, which is posted in the RCBC website, provides that the ACC is responsible in the selection of the external auditor, considering professional qualification, independence and effectiveness. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>
<b>Supplement to Recommendations 9.2</b>			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter -	The Audit and Compliance Committee (ACC) Charter which is posted in the RCBC website, provides that the ACC's responsibility includes the selection and endorsement of the external auditor to the Board, based on professional qualifications, independence and effectiveness. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter -	The Audit and Compliance Committee (ACC) Charter which is posted in the RCBC website, provides that the ACC monitor and evaluate the adequacy and effectiveness of the internal audit functions. Further, the ACC has ensured that the P&A Team will have an overall quality control reviewer in their team. See attached excerpt of External Auditor's audit planning materials. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a> Reference: See schedule of Annexes (Annex 19) for the External Auditor's audit planning materials.
<b>Recommendation 9.3</b>			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	Disclose the nature of non-audit services performed by the external auditor, if any.	As disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under External Auditor), the non-audit fees pertain only to the quarterly financial statements review. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.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	The policies on non-audit services are disclosed in the Audit and Compliance Charter, which is posted in the website. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>
<b>Supplement to Recommendation 9.3</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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. -	As disclosed in the 2021 SEC Form 17-A (under External Audit Fees and Services) which is posted in the RCBC website, for the audit of the Bank's annual financial statements and services provided in connection with statutory and regulatory filings or engagements, the aggregate amount to be billed/billed, excluding out-of-pocket expenses, by its independent accountant amounts/amounted to P12.02 million and P12.68 million for 2020 and 2019, respectively. Additionally, approximately P7.14 million was paid for other services rendered by the independent accountant in 2020. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17-A.pdf</a>
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm.	Name of the audit engagement partner - Anthony L. Ng Accreditation No: Partner - No. 109764-SEC; Firm - No. 0002 Expiry date of accreditation - Partner - Dec. 31, 2023; Firm - Dec. 31, 2024 Name, address, contact number of the audit firm - Punongbayan & Araullo; 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue 1200, Makati City, Philippines; Telephone +63 2 988 2288
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	COMPLIANT	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC.	The Bank's external auditor has agreed to be subjected to SOAR inspection program being conducted by the SEC. However, they have 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>			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	The Bank's Sustainable Finance Framework and Sustainable Finance Framework Second Party Opinion are disclosed in the Bank's website. Links: <a href="https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework_FinalApril2019.pdf">https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework_FinalApril2019.pdf</a> <a href="https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework-SPO-FINAL.pdf">https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework-SPO-FINAL.pdf</a>
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	Provide link to Sustainability Report, if any. Disclose the standards used.	The 2020 Sustainability Report is disclosed in the Bank's website. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a>
<b>Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.</b>			
<b>Recommendation 11.1</b>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	COMPLIANT	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.	The media briefings, investor presentations, financial information (quarterly reporting) are disclosed in the Bank's website. Links: <a href="https://www.rcbc.com/media-briefings">https://www.rcbc.com/media-briefings</a> <a href="https://www.rcbc.com/investor-presentations">https://www.rcbc.com/investor-presentations</a> <a href="https://www.rcbc.com/financial-information">https://www.rcbc.com/financial-information</a>
<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:		Provide link to company website	

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
a. Financial statements/reports (latest quarterly)	COMPLIANT		2020 Audited Finance Statement: <a href="https://www.rcbc.com/uploads/media/20210302-RCBC-2020-Audited-Financial-Statements.pdf">https://www.rcbc.com/uploads/media/20210302-RCBC-2020-Audited-Financial-Statements.pdf</a> 2021 SEC Form 17-Q as of March 31, 2021 <a href="https://www.rcbc.com/uploads/media/20210514-SEC-Form-17-Q-1Q-2021.pdf">https://www.rcbc.com/uploads/media/20210514-SEC-Form-17-Q-1Q-2021.pdf</a>
b. Materials provided in briefings to analysts and media	COMPLIANT		Media briefings: <a href="https://www.rcbc.com/media-briefings">https://www.rcbc.com/media-briefings</a> Investor Presentations: <a href="https://www.rcbc.com/investor-presentations">https://www.rcbc.com/investor-presentations</a>
c. Downloadable annual report	COMPLIANT		2020 SEC Form 17-A: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> 2020 Annual and Sustainability Report <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
d. Notice of ASM and/or SSM	COMPLIANT		Notice of 2020 ASM: <a href="https://www.rcbc.com/uploads/media/04272020-PSE-Disclosure---Amended-Notice-of-2020-ASM-with-annexes.pdf">https://www.rcbc.com/uploads/media/04272020-PSE-Disclosure---Amended-Notice-of-2020-ASM-with-annexes.pdf</a>
e. Minutes of ASM and/or SSM	COMPLIANT		Minutes of 2020 Annual Stockholders' Meeting: <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a>
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		Articles of Incorporation: <a href="https://www.rcbc.com/uploads/media/AMENDED-AOI-2018-(FDIST)_compressed.pdf">https://www.rcbc.com/uploads/media/AMENDED-AOI-2018-(FDIST)_compressed.pdf</a> By-Laws: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a>
<b>Additional Recommendation to Principle 11</b>			
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 -	As stated in the Audit and Compliance Committee Charter which is posted in the RCBC website, the ACC shall provide oversight over the institution's financial reporting policies, practices and control and internal and external audit functions; shall monitor and evaluate the adequacy and effectiveness of the internal control system and risk management including financial reporting control and information technology security; and shall ensure that a review of the effectiveness of the institution's internal controls, including financial, operational and compliance controls, and risk management, is conducted at least annually. Through this comprehensive system of monitoring and review of risks, controls and compliance in the institution, the Board ensures that the Bank and all business units proactively manage the risk and compliance exposures impacting their respective businesses. Link: <a href="https://www.rcbc.com/uploads/media/A-1.pdf">https://www.rcbc.com/uploads/media/A-1.pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 has an established Risk Governance Framework (RGF) which aims to: a) Identify, measure, control, and monitor the risk inherent to the Group's business activities or embedded in its products and portfolios; b) Formulate, disseminate, and observe the corporate risk philosophy, policies, procedures and guidelines; c) Guide risk-taking units in understanding and measuring risk-return profiles in their business transactions; d) Continually develop an efficient and effective risk management infrastructure; and e) 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 Risk Governance Framework, which is reviewed annually by the Risk Oversight Committee, is based on the following: a) The Risk Management Principles is based on ISO 31000 11 principles, b) The Three Categories of Risk are based from Harvard Business Review, 2012. Managing Risks: A New Framework; and c) The Risk Appetite Framework is based on 1) Deloitte, 2014. Risk Appetite Frameworks: How to Spot the Genuine Article, Senior Supervisors Group (SSG), 2009, 2) Risk Management Lessons from the Global Banking Crisis of 2008, and 3) As noted of some firms during the 2008 financial crisis, by the Senior Supervisors Group (SSG). Reference: Refer to the schedule of Annexes (Annex 10) for the 2020 Risk Governance Framework
<b>Supplement to Recommendations 12.1</b>			
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.	Refer to the schedule of Annexes (Annex 20) for the Bank's comprehensive enterprise-wide Compliance Manual covering compliance with relevant laws and regulations.
<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	As disclosed in the 2020 Annual and Sustainability Report and in the 2021 Definitive Information Statement (under Technology Committee), one of the core oversight functions of the Technology Committee is to review, evaluate and resolve all cyber security issues and disruptions and to monitor disaster recovery activities. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf">https://www.rcbc.com/uploads/media/SEC-Form-20-IS---Definitive-Information-Statement---Part-1-of-2.pdf</a>
<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 Bank has an in-house internal audit function.
<b>Recommendation 12.3</b>			



	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 Bank's Chief Audit Executive (CAE) is Ms. Aline A. Novilla. Her profile is disclosed in Item 9 (Directors and Executive Officers of the Issuer) of the 2020 SEC Form 17-A. The duties and responsibilities of the CAE are provided in the Corporate Governance Manual and in the Internal Audit Charter. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> Refer to the schedule of Annexes (Annex 09) for the Internal Audit Charter.
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		The Part X.C of the Corporate Governance Manual provides that the Chief Audit Executive shall be responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	Identify qualified independent executive or senior management personnel, if applicable.	The internal audit function is not outsourced, As stated in the reply in Recommendation 12.2(1), RCBC has an in-house internal audit function.
<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.	The 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. The responsibilities of the line management are provided in the Risk Governance Framework (RGF). RCBC has identified risk types that are inherent with its strategy and business model. The second line of defense (risk & control units) was 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. 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. References: Refer to the schedule of Annexes (Annex 10) for the 2020 Risk Governance Framework. <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Enterprise Risk Management)
<b>Supplement to Recommendation 12.4</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	Identify source of external technical support, if any.	External technical support includes the engagement of consultants for the following: a) In compliance with BSP Circular 1085 (Sustainable Finance Framework), RCBC entered into an agreement with IFC in January 2021, engaging IFC and 20 Investing Initiative (2DI) to build capacities in the application and use of Climate Scenario Analysis. The results of the advisory engagement with IFC and 2DI will provide tools to assess and monitor RCBC's portfolio sensitivity to transition risks. These, in turn, will be integrated into the Bank's stress testing results that will be reported to the BSP in compliance with BSP Cir. 1085. b) PFRS 9 ECL Model Validation – Qualitative Assessment was conducted by Internal Audit thru KPMG in 2019 (latest) c) Risk systems maintenance (FIS for ALM) d) External vulnerability assessment and penetration testing (E-VAPT) - The Bank engaged the services of PriceWaterhouseCoopers (PWC). This is a requirement of the BSP Cir. 808 (series of 2013)
<b>Recommendation 12.5</b>			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	The Bank's Chief Risk Officer (CRO) is Mr. Juan Gabriel Tomas IV. His profile is disclosed in Item 9 (Directors and Executive Officers of the Issuer) of the 2020 SEC Form 17-A while the duties and responsibilities of the CRO is provided in Part X.E of the Corporate Governance Manual. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-SEC17A_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT		As provided in the Sec. X.E of the Corporate Governance (CG) Manual, the Chief Risk Officer (CRO) shall be the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources and support to fulfill his/her responsibilities, subject to a company's size, risk profile and complexity of operations. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>
<b>Additional Recommendation to Principle 12</b>			
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	Refer to the schedule of Annexes (Annex 21) for the 2020 Attestation that a sound internal audit, control and compliance system is in place and working effectively.
<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 provided in Part XV of the Bank's Corporate Governance Manual, which is posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Provide link to company's website -	The basic shareholder rights are disclosed in the Corporate Governance Manual, in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement which are posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a> <a href="https://www.rcbc.com/annual-reports (2020 Annual and Sustainability Report)">https://www.rcbc.com/annual-reports (2020 Annual and Sustainability Report)</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	COMPLIANT		Per 2020 Definitive Information Statement which is posted in the RCBC website, 1,935,628,896 Common shares and 267,410 Preferred shares are outstanding as of April 30, 2020 and are entitled to be represented and vote at the Annual Stockholders' Meeting. Each share is entitled to one vote. Link: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.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. -	Please refer to the following Links: 2020 Definitive Information Statement (under Manner of Voting): <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> RCBC Articles and Incorporation and By-Laws <a href="https://www.rcbc.com/uploads/media/AMENDED-AOI-2018-(FDIST)_compressed.pdf">https://www.rcbc.com/uploads/media/AMENDED-AOI-2018-(FDIST)_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a>
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	Provide link to voting procedure. Indicate if voting is by poll or show of hands.	The voting procedures are disclosed in the Bank's By-Laws, Minutes of the Annual Stockholders' Meeting and in the 2020 Definitive Information Statement which are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	The shareholder voting procedures are disclosed in the Bank's By-Laws and in the 2020 Definitive Information Statement. Each share is entitled to one vote, regardless of the proportion of a particular shareholder's holdings. Links: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	COMPLIANT	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)	No Special Stockholders' Meeting was held in 2020. The Bank's By-Laws provides that Special Stockholders' Meeting may be called for any purposes at any time by the Chairman of the Board of Directors, or by the holders of not less than one-third of the subscribed capital stock of the Corporation. Link: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	Provide information or link/reference to the policies on treatment of minority shareholders	Part XV of the Corporate Governance Manual provides for the Stockholders' rights and protection of Minority Stockholders' interests. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
7. Company has a transparent and specific dividend policy.	COMPLIANT	Provide information on or link/reference to the company's dividend Policy. Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration	Currently, the bank pays out annual dividends to common and preferred shareholders 10 trading days from record date. Record date, on the other hand, is set at 10 trading days after Board approval. For quarterly dividends to preferred shareholders, the Bank pays out dividends within 5 trading days from record date, which is set every March 21, June 21, September 21 and December 21 of each year. Refer to the schedule of Annexes (Annex 22) for the Bank's Dividend Policy.
<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 the Minutes of the 2020 Annual Stockholders' Meeting, the Bank has engaged an independent party, Punongbayan & Araullo, to count and/or validate the votes of the meeting. Link: <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a>
<b>Recommendation 13.2</b>			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	COMPLIANT	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out  Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.  Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS).	The Amended Notice of the Annual Stockholders' Meeting and the 2020 Definitive Information Statement were sent out on June 15, 2020 and June 18, 2020, respectively. They were sent out 42 days and 39 days before the Annual Stockholders' Meeting which was held on July 27, 2020. PSE Edge Links: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6f60e6e3a3b56fa90de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6f60e6e3a3b56fa90de8473cebbd6407</a> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a62411425ba6a7930de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a62411425ba6a7930de8473cebbd6407</a> RCBC Website Links: <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-2-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-2-of-2_compressed.pdf</a>
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	Provide link or reference to the company's notice of Annual Shareholders' Meeting -	Link: <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf</a>
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT		Link: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
b. Auditors seeking appointment/re-appointment	COMPLIANT		Links: <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
c. Proxy documents	COMPLIANT		Link: <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.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 rationale for the agenda items for the Annual Stockholders' Meeting is disclosed in the Amended Notice of 2020 Annual Stockholders Meeting and in the 2020 Definitive Information Statement. Links: <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-date---with-annexes.pdf</a> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
<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. -	The Annual Stockholders' Meeting (ASM) and the Organizational Board Meeting were held on July 27, 2020. The results of which were posted in the RCBC website on the same day. The results were also posted in the PSE Edge on July 28, 2020, one day after the ASM. RCBC Website Links: <a href="https://www.rcbc.com/uploads/media/07272020---SEC-Form-17-C-Amended-Disclosure-on-Annual-Stockholders'-Meeting-with-attachment.pdf">https://www.rcbc.com/uploads/media/07272020---SEC-Form-17-C-Amended-Disclosure-on-Annual-Stockholders'-Meeting-with-attachment.pdf</a> <a href="https://www.rcbc.com/uploads/media/07272020---SEC-Form-17-C-Organizational-Meeting-of-the-Board-with-attachment.pdf">https://www.rcbc.com/uploads/media/07272020---SEC-Form-17-C-Organizational-Meeting-of-the-Board-with-attachment.pdf</a> PSE Edge Links: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=00c6732ef81bafa20de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=00c6732ef81bafa20de8473cebbd6407</a> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7fa8abfa4c001af60de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7fa8abfa4c001af60de8473cebbd6407</a>
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any	The Minutes of the Annual Stockholders' Meeting (ASM) which was held on July 27, 2020 was posted in the RCBC website on July 30, 2020, 3 days after the ASM. The relevant details of what transpired during the ASM were disclosed in the Minutes. Link of the Minutes of the ASM: <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a>
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting -	As disclosed in the Minutes of the Annual Stockholders' Meeting (ASM), all the members of the Board of Directors, other officers of the Bank and representatives of Punongbayan & Araullo were in attendance through the live webcast of the ASM. Link: <a href="https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf">https://www.rcbc.com/uploads/media/07302020---Minutes-of-Annual-Stockholders'-Meeting-held-on-July-27,-2020-WITH-ANNEXES_For-Posting.pdf</a>
<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	The alternative dispute mechanism is provided in Part XV.7 of the Corporate Governance Manual on Grievance Procedures which 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." Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.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 -	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." The CG Manual is posted in the Bank's website. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address	SHAREHOLDER ASSISTANCE AND SERVICES Investor Relations Yuchengco Tower, RCBC Plaza Tower 1 Ayala Avenue, Makati City 1226 Philippines Tel: (+632) 8894-9000 Email: Investor_Relations@rcbc.com
2. IRO is present at every shareholder's meeting.	COMPLIANT		Yes, the IRO was present during the 2020 Annual Stockholders' Meeting.
<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	COMPLIANT	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.	COMPLIANT	Indicate the company's public float.	Although there are plans by the SEC to raise the minimum public float for existing PLCs from 10% to 20-25% (to be complied within 5 years), SEC has not yet issued a circular on the increase of the minimum public float requirement. Thus the bank's public float of 23.76% as of Dec. 31, 2020 is still compliant with the existing minimum requirement.
<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 which is disclosed in the RCBC website. The Corporate Information Officer (CIO) is responsible for efficiently providing information and addressing 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. Link: <a href="https://www.rcbc.com/investor-relations-program">https://www.rcbc.com/investor-relations-program</a>

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	COMPLIANT	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. The electronic voting in absentia (allowed via email) was allowed in 2020. As allowed by the Revised Corporation Code and the rules of the SEC, the Board approved voting in absentia for the 2020 ASM. The procedures for the ASM make reference to this. See 2020 Definitive Information Statement and the Amended Notice of Annual Stockholders' Meeting posted in the website. Links: <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> <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-datte---with-annexes.pdf">https://www.rcbc.com/uploads/media/06152020---SEC-Form-17-3-PSE-Disclosure-Further-Amended-Notice-of-2020-ASM---update-of-record-datte---with-annexes.pdf</a>

**Duties to Stakeholders**

**Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.**

<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.	The Bank's stakeholders and the policies and programs for its stakeholders are disclosed in the 2020 Sustainability Report and in the Sustainable Finance Framework which are posted in the RCBC website. Links: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework_FinalApril2019.pdf">https://www.rcbc.com/uploads/media/RCBC-Sustainable-Finance-Framework_FinalApril2019.pdf</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. The stockholders' rights and protection of minority stockholders' interests are also provided in the Corporate Governance Manual. Links: <a href="https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf">https://www.rcbc.com/uploads/media/AMENDED-BY-LAWS-2018-(FDIST).pdf</a> <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual---April-29,-2021_with_-ATTACHMENT.pdf</a>
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders -	The Bank's whistleblowing policy is disclosed in the website: Link: <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>  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, www.rcbc.com. This reporting tool aims to further mitigate risks and losses through the early discovery of irregular activities. Link: <a href="https://www.rcbc.com/talktous">https://www.rcbc.com/talktous</a>
<b>Supplement to Recommendation 14.3</b>			

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	Provide information on the alternative dispute resolution system established by the company.	The alternative dispute resolution system is provided in Part XV.7 of the Corporate Governance Manual on Grievance Procedure which 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. Link: <a href="https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf">https://www.rcbc.com/uploads/media/20210430-SEC-Form-17-C-Updated-Corporate-Governance-Manual--April-29,-2021_with_-ATTACHMENT.pdf</a>
<b>Additional Recommendations to Principle 14</b>			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally 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. -	The Financial Consumer Protection Framework and complaints handling mechanisms are disclosed in the 2020 Annual and Sustainability Report under Risk and Capital Management section. Link: <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same. -	The supplier/contractor selection and criteria policy of the Bank is disclosed in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement which are posted in the RCBC website. Link: <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
<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 are discussed in the Social section of the 2020 Sustainability Report. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a>
<b>Supplement to Recommendation 15.1</b>			




	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 disclosed under the Employee Management portion of the Social section of the 2020 Sustainability Report. The Remuneration Policy is also disclosed in the 2020 Annual and Sustainability Report under Social Contributions section. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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 Substance Abuse and Health & Safety Policies of the Bank are disclosed under the Workplace Conditions, Labor Standards, and Human Rights portion of the Social section of 2020 Sustainability Report which is posted in the RCBC website. The employee welfare and well-being are also discussed in the 2020 Annual and Sustainability Report under Social Distributions section. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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 are discussed in the Social section of the 2020 Sustainability Report and in the 2020 Annual and Sustainability Report under Social Contributions. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
<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 anti-corruption policies and procedures are discussed in the Business Ethics section of the 2020 Sustainability Report and in the 2020 Annual and Sustainability Report under Corporate Governance section. Link: <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a> <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report)
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	The Bank's policies and programs are discussed to all new employees in the Employee Orientation Program/ Branch Induction Program. As part of the continuing education of the employees, the Bank has developed an e-learning program on the various company policies which include, among others, AMLA, RPT Policy, Data Privacy, etc. The Company Policies are also disclosed in the bank's website which can be accessed by everybody. Links: <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev.pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev.pdf</a> <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (under Company Policies)
<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	COMPLIANT	Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy. -	The policy and procedures on penalizing employees involved in corrupt practices are discussed in the Code of Conduct, which is disclosed in the bank's website. Link: <a href="https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev.pdf">https://www.rcbc.com/uploads/media/Code-of-Conduct-(Rev.pdf</a>
<b>Recommendation 15.3</b>			


	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	COMPLIANT	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.	The Bank's Whistleblowing Policy is disclosed in the website. <a href="https://www.rcbc.com/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>
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 Corporate Social Responsibility efforts are discussed in the RCBC website as well as in the 2020 Sustainability Report, under the Environment section, which is also posted in the RCBC website. Links: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Corp. Social Responsibility) <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</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 is supported by its Environmental and Social Management System (ESMS) and Sustainable Finance Framework, which are disclosed in the RCBC website. The environment-friendly value chain is also discussed in the 2020 Annual and Sustainability Report and in the 2020 Definitive Information Statement which is also posed in the RCBC website. Links: <a href="https://www.rcbc.com/sustainability">https://www.rcbc.com/sustainability</a> (under ESMS, Sustainable Finance and Sustainability News and Updates ) <a href="https://www.rcbc.com/annual-reports">https://www.rcbc.com/annual-reports</a> (2020 Annual and Sustainability Report) <a href="https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf">https://www.rcbc.com/uploads/media/06182020-SEC-Form-20-IS---RCBC-Definitive-Info-Statement-part-1-of-2_compressed.pdf</a>
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.	The Bank's Corporate Social Responsibility efforts are discussed in the RCBC website as well as in the 2020 Sustainability Report, under the Environment section, which is also posted in the RCBC website. Links: <a href="https://www.rcbc.com/corporate-governance">https://www.rcbc.com/corporate-governance</a> (Corp. Social Responsibility) <a href="https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf">https://www.rcbc.com/uploads/media/20210415-RCBC-2020-Sustainability-Report.pdf</a>


**SCHEDULE OF ANNEXES**

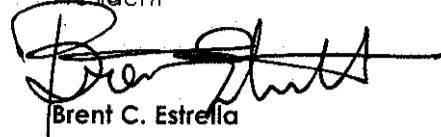
<b>ANNEX</b>	<b>FILE NAME</b>	<b>RECOMMENDATION</b>
01	Gayatri Bery e-Certificate for CG Orientation Program	Recommendation 1.3.2
02	2020 Annual Training for the Directors	Recommendation 1.3.3
03	Board materials distributed at least 5days before Board Meeting	Optional Recommendation 1.5
04		Recommendation 2.1
		Recommendation 4.1.2
05	Board minutes on the discussion involving board plan and strategy	Recommendation 2.2.2
06	2021 Annual Board Plan	Supplement to Recommendation 2.2.2
07	3rd Party Board Evaluation Report by ICD	Recommendation 2.8.2
		Recommendation 6.1.4
		Recommendation 6.1.5
08	Performance Management Framework	Recommendation 2.9
09	2019 Internal Audit Charter	Recommendation 2.10.3
10	2020 Risk Governance Framework	Recommendation 2.11
11	ACC Minutes on the approval of the quarterly FS review (non-audit services) of the External Auditor	Supplement to Recommendation 3.2.1
12	ACC Minutes on Executive Session with the External Auditor	Supplement to Recommendation 3.2.2
13	NEDs separate meeting with Control Unit Heads and External Auditor - Agenda	Supplement to Recommendation 3.2.2
		Recommendation 5.7
14	ACC Minutes wherein the resignation of Ms. Edel Mary Vegamora and appointment of Ms. Aline Novilla were discussed	Optional Recommendation 3.2.2
15	Board minutes showing attendance and participation of Board members via videoconferencing	Recommendation 4.1.1
16	Board minutes showing board members' engagement in the discussion	Recommendation 4.1.3
17	Agenda of CGC Meeting on Nov. 23, 2020	Optional Recommendation 4.2
18	Board minutes involving abstentions from voting	Recommendation 5.6.1
19	External Auditor's audit planning materials	Supplement to Recommendation 9.2.2
20	2020 Compliance Manual	Supplement to Recommendation 12.1.1
21	2020 Attestation of the CEO, CAE and CCO	Additional Recommendation to 12.1
22	Dividend Policy	Supplement to Recommendation 13.1.7

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.

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

  
**Eugene S. Acevedo**  
 President

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

  
**Brent C. Estrella**  
 Chief Compliance Officer

  
**Juan B. Santos**  
 Lead Independent Director

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

  
**Gabriel S. Claudio**  
 Independent Director

  
**Vaughn F. Montes**  
 Independent Director

  
**Laurito E. Serrano**  
 Independent Director

**ACKNOWLEDGEMENT**

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

MAKATI CITY

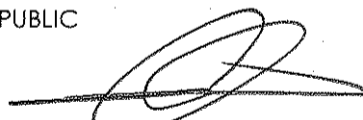
JUN 16 2021

BEFORE ME, a duly authorized Notary Public for and in \_\_\_\_\_ 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 # P5952727A; DFA NCR South; Valid till 2/27/28
Eugene S. Acevedo	Passport # P75110801A; DFA NCR West; Valid till 6/10/28
George Gilbert G. Dela Cuesta	SSN # 33-303-2245 and EBP ID Lifetime No. 03276
Brent C. Estrella	SSN # 33-905-2669-9; TIN No. 239-917-230
Juan B. Santos	Passport # T4425820A; DFA Manila; Valid till 9/12/22
Adelita A. Vergel De Dios	
Vaughn F. Montes	Passport # P1186014B; DFA NCR South; Valid till 3/24/29
Gabriel S. Claudio	Passport # P3227421B; DFA Manila; Valid till 9/15/29
Laurito E. Serrano	Passport # P1720647A; DFA Manila; Valid till 1/26/22

NOTARY PUBLIC

Doc. No. 302  
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 Book No. 560  
 Series of 2020.

  
**ATTY. CATALINO VICENTE L. ARABIT**  
 NOTARY PUBLIC  
 Appointment No. M-66 (2021-2022)  
 PTR No. 8531074; 01/04/21; Makati City  
 IBP No. 144276; 01/06/21; Makati City  
 ROLL NO. 40145  
 21st Floor Yuchengco Tower 2, RCBC Plaza  
 6819 Ayala Avenue, Makati City

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

**ACKNOWLEDGMENT**

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

BEFORE ME, a duly authorized Notary Public for and in WINDERMERE City on JUNE 15<sup>th</sup>, 2021 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:

Name	Competent Evidence of Identity
Adelita A. Vergel de Dios	PASSPORT (P72666A) PHL

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 2021.



NOTARY

