

COVER SHEET

0 0 0 0 1 6 9 6 2

SEC Registration Number

C H I N A B A N K S A V I N G S I N C .

(Company's Full Name)

C B S B L D G 3 1 4 S E N G I L J 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)

ATTY. CORAZON T. LLAGAS

Contact Person

8988-9555

Company Telephone
Number

0 6

Month

3 0

Day

A C G R

FORM TYPE

3rd Thursday of June

Annual Meeting

Secondary License Type, If Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number / Section

1,550

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SEC FORM-ACGR (FOR PC/RI)

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

1. For the fiscal year ended **December 31, 2024**
2. SEC Registration Number **16962**
3. BIR Tax Identification Number **000-504-532-000**
4. Exact Name of the Issuer as specified in its charter **China Bank Savings, Inc.**
5. Province, Country or other jurisdiction of incorporation or organization
6. Address of Principal Office
**CBS Building, 314 Sen. Gil J. Puyat Avenue,
Makati City**
7. **1200**
Postal Code
8. Issuer's telephone number, including area code **(632) 8988-8555**
9. Former name, former address, and former fiscal year, if changed since last report
.....
10. Industry Classification Code (For SEC's use only)

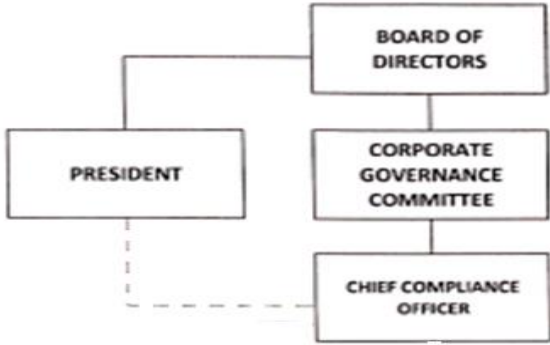
ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

RECOMMENDATION	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
THE BOARD'S GOVERNANCE RESPONSIBILITIES			
Principle 1. ESTABLISHING A COMPETENT BOARD			
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 growth in a manner consistent with its corporate objectives and the long-term best interests of its shareholders/members and other stakeholders.			
Recommendation 1.1			
1 The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p>The Bank's Board of Directors is composed of directors with diverse educational background, professional experience and expertise. Each member is selected based on the "fit and proper" standard of the Bangko Sentral ng Pilipinas (BSP) which consider, among others, integrity, competence, independence, leadership, and experience. All Bank directors have been evaluated and confirmed by the Monetary Board of the BSP.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 44 (Qualification of Directors) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Definitive Information Statement: Pages 14-15 (Directors' business experience) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx </p>	
2 The Board has an appropriate mix of competence and expertise.	Compliant	<p>To ensure diversity, the Board has identified the required skills and mix of qualifications of directors.</p> <p>Links/References: - Definitive Information Statement: Pages 14-15 (Directors' business experience) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx </p>	

3	Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	<p>The qualifications of the directors nominated to the Board are duly assessed/evaluated by the Corporate Governance and Nominations Committees.</p> <p>Every year during their election/re-election, Bank Directors certify that they possess all the qualifications and none of the disqualifications set forth by the BSP. In addition, they also evaluate their continuing qualification by way of the annual Board, Board Member and Board Committee self-assessments.</p> <p>Link/Reference: - Definitive Information Statement: Pages 5-9 (Members of the BOD) https://www.cbs.com.ph/about/investor_relations/Definitive Statement Information.aspx</p>	
Recommendation 1.2				
1	The Board is headed by a competent and qualified Chairperson.	Compliant	<p>Mr. Ricardo R. Chua is the Bank's Chairman of the Board. He is also an Advisor to the Board of China Banking Corporation since November 1, 2017. A Certified Public Accountant, Mr. Chua graduated with a Bachelor of Science degree in Business Administration, Major in Accounting, cum laude, from the University of the East, and completed his Master's in Business Management (MBM) from the AIM. He has had trainings in banking operations and corporate directorship, and attended AML and corporate governance seminars. His election/appointment to the Board was confirmed by the Monetary Board of the BSP.</p> <p>Link/Reference: - Definitive Information Statement: Page 5 (Member of BOD) https://www.cbs.com.ph/about/investor_relations/Definitive Statement Information.aspx</p>	
Recommendation 1.3				
1	The company provides a policy on training of directors.	Compliant	At least annually, as part of the continuing education program for directors, a corporate governance training program is conducted by a training provider duly accredited by the Securities and Exchange Commission. Annual training/continuing education is	

			<p>contained in the Bank's Manual on Corporate Governance which serves as the Board Charter as well.</p> <p>Link/Reference:</p> <ul style="list-style-type: none">- Manual on Corporate Governance: Page 70 (Education Program), Page 105 (Continuing Education Program for the Directors and Officers) <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p> <ul style="list-style-type: none">- Board Trainings (Annex 1)	
2	The company has an orientation program for first-time directors.	Compliant	<p>First-time Directors are required to undergo an orientation program, for at least eight (8) hours, while the annual continuing training shall be at least four (4) hours by an SEC-accredited provider. The training program should cover topics relevant in carrying out their duties and responsibilities as directors. They are also provided with an orientation kit containing, among others, their Duties and Responsibilities as a Director, Manual on Corporate Governance, Code of Ethics for Directors, and the charters of the committees where the elected director is a member of.</p>	
3	The company has relevant annual continuing training for all directors.		<p>The Policy of the Bank requiring an orientation program is provided in the Manual on Corporate Governance.</p> <p>Link/Reference:</p> <ul style="list-style-type: none">- Board Trainings (Annex 1)- Manual on Corporate Governance: Page 70 (Education Program), Page 105 (Continuing Education Program for the Directors and Officers) <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Recommendation 1.4				
1	The Board has a policy on board diversity.	Compliant	<p>Board composition considers educational background, business experience in banking or related industry, competence, knowledge, skills and to include ethnicity, culture, skills, etc.</p>	

			Links/References: - Definitive Information Statement: Pages 5-9 (Members of BOD) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx	
Recommendation 1.5				
1	The Board is assisted by a Corporate Secretary.	Compliant	The Bank's Corporate Secretary is Atty. Arturo Jose M. Constantino III. He is not the Chief Compliance Officer nor a director of the Bank Links/References: - Definitive Information Statement: Page 13 (Executive Officers) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx	
2	The Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3	The Corporate Secretary is not a member of the Board of Directors.	Compliant		
4	The Corporate Secretary attends annual training/s on corporate governance.	Compliant	The Bank's Corporate Secretary has completed the two-session seminar on Corporate Secretary as Corporate Governance Professionals held on October 10 and 11, 2024 with a total of 8 training hours. The seminar was organized by SEC accredited provider: Link/Reference: - Certificate of Trainings/Seminars Attended (Annex 2)	
Recommendation 1.6				
1	The Board is assisted by a Compliance Officer.	Compliant	The Bank's Chief Compliance Officer (CCO) is Atty. Corazon T. Llagas with a rank of Vice President II. She has direct reporting line to the Board through the Corporate Governance Committee. She has the authority to review/evaluate and sign off on business policies and initiatives for any regulatory implications. Links/References: - Definitive Information Statement: Page 13 (Executive Officers) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx	
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3	The Compliance Officer is not a member of the board.	Compliant	The Bank's CCO, Atty. Corazon T. Llagas is not a member of the Bank's Board of Directors. Pursuant to BSP rules, the Compliance	

		<p>Division is an independent unit with the Chief Compliance Officer functionally reporting to the Corporate Governance Committee of the Board, and administratively, to the President.</p> <p>Link/Reference: - 2024 Annual report: Page 69 (Compliance Risk Mgmt. System) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx - Manual on Corporate Governance: Pages 85 (Compliance Function), 86 (Duties and Responsibilities of Compliance Office) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>  <pre> graph TD BD[BOARD OF DIRECTORS] --- P[PRESIDENT] BD --- CGC[CORPORATE GOVERNANCE COMMITTEE] P -.-> CCO[CHIEF COMPLIANCE OFFICER] CGC --- CCO </pre>	
4	The Compliance Officer attends annual training/s on corporate governance.	<p>Compliant</p> <p>The Chief Compliance Officer (CCO) has attended/completed the Advanced Corporate Governance Training organized by SEC accredited provider on 07 August 2024.</p> <p>Link/Reference: - Certificate of Training/Seminar Attended (Annex 3)</p>	
Principle 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD			
<p>The fiduciary roles, responsibilities, and accountabilities of the Board, as provided under the law, the company's articles of incorporation and bylaws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders/members and other stakeholders.</p>			

Recommendation 2.1				
1	The Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company, shareholders and stakeholders.	Compliant	<p>Bank Directors are required to act on a fully informed basis, in good faith and with due diligence for the best interest of the Bank. In order to provide the Bank Directors with relevant information, materials for the Board meetings are provided to them five (5) business days prior to the Board meeting. The corresponding minutes of the meetings are prepared after every session and routed to the members of the Board for comments and approval.</p> <p>Further, to remind the directors of their duty to act on a fully informed basis, with due diligence and in the interest of the company, they are required to accomplish the annual Corporate Governance Self-Assessment checklist.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 54 (Board Materials) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Recommendation 2.2				
1	The Board oversees the development and approval of the company's business objectives and strategy.	Compliant	<p>The Business Plans and strategies are presented to the Board for review and approval on December 19, 2024. The Bank's 2025-2029 business plans were presented to the Board and after some deliberation, the Board approved Management's projections and recommendations.</p>	
2	The Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>This is consistent with the Bank's Manual on Corporate Governance which provides that the Board is primarily responsible for approving and overseeing the implementation of the bank's strategic objectives, risk strategy, corporate governance and corporate values.</p> <p>Links/References: - Board Approval on Business Plan (Annex 4) - Manual on Corporate Governance: Page 18 (BOD Responsibilities) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	

Recommendation 2.3			
1	The Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>The Manual on Corporate Governance provides that the Board establishes an effective succession planning program. The program includes a system for identifying and developing potential successors for the CEO and other critical positions.</p> <p>The Bank believes that excellent leadership talent positively contributes to the overall organizational performance. The Bank implements and maintains a Succession Planning and Management Program that ensures the availability of qualified officers for key positions for the entire life of the organization.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 18 (BOD Responsibilities) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - 2024 Annual Report: Page 76 (Retirement & Succession Policy) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx - Succession Management Program (Annex 5)
2	The Board adopts a policy for the retirement of directors and key officers.	Compliant	<p>The Bank's By-Laws provides for replacements in the event of vacancy in the Board. Vacancies occurring in the Board of Directors, other than by removal or by expiration of term, may be filled by election or appointment made by the remaining directors, if still constituting a quorum, otherwise, said vacancy shall be filled by the stockholders in a regular or special meeting called for the purpose, in accordance with law. The person so elected to fill a vacancy shall hold office only for the unexpired term of his predecessor in office.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Amended By-Laws: Article IV Section 8 (Vacancies) https://www.cbs.com.ph/assets/files/SEP%202022%20CBS%20Amended%20By-Laws.pdf - 2024 Annual Report: Page 76 (Retirement & Succession Policy) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx

			<p>- Retirement Policy for Directors https://www.cbs.com.ph/about/corporate_governance/Retirement_Policy.aspx</p>	
Recommendation 2.4				
1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Compliant	<p>Remuneration Committee provides oversight on the remuneration of Senior Management and other key personnel, ensuring that compensation is consistent with the Bank's culture, strategy and control environment.</p> <p>Links/References: - 2024 Annual Report: Page 63 (Remuneration Committee) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
2	The Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<p>Under the By-Laws, the net profits or earnings of the Bank, after deducting the expenses of administration shall be disposed of as follows: Twenty per centum (20%) to surplus, the maximum amount of which to be accumulated shall be left to the discretion of the Board; not more than five per centum (5%) as bonus to the members of the Board of Directors; not more than five per centum (5%) as bonus to the executive officers; and the balance may be declared as dividends and appropriated for other purposes at the discretion of the Board of Directors.</p> <p>Annual salary increases and performance bonuses of officers are performance-based. While performance of officers, in turn, is rated under separate policies and specific guidelines, performance rating is among the basis for bonus, salary increase and promotion.</p> <p>Links/References: - Definitive Information Statement: Pages 15 (Compensation of Directors) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx - Amended by-laws: Article XIII Section 1 https://www.cbs.com.ph/assets/files/SEP%202022%20CBS%20Amended%20By-Laws.pdf</p>	

3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>In accordance with the Bank's By-Laws, the fee shall be paid to each director for attendance at any meeting of the Board of Directors or committee meeting of a board. Provided that, should a director be required by the Board of Directors to perform services to the bank over and above the usual duties and functions of a member of the BOD, and it is intended that said director shall be compensated for such services, which compensation must be fair, reasonable and just.</p> <p>Links/References: - Amended By-Laws: Article IV Section 9 (Directors' Fees) https://www.cbs.com.ph/assets/files/SEP%202022%20CBS%20Amended%20By-Laws.pdf</p>	
Recommendation 2.5				
1	The Board has a formal and transparent board and election policy.	Compliant	The Bank's Nomination Process contains the nomination and election policy, which is updated annually or as the need arises. The Nomination Process form part of the Bank's Manual on Corporate Governance.	
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	<p>The Bank's Nominations and Corporate Governance Committees adopted rules governing the nomination and election of directors. The rules pertinently state that the nomination forms shall be submitted to the Nominations Committee and/or the Corporate Governance Committee thru any member or to the Corporate Secretary. The rules likewise state that the Committees shall pre-screen the qualifications of the nominees on the basis of the nomination and/or supporting papers, ensuring that the nominee's qualities meet the fit and proper standards and are aligned with the Bank's strategic direction.</p> <p>Links/References: - Policy on Sourcing, Selection and Nomination of Directors (Annex 6) - Manual on Corporate Governance: Page 14 (Nomination and Election of Directors) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	

			<p>- Definitive Information Statement: Pages 3-4 (Nomination and Election of Directors)</p> <p>https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>	
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	Compliant	<p>The Nomination Process sets forth the nomination policies / requirements.</p> <p>In accordance with the By-Laws as to manner of voting, any stockholder shall be allowed to vote either in person, through remote communication, in absentia, or by proxy duly executed in writing signed by the stockholder or his duly authorized attorney-in-fact, subject to compliance with the requirements of existing rules and regulations.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Policy on Sourcing, Selection and Nomination of Directors (Annex 6) - Amended By-laws: Article III Section 2 (Manner of Voting) <p>https://www.cbs.com.ph/assets/files/SEP%202022%20CBS%20Amended%20By-Laws.pdf</p> <ul style="list-style-type: none"> - Definitive Information Statement: Pages 3-4 (Nomination and Election of Directors) <p>https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>	
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	Compliant	<p>The Nomination Process contained the corresponding provisions in reviewing the qualifications of the nominees for directorship.</p> <p>The Corporate Governance and Nominations Committees pre-screen the qualifications of the nominees on the basis of the nominations and/or supporting papers and prepare a final list of candidates containing all relevant information about the nominees.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Policy on Sourcing, Selection and Nomination of Directors (Annex 6) - Definitive Information Statement: Pages 3-4 (Nomination and 	

			<p>Election of Directors) https://www.cbs.com.ph/about/investor relations/Definitive Statement Information.aspx - 2024 Annual Report: Page 63 (Nomination Committee) https://www.cbs.com.ph/about/investor relations/Annual Report.aspx</p>	
5	The Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director.	Compliant	<p>The Nominations Committee, in accordance with its Charter, is tasked to assess the effectiveness of the Board process and procedures in the election or replacement of directors.</p> <p>Link/Reference: - Nominations Committee Charter https://www.cbs.com.ph/assets/files/Nominations%20Committee%20Charter.pdf</p>	
6	The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company.	Compliant	<p>The position of a Director in China Bank Savings is one of trust. Thus directors are selected for their integrity, credibility, leadership, and ability to render independent judgment, among others.</p> <p>The Bank's Nominations and Corporate Governance Committees are tasked to identify the quality of directors to ensure they are aligned with the strategic direction. The nomination and election process are set forth in the Nominations Process that is incorporated in the Bank's Manual on Corporate Governance.</p> <p>Links/References: - Manual on Corporate Governance: Page 75 (Nominations Committee) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Nominations Committee Charter https://www.cbs.com.ph/assets/files/Nominations%20Committee%20Charter.pdf</p>	

Recommendation 2.6			
1	The Board has overall responsibility in ensuring that there is a policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p>The Board is responsible for approving the Bank's RPT policy, which covers guidelines and procedures for the review and approval of material RPTs to ensure that these are conducted at arm's length basis.</p> <p>In 2024, the RPT Policy was updated to comply with the rules of the BSP and SEC. It is uploaded to the Bank's internal public folder and on the Bank's website. Further, to aid in identifying the Bank's related parties, the RPT Registry is updated regularly.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Related Party Transactions Policy and Guidelines https://www.cbs.com.ph/about/corporate_governance/RPT_Policy_and_Guidelines.aspx - RPT Committee Charter https://www.cbs.com.ph/assets/files/RPT%20Committee%20Charter.pdf
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p>The Bank's RPT policy requires all material RPTs to be reviewed and vetted upon by the RPT Committee before they are endorsed for the Board's approval. As guiding principle, RPTs shall be at arm's length, in the ordinary course of business & in the interest of the Bank and on substantially similar terms as those offered to other non-related parties.</p> <p>Price Discovery Mechanism is in place to ensure that RPT are engaged into terms that promote the best interest of the Bank and its stakeholders.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - RPT Committee Charter https://www.cbs.com.ph/assets/files/RPT%20Committee%20Charter.pdf - RPT Policy and Guidelines https://www.cbs.com.ph/about/corporate_governance/RPT_Policy_and_Guidelines.aspx

Recommendation 2.7			
1	The Board is primarily responsible for approving the selection of Management, led by the Chief Executive Officer (CEO) or his/her equivalent, and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).	Compliant	<p>The Board oversees the selection of the CEO and other key personnel, including members of senior management and heads of control functions (CRO, CCO, CAE) based on the application of fit and proper standards. Integrity, technical expertise, and experience in the Bank's business, either current or planned, shall be the key considerations in the selection process. Moreover, since mutual trust and a close working relationship are important, the members of senior management shall uphold the general operating philosophy, vision and core values of the Bank.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 19 (BOD Responsibilities), 87 (Appointment of CCO), 89 (Appointment of CAE), 102 (Appointment of CRO). https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>
2	The Board is primarily responsible for assessing the performance of Management, led by the CEO or his/her equivalent and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).	Compliant	<p>The Board regularly monitors and assesses the performance of the management team and heads of control functions (CRO, CCO, CAE) based on approved performance standards.</p> <p>The Board of Directors assesses at least annually its performance and effectiveness as a body, as well as its various committees, the Chief Executive Officer, the individual directors, and the Bank itself. This may be facilitated by the Corporate Governance Committee or external facilitators.</p> <p>Link/Reference: - Manual on Corporate Governance: Pages 19 (BOD Responsibility) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>

Recommendation 2.8			
1	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that Management's performance is on par with the standards set by the Board and Senior Management.	Compliant	<p>The Corporate Governance Committee is responsible for ensuring the Board's effectiveness and due observance of corporate governance principles and guidelines. It shall oversee the periodic performance evaluation of the Board and its Committees and executive management; and shall also conduct an annual self-evaluation of its performance. The Chairman of the Corporate Governance Committee certifies that it has conducted the fit and proper test" on the Bank's directors and Senior Management.</p> <p>Link/Reference: - 2024 Annual Report: Page 66 (Selection Process for the Board and Senior Management) https://www.cbs.com.ph/about/investor relations/Annual Report.aspx</p>
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance is on par with the standards set by the Board and Senior Management.	Compliant	<p>The Bank's Management establishes measurable standards, initiatives and specific responsibilities and accountabilities for each Bank personnel. Senior Management oversees the performance of these delegated duties and responsibilities and shall ultimately be responsible to the Board of Directors for the performance of the Bank.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 81 (Officer's Responsibilities on Corporate Governance) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>
Recommendation 2.9			
1	The Board ensures that an appropriate internal control system is in place.	Compliant	<p>Internal control is a process designed and effected by the Board of Directors, Senior Management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through efficient and effective operations; reliable, complete and timely financial and management information; and compliance with applicable laws, rules, supervisory requirements, and the organization's policies and procedures. Control activities are every business levels' function and implemented mainly by Compliance</p>

		<p>Division, Internal Audit and Risk Management Division.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 84 (Internal Control Framework) <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
2	<p>The internal control system includes a mechanism for monitoring and managing potential/actual conflicts of interest of the board members/trustees, management and shareholders/members.</p>	<p>Compliant</p>	<p>The Board approved a Code of Conduct or Code of Ethics, which articulates acceptable and unacceptable activities, transactions and behaviours that could result or potentially result in conflict of interest, personal gain at the expense of the Bank as well as the corresponding disciplinary actions and sanctions.</p> <p>In accordance with the Bank's Code of Ethics, situations that would give rise to a conflict of interest are to be avoided. If transactions with the Bank cannot be avoided, the same should be done in the regular course of the business and upon terms not less favourable to the Bank than those offered to others. The basic principle to be observed is that a director should not use his position to make profit or to acquire benefit or advantage for himself and/or his related interests. Employee ensures that their personal interests do not conflict or appear to be in conflict with the duties and responsibilities which they must perform for the Bank and its clients.</p> <p>Likewise the directors, senior management and employees are expected to observe the proper conduct of business in accordance with DOSRI and Related Party Transactions policies, procedure and guidelines to ensure that such are thoroughly reviewed and approved on an arms-length basis.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 19 (BOD Responsibilities) <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p> <ul style="list-style-type: none"> - Code of Ethics: <p>https://www.cbs.com.ph/about/Code_of_Ethics.aspx</p>

3	The Board adopts an Internal Audit Charter.	Compliant	<p>The Charter recognizes the authority of the Internal Audit function, to initiate direct communication with any Bank personnel; to examine any activity or entity; and to access any records, files, data and physical properties of the Bank, in performing its duties and responsibilities.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 97 (Internal Audit Charter) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Internal Audit Charter https://www.cbs.com.ph/assets/files/Internal%20Audit%20Charter.pdf 	
Recommendation 2.10				
1	The Board ensures that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p>The Board oversees the enterprise risk management framework and ensures that there is periodic review of the effectiveness of the risk management systems and recovery plans. It shall ensure that corrective actions are promptly implemented to address risk management concerns.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 67 (Board Responsibilities) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Enterprise Risk Management Framework https://www.cbs.com.ph/assets/files/Enterprise%20Risk%20Management%20Framework.pdf 	
2	The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	<p>The Bank's Risk Management Group is responsible for overseeing risk management function and supports the Board in the development of the risk appetite and risk appetite statement of the Bank and for translating the risk appetite into risk limits structure.</p> <p>Risk Management function oversees the Enterprise Risk Management (ERM) process and spearheads the development, implementation, maintenance and continuous improvement of</p>	

			<p>ERM processes and documentation.</p> <p>Links/References: - Manual on Corporate Governance: Pages 101 (Risk Management Function) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Recommendation 2.11				
1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	The Manual on Corporate Governance serves as the Charter of the Board, and sets forth its function/role, duties and responsibilities. The duty of care and loyalty are the two key elements of the fiduciary duty of the Board. The duty of care requires the members of the Board to act on a fully informed basis, in good faith, with due diligence and care. The duty of loyalty is expressed when the board members act in the best interest of the Bank and all its stakeholder, such as the depositors, creditors, employees and regulators.	
2	The Board Charter serves as a guide to the directors/trustees in the performance of their functions.	Compliant	In addition, an Orientation Kit is provided to the new members of the Board. This document contains the specific duties and responsibilities of the Directors, the Directors' affirmation of his possession of all qualifications and none of the disqualifications of a Director as embodied in the Self-assessment, as well as the applicable Board Committee Charters (i.e., those which the Director is a member of).	
3	The Board Charter is publicly available.	Compliant	<p>Link/Reference: - Manual on Corporate Governance https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Principle 3. ESTABLISHING BOARD COMMITTEES				
<p>The 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, compliance and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all the board committees should be contained in their respective board committee charters.</p>				

Recommendation 3.1			
1	The Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>To aid the Board in the effective performance of its functions, duties, and to address specific tasks / responsibilities, the Bank's Board of Directors created eight board-level committees namely: (1) Executive, (2) Corporate Governance, (3) Audit, (4) Risk Oversight, (5) Nomination, (6) Remuneration, (7) Related Party Transaction and (8) Retirement.</p> <p>Each committee has its own charter containing provisions on its composition, functions and responsibilities. These charters are posted on the Bank's website.</p> <p>Links/References: - Board Matters https://www.cbs.com.ph/about/corporate_governance/Board_Matters.aspx</p>
Recommendation 3.2			
1	The Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>The Audit Committee is responsible for overseeing the senior management's activities in establishing and maintaining an adequate, effective and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.</p> <p>Links/References: - Audit Committee Charter https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf</p>
2	The Audit Committee is composed of at least three (3) qualified non-executive directors, the majority of whom, including the Chairperson, are independent directors.	Compliant	<p>In 2024, the three (3) members of the Audit Committee are all Independent Directors. The members of the Committee are:</p> <p>Ms. Claire Ann T. Yap – Chairman/Independent Director Mr. Genaro V. Lapez – Vice Chairman/Independent Director Mr. Antonio S. Espedido, Jr. – Member/Independent Director</p>

3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>The members of the Audit Committee have the relevant background / knowledge, skills, expertise and experience in the areas of accounting, auditing and finance.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Definitive Information Statement: Page 8-9 (Members of BOD Directors) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx - 2024 Annual Report: Pages 62 (Audit Committee) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx 	
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	Compliant	<p>Ms. Claire Ann T. Yap is the Chairman of the Audit Committee. She is not the Chairman of the Board or of any other Board Committee.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Definitive Information Statement: Page 8 (Members of BOD Directors) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx - 2024 Annual Report: Pages 62 (Audit Committee) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx 	
Recommendation 3.3				
1	The Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>The Corporate Governance Committee is tasked to assist the Board of Directors in fulfilling its corporate governance responsibilities by ensuring compliance with and proper observance of corporate governance laws, rules, principles, and best practices. It oversees the implementation of corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of the Bank's size, complexity and business strategy, as well as its business and regulatory environment.</p> <p>Moreover, together with the Nominations Committee, it handles reviews and evaluates the qualifications of all persons nominated to the Board and those nominated to other positions requiring</p>	

			<p>appointment by the Board of Directors.</p> <p>Link/Reference: - Corporate Governance Committee Charter https://www.cbs.com.ph/assets/files/Corporate%20Governance%20Committee%20Charter%20rev2023.pdf</p>	
2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	Compliant	<p>In 2024, the three (3) members of the Corporate Governance Committee are all Independent Directors. The members of the Committee are:</p> <p>Mr. Antonio S. Espedido, Jr. – Chairman/Independent Director <i>(elected on June 16, 2022)</i> Ms. Claire Ann T. Yap – Vice Chairman/Independent Director Mr. Philip S.L. Tsai – Member/Independent Director</p> <p>Links/References: - Definitive Information Statement: Page 8-9 (Members of BOD Directors) https://www.cbs.com.ph/about/investor relations/Definitive Statement Information.aspx - 2024 Annual Report: Page 62 (Corporate Governance Committee) https://www.cbs.com.ph/about/investor relations/Annual Report.aspx</p>	
Recommendation 3.4				
1	The Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	<p>The Board Risk Oversight Committee is responsible for the oversight of the Bank's enterprise risk management system to ensure its functionality and effectiveness. It oversees the system of limits to discretionary authority that the board delegated to management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached.</p> <p>Links/References: - Risk Oversight Committee Charter https://www.cbs.com.ph/assets/files/Risk%20Oversight%20Committee%20Charter.pdf</p>	

2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	Compliant	<p>In 2024, the three (3) members of the Risk Oversight Committee are all Independent Directors. The members of the Committee are:</p> <p>Mr. Philip S.L. Tsai – Chairman/Independent Director Mr. Antonio S. Espedido, Jr. – Vice Chairman/Independent Director Ms. Claire Ann T. Yap – Member/Independent Director</p> <p>Links/References: - Definitive Information Statement: Page 8-9 (Members of BOD) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx - 2024 Annual Report: Page 63 (Risk Oversight Committee) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>Mr. Tsai is a seasoned banker and has thorough knowledge/experience on risk management & governance. Other members of the Committee have attended the relevant seminars to equip themselves of their responsibilities.</p> <p>Link/Reference: - Definitive Information Statement: Page 8 (Members of BOD) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>	
Recommendation 3.5				
1	All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p>All committees have their respective Charters. The Charters contain all the required information related to the function of each committee and the specific duties of its members. The Charters also provide for the performance evaluation of the committee.</p> <p>All charters are made available in the Bank's website.</p>	
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	Compliant	<p>Link/Reference: - Board Matters https://www.cbs.com.ph/about/corporate_governance/Board_Matters.aspx</p>	

Principle 4. FOSTERING COMMITMENT				
To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.				
Recommendation 4.1				
1	The Directors attend and actively participate in all meetings of the Board, Committees and shareholders/members in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>In 2024, the Board actively participated in Board Meetings either in person or through remote communication/video or tele-conferencing as required in the Bank's Manual on Corporate Governance.</p> <p>Links/References: - Manual on Corporate Governance: Page 51 (Board and Committee Meetings) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Board Attendance Certification (Annex 7)</p>	
2	The Directors review meeting materials for all Board and Committee meetings.	Compliant	<p>The members of the Board are provided with materials five (5) days prior to Board and Committee meeting.</p> <p>Links/References: - Manual on Corporate Governance: Page 54 (Board Materials) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>The minutes of meetings reflect robust discussions by the Board on issues/proposals/initiatives presented by Management. Whenever necessary, or to arrive at an informed decision, Board members seek clarifications and/or explanations during the meetings.</p> <p>The corresponding minutes of meetings is made available upon validation for comments.</p>	

Recommendation 4.2

1	Non-executive directors concurrently serve in not more than ten (10) public companies and/or registered issuers. If concurrently sitting in at least three (3) publicly listed companies, the maximum concurrent directorships shall be five (5) public companies and/or registered issuers.	Compliant	<p>The Bank, in selecting independent directors and non-executive directors, considers the number and types of entities where the candidate is likewise elected as such, to ensure that he will be able to devote sufficient time to effectively carry-out his duties and responsibilities. In relation to the limit on directorship of independent directors and non-executive directors, the Bank policy follows the corresponding MORB provision which states that:</p> <p><i>“There shall be no limit in the number of covered companies a person may be elected as non-executive director or independent director, except in conglomerates where an ID can only be elected up to five (5) listed companies within the conglomerate. Each entity where the non-executive director is concurrently serving as director shall be separately considered in assessing compliance with this requirement.”</i></p> <p>Links/References: - Manual on Corporate Governance: Page 10 (Independent and Non- Executive Directors) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
---	--	-----------	--	--

Recommendation 4.3

1	The Directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Bank directors are required to notify the Board before accepting a directorship in another company. The Bank's policy on multiple Board seats is included in the Manual on Corporate Governance.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 41 (Multiple Board Seats) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
---	--	-----------	---	--

Principle 5. REINFORCING BOARD INDEPENDENCE			
The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1	The Board is composed of a majority of non-executive directors who possess the necessary qualifications.	Compliant	<p>Non-executive directors, who include independent directors, comprise at least majority of the members to promote the independent oversight of management by the Board of Directors; that no director or small group of directors can dominate the decision making process. The President of the Bank is the only executive director from among the members of the Board.</p> <p>The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 3 (Composition of the Board) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>
Recommendation 5.2			
1	The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.	Compliant	<p>The Bank's Board is composed of 11 directors and one-third of the Board or at least four (4) are Independent Directors, namely:</p> <p>Mr. Philip S.L. Tsai Ms. Claire Ann T. Yap Mr. Genaro V. Lapez Mr. Antonio S. Espedido, Jr.</p> <p>Links/References: - Definitive Information Statement: Pages 8-9 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>

Recommendation 5.3			
1	The independent directors possess all the qualifications and none of the disqualifications to hold the position.	Compliant	<p>Each Independent Director nominated to the Board in 2024 certified that he/she possess all the qualifications and none of the disqualifications, as contained in the Bank's Definitive Information Statement.</p> <p>Links/References: - Definitive Information Statement: Pages 8-9 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>
Recommendation 5.4			
1	The company perpetually bars an independent director from serving in such capacity after the term limit of nine (9) years.	Compliant	<p>In accordance with the Bank's CG Manual, an independent director 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 same bank, but may continue to serve as regular director.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 10 (Term Limits for Independent Director) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>
2	In the instance that the company retains an independent director in the same capacity after nine (9) years, the Board provides meritorious justification and seeks shareholders'/members' approval during the annual regular meeting.	Compliant	<p>In 2024, there is no independent director of the Bank who has served for more than nine (9) years. The Independent Directors are:</p> <p>Mr. Philip S.L. Tsai - served for six (6) years only Ms. Claire Ann T. Yap – served for four (4) years only Mr. Genaro V. Lapez - served for three and a half (3.5) years only Mr. Antonio S. Espedido, Jr. – served for two and a half (2.5) years only</p> <p>Links/References: - Definitive Information Statement: Pages 8-9 (Members of the Board)</p>

			https://www.cbs.com.ph/about/investor_relations/Definitive Statement Information.aspx - 2024 Annual Report: Page 47-48 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Annual Report.aspx	
Recommendation 5.5				
1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	Compliant	<p>The position of the Chairman and the Chief Executive Officer are held by separate individuals.</p> <p>Mr. Ricardo R. Chua is the Chairman of the Board, while Mr. James Christian T. Dee is the President.</p> <p>Link/Reference: - 2024 Annual Report: Page 45 (Directors and Executive Officers) https://www.cbs.com.ph/about/investor_relations/Annual Report.aspx - Definitive Information Statement: Pages 5-6 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Definitive Statement Information.aspx</p>	
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.	Compliant	<p>The position of Chairman of the Board and President are held by two different people, and their roles are clearly distinct and separate. The Chairman and the President are not related to each other either by consanguinity or affinity.</p> <p>Chairman Ricardo R. Chua being a non-executive Director, is not involved in the day-to-day operations of China Bank Savings Inc., but is responsible for the leadership and effective running of the Board, including maintaining a relationship of trust with Board members, promoting a sound decision-making process by encouraging critical discussion of dissenting views and ensure that the performance of the Board is evaluated at least once a year. He chairs Board meetings and makes certain that agenda is focused on strategic matters, including risks, arranges regular and/or separate sessions with the non-executive Directors to review Management's performance.</p>	

			<p>The President, who is also a member of the Board, is responsible for managing the bank's day-to-day operations, as well as the development and execution of the corporate and business strategies as established by the Board of Directors.</p> <p>Links/References: - 2024 Annual Report: Page 45 (Directors and Executive Officers) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx - Definitive Information Statement: Pages 5-6 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Definitive_Statement_Information.aspx</p>	
Recommendation 5.6				
1	The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director.	Compliant	<p>Mr. Philip S.L. Tsai is the Bank's lead Independent Director. The duties and responsibilities of the lead independent director are in the Manual on Corporate Governance.</p> <p>Links/References: - Manual on Corporate Governance: Page 9 (Lead Independent Director) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - 2024 Annual Report: Page 47 (Members of the Board) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
Recommendation 5.7				
1	The Directors/Trustees with material interest in a transaction affecting the corporation fully disclose his/her adverse interest, abstain from taking part in the deliberations for the same, and recuse from voting on the approval of transaction.	Compliant	<p>Any director of the Bank who has an interest in the transaction does not participate in the deliberation and shall abstain in the approval of the transaction.</p> <p>Links/References: - Manual on Corporate Governance: Page 114 (Related Party Transactions) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	

Recommendation 5.8				
1	The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance, and risk functions, without any executive directors present.	Compliant	To maintain objectivity and independence, periodic meetings between NEDs/Independent Directors (including the Lead Independent Director) and Heads of Internal Audit and Risk are held in accordance with the relevant Committee Charters (i.e., Audit and Risk Oversight). These meetings are conducted without the presence of management.	
2	The meetings are chaired by the lead independent director, if applicable.	Compliant	<p>A meeting was likewise convened with the external auditor, IAD and members of the Audit Committee, without the presence of management.</p> <p>Links/References: - Certification of Corporate Secretary (Annex 8)</p>	
Principle 6. ASSESSING BOARD PERFORMANCE				
The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.				
Recommendation 6.1				
1	The Board conducts an annual self-assessment of its performance as a whole.	Compliant	<p>The Board of Directors assesses at least annually its performance and effectiveness as a body, as well as its various committees. This exercise shall cover the assessment of the ongoing suitability of each board member taking into account his performance in the board and board-level committees. The results thereof are reported to the Board through the Corporate Governance Committee.</p> <p>Links/References: - Manual on Corporate Governance: Page 57 (Performance Evaluation) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - 2024 Annual Report: Page 69 (Board and Committee Performance Evaluation) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
2	The Chairperson conducts an annual self-assessment of his performance.	Compliant		
3	The individual members conduct a self-assessment of their performance.	Compliant		
4	Each committee conducts a self-assessment of its performance.	Compliant		

Recommendation 6.2				
1	The Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors/trustees and committees.	Compliant	<p>As stated, the performance assessment of the Board and board-level committees is done through self-assessment.</p> <p>On the other hand, the Bank also welcomes communications on matters pertaining to the management of the Bank, stockholders' benefits, rights and any other bank-related issues of importance. Stockholders who wish to communicate with any or all members of the Board, may raise their concerns thru the Office of the Corporate Secretary.</p>	
2	The system allows for a feedback mechanism from the shareholders/members.	Compliant	<p>Links/References:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 57 (Performance Evaluation) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Contact Center ocs.cbs@chinabank.ph https://www.cbs.com.ph/about/Investor_Relations.aspx https://www.cbs.com.ph/Contact_Us.aspx 	
Principle 7. STRENGTHENING BOARD ETHICS				
The Board directors are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.				
Recommendation 7.1				
1	The 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 board members.	Compliant	<p>The Bank's core values are the foundation of the Bank's Code of Ethics – for the Board of Directors and employees, wherein the Board sets the tone from the top of the Bank's commitment to adhere to the ethical conduct of its business embodying the principles of integrity, fairness, accountability and transparency.</p> <p>Link/Reference:</p> <ul style="list-style-type: none"> - Code of Ethics https://www.cbs.com.ph/about/Code_of_Ethics.aspx 	

2	The Code is properly disseminated to the members of Board.	Compliant	<p>The Code of Ethics for Directors provides the guiding principles on the performance of their duties in accordance with the fit and proper rules; and establishes standards for professional and ethical conduct. Each Director is required to acknowledge receipt of the Code.</p> <p>Link/Reference: - Code of Ethics https://www.cbs.com.ph/about/Code_of_Ethics.aspx</p>	
3	The Code is disclosed and made available to the public through the company website.	Compliant	<p>The copies of the Codes are available in Bank's website and also made available in the Bank's intranet to be readily accessible to all employees.</p> <p>Link/Reference: - Code of Ethics https://www.cbs.com.ph/about/Code_of_Ethics.aspx</p>	

Recommendation 7.2

1	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<p>The Board requires full compliance with the Code of Ethics. The Board, through Human Resources Division (HRD), ensures that every employee is aware of and upholds the Code. To promote compliance with the Code, all new employees are given a copy of the Code of Ethics booklet and undergo the New Employees' Orientation Program (NEOP) wherein the Code is comprehensively discussed.</p> <p>Link/Reference: - Code of Ethics https://www.cbs.com.ph/about/Code_of_Ethics.aspx</p>	
---	--	-----------	--	--

DISCLOSURE AND TRANSPARENCY

Principle 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES

The Board should establish corporate disclosure policies and procedures that are practical and in accordance with generally accepted best practices and regulatory expectations.

Recommendation 8.1				
1	The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders/members and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p>The Board shall ensure that individual members of the Board and the shareholders are accurately and timely informed of a comprehensive and understandable assessment of the Bank's performance, financial condition and risk exposures. The Bank's website contains relevant information about the Bank.</p> <p>Links/References: - Manual on Corporate Governance: Page 23 (Responsibilities of BOD), Page 108 (Right to Information) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Investor Relations: https://www.cbs.com.ph/about/Investor_Relations.aspx</p>	
Recommendation 8.2				
1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within five (5) business days.	Compliant	<p>In accordance with the Bank's updated Manual on Corporate Governance, the Directors and Officers shall commit at all times to fully disclose to the Bank material information dealings in the company's shares by the said directors and officers within five (5) business days.</p> <p>Links/References: - Manual on Corporate Governance: Page 107 (Reportorial or Disclosure System of Bank's Corporate Governance Policies) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
2	The company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within five (5) business days.	Compliant		
Recommendation 8.3				
1	The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<p>The Manual on Corporate Governance institutionalizes the principles of good corporate governance in the organization.</p> <p>The latest revised version has been duly submitted to SEC, and posted accordingly in the website.</p> <p>Link/Reference: - Manual on Corporate Governance</p>	
2	The company's MCG is submitted to the SEC.	Compliant		

3	The company's MCG is posted on the company website.	Compliant	https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf	
Recommendation 8.4				
1	The company's corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR).	Compliant	In compliance with SEC Memorandum Circular No. 24 series of 2019, the Bank's Annual Corporate Governance Report (ACGR) was duly submitted to SEC, and posted accordingly in the website. Link/Reference: - Annual Corporate Governance Report https://www.cbs.com.ph/about/corporate_governance/Annual_Corporate_Governance_Report.aspx	
2	The company's ACGR is submitted to the SEC.	Compliant		
3	The company's ACGR is posted on the company website.	Compliant		
Principle 9. STRENGTHENING EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY				
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.				
Recommendation 9.1				
1	The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors.	Compliant	The Audit Committee exercises oversight of external auditors. It is primarily responsible for the selection and appointment of these auditors, subject to stockholder ratification. The Committee also facilitates the approval / disapproval of the corresponding service fees. Moreover, they handle the performance evaluation and if necessary, the re-appointment or dismissal of the external auditors. Link/Reference: - Audit Committee Charter https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf - 2024 Annual Report: Page 43 (Audit Committee's Approval Policies) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx	

2	The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and the shareholders/members.	Compliant	<p>As provided under the Audit Committee Charter, the appointment of the Bank's incumbent external auditor, SyCip Gorres Velayo & Co. (SGV) has been presented to, and duly ratified by the stockholders.</p> <p>As stated in the reply above, the audit fees are endorsed by the Audit Committee.</p> <p>Link/Reference: - 2024 Annual Report: Page 43 (Independent Public Accountant) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
3	For the removal of external auditor, the reasons for such removal or change are disclosed to the SEC, the shareholders/members, and the public through the company website and required disclosures.	Compliant	<p>The incumbent external auditor of the Bank, SyCip Gorres Velayo & Co. (SGV) was re-elected in 2024.</p> <p>Link/Reference: - 2024 Annual Report: Page 43 (Independent Public Accountant) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
Recommendation 9.2				
1	The 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	<p>The assessment of the independence of the external auditor and oversight, among others are part of the responsibilities of the Audit Committee.</p> <p>The responsibilities of the Audit Committee are discussed in the Charter.</p> <p>Link/Reference: - Audit Committee Charter: Duties and Responsibilities https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf</p>	
2	The Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual	Compliant	<p>As specified in the Audit Committee Charter, the Committee has the responsibility to oversee the external auditors.</p> <p>Link/Reference:</p>	

	basis.		- Audit Committee Charter: Duties and Responsibilities https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf	
Recommendation 9.3				
1	The company discloses the nature of non-audit services performed by its external auditor in the Annual Report to manage potential conflict of interest cases.	Compliant	<p>Audit Committee evaluate and determine the non-audit work and disallow any non-audit work that will conflict with the duties as an external auditor or may pose a threat to the external auditor's independence. The non-audit work, if allowed, should disclose in the corporation's annual report and Corporate Governance Report.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 59 (Authority of Audit Committee), Page 85 (Non-Audit Work and Conflict of Interest) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - 2024 Annual Report: Page 43 (Independent Public Accountant) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
2	The Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	<p>The Bank ensure that other non-audit work to be given to the external auditor shall not be in conflict with the functions of the external auditor, or does not pose a threat to his independence.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 99 (Non-Audit Work and Conflict of Interest) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Principle 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING				
The Board should ensure that the company discloses material and reportable non-financial and sustainability issues.				
Recommendation 10.1				
1	The Board has a clear and focused strategy on the disclosure of non-financial information.	Compliant	China Bank Savings is committed to sustainability and to creating positive economic, social, and environmental outcomes. Sustainability is an institutional commitment at CBS, regarded as	

2	<p>The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.</p>	Compliant	<p>fundamental to sound business practices and good corporate citizenship. CBS recognizes that the continued growth of business is interconnected with the fulfillment of broader development goals, including environmental and social sustainability. And as investors and customers become more aware of the world's environmental and social challenges, the Bank sharpens its focus not only on delivering strong financial performance, but also in making a positive social and environmental impact.</p> <p>The Bank is currently developing its Sustainable Finance Framework, aligning it with BSP's Circular No. 1085, and the Parent Bank's standards and principles to define the strategies in the Bank's continuing journey towards sustainability.</p> <p>CBS is also moving forward in a sustainable manner. To improve its resilience and sustainability in the face of accelerating climate change, CBS engaged the services of international consultant, Deloitte. The engagement is already underway, and capacity building activities with senior CBS officials and board members alongside the CBS and China Bank sustainability departments have already taken place. The engagement is expected to push CBS to the forefront of sustainable finance in the Thrift Bank category.</p> <p>In compliance with BSP Circular No. 1085, the Bank documented its transition plan which was subsequently approved by the Board of Directors on October 21, 2021. The sustainability principles were embedded in the Corporate Governance Manual; and the sustainable finance roles were incorporated in the respective charters of the Corporate Governance Committee, Audit Committee, Risk Oversight Committee, and Credit Committee. Additionally, CBS is already taking steps to further analyze its client portfolio and financed projects and activities in compliance with BSP Circular 1187 or the Philippine Sustainable Finance Taxonomy Guidelines released in February 2024.</p> <p>Links/References: - Manual on Corporate Governance: Page 115 (Sustainability, Environment, Social and Non-Financial Information)</p>	
---	---	-----------	--	--

			https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - 2024 Annual Report: Page 81-83 (Journey Towards Sustainability) https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx	
Principle 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION				
The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.				
Recommendation 11.1				
1	The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.	Compliant	The Bank's website is closely monitored and managed to ensure that it contains up-to-date disclosures and information. Links/References: - CBS Website: https://www.cbs.com.ph/	
INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORKS				
Principle 12. STRENGTHENING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS				
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 system.				
Recommendation 12.1				
1	The company has an adequate and effective internal control system in the conduct of its business.	Compliant	The Board through Internal Audit Division monitors and evaluates the adequacy and effectiveness of the bank's internal control system, integrity of financial reporting, and security of physical and information assets. It ensures review of the effectiveness of the institution's internal controls, including financial, operational and compliance controls, and risk management. Links/References: - Manual on Corporate Governance: Pages 57 (Audit Committee) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Annual Audit Plan (Annex 9) - Audit Committee Charter	

			https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf	
2	The company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>The identification and assessment of operational risks which are inherent in all the Banks products, activities, processes and systems are performed through the Risk and Control Self-Assessment (RCSA) Program. This facilitates the determination of priority operational risk areas, the assessment of mitigating controls in place, and the institutionalization of additional measures to ensure a controlled operating environment.</p> <p>The Risk Oversight Committee oversees the enterprise risk management framework and ensures that there is periodic review of the effectiveness of the risk management systems and recovery plans. It ensures that corrective actions are promptly implemented to address risk management concerns.</p> <p>Links/References: - Manual on Corporate Governance: Page 66 (Risk Oversight Committee) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf - Risk Oversight Committee Charter: https://www.cbs.com.ph/assets/files/Risk%20Oversight%20Committee%20Charter.pdf</p>	
Recommendation 12.2				
1	The 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	<p>The Bank's Internal Audit Division provides independent, objective assurance and consulting services designed to add value to the Bank's governance, risk management, internal control processes and improve the company's operations.</p> <p>It assesses the Bank's system of risk management, control, and governance processes, as designed and represented by management, to determine whether it is adequate and functioning to ensure that quality and continuous improvement are fostered in the organization's control process, among others.</p>	

			Links/References: - Annual Audit Plan (Annex 9) - Audit Committee Charter: https://www.cbs.com.ph/assets/files/Audit%20Committee%20Charter.pdf	
CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS/MEMBERS				
Principle 13. PROMOTING SHAREHOLDER/MEMBER RIGHTS				
The company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.				
Recommendation 13.1				
1	The Board ensures that basic shareholder/member rights are disclosed in the Manual on Corporate Governance.	Compliant	The fundamental rights of shareholders, amongst them, preemptive right, power of inspection, right to information, right to dividends and appraisal right are contained in the Manual on Corporate Governance. Link/Reference: - Manual on Corporate Governance: Pages 106 (Transparency) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf	
Recommendation 13.2				
1	The Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'/Members' Meeting with sufficient and relevant information at least twenty-one (21) days before the meeting.	Compliant	The Notice for the 2024 Annual Stockholders' Meeting as contained in the Definitive Information Statement was sent out / published in two leading newspapers of general circulation on 20 May 2024 and 21 May 2024, which is 31 and 30 days, respectively, before the original Annual Stockholders' Meeting of 20 June 2024. Link/Reference: - Definitive Information Statement (Notice of Meeting with Agenda) https://www.cbs.com.ph/about/investor relations/Definitive Statement Information.aspx	
Recommendation 13.3				
1	The Board encourages active shareholder/member participation by	Compliant	The 2024 Annual Stockholders Meeting was held on 20 June 2024. Voting results during the ASM was disclosed within the same day.	

	making the result of the votes taken during the most recent Annual or Special Shareholders'/Members' Meeting publicly available the next working day.		<p>Links/References:</p> <ul style="list-style-type: none"> - Minutes of 2024 Annual Stockholders' Meeting https://www.cbs.com.ph/about/corporate_governance/Annual_Stockholders_Meeting.aspx 	
2	The minutes of the Annual and Special Shareholders'/Members' Meetings were made available on the company website within five (5) business days from the date of the meeting.	Compliant	<p>The 2024 Annual Stockholders Meeting was held on 20 June 2024. The minutes of the ASM was posted on the Bank's website.</p> <p>The votes on each agenda item is clearly reflected in the minutes of the meeting, including all the questions asked and the reply thereto.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - Minutes of 2024 Annual Stockholders' Meeting https://www.cbs.com.ph/about/corporate_governance/Annual_Stockholders_Meeting.aspx 	
Recommendation 13.4				
1	The Board makes available, at the option of a shareholder/member, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	<p>The Bank's Manual of Corporate Governance provides the establishment of an alternative dispute resolution system. However, the system has not been documented and operationalized.</p> <p>Link/Reference:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 36 (Additional Duties of Board of Directors) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf 	
Recommendation 13.5				
1	The Board establishes an Investor Relations Office (IRO) or Customer Relations Office (CRO) or its equivalent to ensure constant engagement with its shareholders/members.	Compliant	<p>China Bank Savings shareholders/members' contact person is Atty. Arturo Jose M. Constantino III of the Office of the Corporate Secretary.</p> <p>Links/References:</p> <ul style="list-style-type: none"> - email address: ocs.cbs@chinabank.ph - Definitive Information Statement (Notice of Meeting with 	

			<p>Agenda)</p> <p>https://www.cbs.com.ph/about/investor_relations/Definitive Statement Information.aspx</p>	
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	Compliant	<p>Atty. Arturo Jose M. Constantino, Corporate Secretary was present in the 2024 ASM as indicated in the corresponding Minutes.</p> <p>Link/Reference: - Minutes of 2024 Annual Stockholders' Meeting https://www.cbs.com.ph/about/corporate_governance/Annual Stockholders Meeting.aspx</p>	
DUTIES TO STAKEHOLDERS				
Principle 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS				
The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.				
Recommendation 14.1				
1	The Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p>In 2024, the Bank, through its Board and Management has identified topics/issues that are highly significant to its stakeholders.</p> <p>The Bank believes that it is through proper understanding of stakeholders' needs, concerns, and expectations, and more importantly, embedding their feedback into the corporate strategy and daily business that it is able to develop long term-solutions, make responsible business decisions, and perform better.</p> <p>Links/References: - 2024 Annual Report: Pages 32-35 (Plan of Operation) https://www.cbs.com.ph/about/investor_relations/Annual Report.aspx</p>	
Recommendation 14.2				
1	The Board establishes clear policies and programs to provide a mechanism on the fair treatment, protection and	Compliant	The Bank treats its stakeholders fairly and ensures their protection.	

enforcement of the rights of stakeholders.		Policy on Fair Treatment to Stakeholders The policies are in Page 107 of the Bank's Manual on Corporate Governance (Transparency).	
Principle 15. ENCOURAGING EMPLOYEES' PARTICIPATION			
A mechanism for employee participation should be developed to create a symbiotic working environment consistent with the realization of the company's objectives and good corporate governance goals.			
Recommendation 15.1			
1	The 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	<p>In place are policies and programs to ensure not just high-performance standards among our employees but as well as group-wide synergy towards the realization of corporate goals and business objectives.</p> <p>The Bank is committed to consistently engage its employees to ensure that all employees are heard and updated of these goals and key result areas to make them more effective. Our Human Resources Group has put in place various training and engagement activities, including a periodic town hall where employees are kept abreast of significant developments in various areas - Bank's overall performance and governance matters. A Q&A portion during the town hall encourages employees to air their concerns.</p> <p>Moreover, part of the activities of the Bank is the commitment to continually strengthen compliance and governance culture through education and training.</p> <p>In order to raise awareness level, Compliance Division regularly conducts briefing to Compliance Coordinators of branches and head office units. This training program provides venue as well to better appreciate and understand compliance principles, concepts, and elements of good corporate governance.</p> <p>The Compliance Coordinators are required to cascade their learning to their respective areas. All new employees of the Bank undergo a basic orientation on Compliance System, Anti-Money Laundering and Governance, among others.</p>

			<p>Link/Reference:</p> <ul style="list-style-type: none"> - 2024 Annual Report: Page 75 (Orientation and Education Program) <p>https://www.cbs.com.ph/about/investor_relations/Annual_Report.aspx</p>	
Recommendation 15.2				
1	<p>The Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct and Ethics.</p>		<p>The Bank is committed to honest and ethical business practices and does not tolerate any form of bribery and corruption. Bank directors and employees are expected to act professionally, fairly, and with integrity in all our business dealings and relationships wherever we operate.</p> <p>China Bank Savings adopts the policy of the parent bank China Bank Corporation on Anti-Bribery and Corruption.</p> <p>Link/Reference:</p> <ul style="list-style-type: none"> - Manual on Corporate Governance: Page 19 (Bank's Corporate Culture and Values) <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p> <ul style="list-style-type: none"> - Corporate Governance (Anti-Bribery and Corruption) <p>https://www.cbs.com.ph/about/corporate_governance/AntiBribery_and_AntiCorruption.aspx</p> <ul style="list-style-type: none"> - Code of Ethics: <p>https://www.cbs.com.ph/about/Code_of_Ethics.aspx</p>	

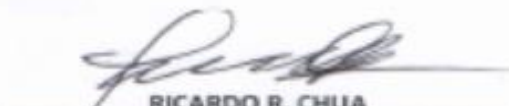
2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>The Board has imposed a policy of full compliance with the Code of Ethics and other policies. HRD ensures that every Bank employee is aware of, and upholds the Code.</p> <p>Given the mandate of the Board, HRD ensures that the training programs present the pertinent Bank policies governing their respective functions.</p> <p>Links/References: - Code of Ethics: https://www.cbs.com.ph/about/Code of Ethics.aspx</p>	
Recommendation 15.3				
1	The 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	<p>The Bank does not and will not tolerate unethical or illegal conduct, thus a Whistleblowing mechanism was established to ensure that employees, customers, shareholders, and third-party service providers will have a way to report questionable activity, unethical conduct, fraud or any other malpractice, by mail, phone or e-mail. Disclosures or reports are handled under the strictest measures of confidentiality and anonymity to allay fears of reprisal or retaliation.</p> <p>Link/Reference: - Manual on Corporate Governance: Page 62 (On Whistleblowing) https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
2	The Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p>Reports can be submitted to the Bank's Chief Compliance Officer who determines the substance and validity of all whistle-blower reports. If the disclosure or information is complete and is sufficient in form and substance, the matter shall be endorsed to Audit Division and/or HRD for further investigation, subject to the Bank's Administrative Disciplinary Rules and Procedures.</p> <p>If on preliminary examination of the report, the Chief Compliance Officer finds the disclosure baseless, without substance or merit in its totality, the whistle-blower shall be notified of such fact within twenty four (24) hours from receipt of the report.</p>	

			<p>Link/Reference:</p> <p>- Manual on Corporate Governance: Page 62 (On Whistleblowing)</p> <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>All disclosures and their corresponding status and resolution are regularly reported to the Board, thru the Audit Committee.</p> <p>Link/Reference:</p> <p>- Manual on Corporate Governance: Page 62 (On Whistleblowing)</p> <p>https://www.cbs.com.ph/assets/files/Manual%20on%20Corporate%20Governance.pdf</p>	
Principle 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY				
The company should be socially responsible in all its dealings with the communities in which it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.				
Recommendation 16.1				
1	The company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>As a responsible corporate citizen, CBS pursues corporate social responsibility (CSR) efforts devoted to community investment and engagement, and employee volunteerism programs. By pursuing a “good neighbor” approach and sinking deep roots in the communities where we operate, CBS enhances our brand value and safeguards the ability to continuously pursue our shareholder goals. These efforts are guided by principles of teamwork, accountability and unity and self-improvement at the heart of our SAG1 (Sagwan) or Sustaining Achievable Goals as One culture at CBS.</p> <p>In 2024, CBS enhanced our <i>Build & Rise Initiative</i>, the campaign which focuses on financial inclusion, consumer empowerment, and promoting entrepreneurship. The Bank organized forums and workshops on financial wellness, financial planning, and related topics, reaching various sectors of society. Targeting underserved sectors, CBS projects aim to boost financial literacy and savings</p>	

		<p>awareness within communities, support government programs for learners and teachers, promote SME development, and contribute to overall community growth.</p> <p>Link/References: - 2024 Annual Report: Page 78-81 (Corporate Social Responsibility Initiatives) https://www.cbs.com.ph/about/investor_relations/Annual Report.aspx</p>	
--	--	---	--

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

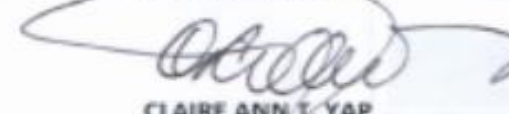
SIGNATURES



RICARDO R. CHUA
Chairman of the Board


JAMES CHRISTIAN T. DEE
President


PHILIP S.L. TSAI
Independent Director


ANTONIO S. ESPEDIDO, JR.
Independent Director


CLAIRE ANN T. YAP
Independent Director


GENARO V. LAPEZ
Independent Director


ATTY. CORAZON T. LLAGAS
Chief Compliance Officer


ATTY. ARTURO JOSE M. CONSTANTINO III
Corporate Secretary

JUN 02 2025

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2025, affiant(s) exhibiting to me their identification documents, as follows:

NAME	IDENTIFICATION DOCUMENTS
Ricardo R. Chua	SSS No. 0324163898
James Christian T. Dee	DL No. N01-90-107895
Antonio S. Espedido, Jr.	Passport No. P6636856
Philip S.L. Tsai	Passport No. P7396029A
Claire Ann T. Yap	Passport No. P30994518
Genaro V. Lapez	Passport No. P5929865A
Corazon T. Llagas	DL No. D16-92-071239
Arturo Jose M. Constantino III	Passport No. P12838738

Notary Public

Doc No. 154
Page No. 32
Book No. 711
Series of 2025


ATTY. ANGELO FRANCISCO B. PIEDRA
Notary Public Until December 31, 2026

Appointment No. M-019 (2025-2026) 12/16/2024 for Makati City
Roll No. 710211/189 No. 425258 issued on 01/10/2024
PTR No. 10465536/01.02.2025/Makati City
NICLE Compliance No. VII-0000489 06/13/2024
314 San. Isl. Infirmary Avenue, Makati City

List of Trainings Attended by the Board of Directors
For the Year 2024

Directors	Advance Corporate Governance Training 07 August 2024
	Topics: <i>"AI Governance and Use Cases" & "Anti-Money Laundering Act Updates"</i>
Ricardo R. Chua	✓
Nancy D. Yang	✓
James Christian T. Dee	✓
Herbert T. Sy, Jr.	✓
Patrick D. Cheng	✓
Jose L. Osmena, Jr.	✓
Romeo D. Uyan, Jr.	✓
Philip S.L. Tsai (ID)	✓
Antonio S. Espedido, Jr. (ID)	✓
Claire Ann T. Yap (ID)	✓
Genaro V. Lapez (ID)	✓

2024-036-008



Institute of Corporate Directors

presents this

Certificate of Participation

to

Arturo Jose M. Constantino III

China Bank Savings, Inc.

for having completed the course

Corporate Secretary as Corporate Governance Professionals

held on

October 10, 2024 | 1:00 PM - 5:00 PM

October 11, 2024 | 1:00 PM - 5:00 PM

through Zoom Meetings

A handwritten signature in black ink, appearing to read 'Maniego', is positioned above the printed name of the Chairman.

Atty. Pedro H. Maniego Jr.
Chairman



Institute of Corporate Directors

presents this

Certificate of Participation

to

Corazon T. Llagas

China Bank Savings, Inc.

for having completed the

Advanced Corporate Governance Training

"AI Governance and Use Cases"
& *"Anti-Money Laundering Act Updates"*

held on

August 7, 2024 | 9:30 AM - 2:00 PM

at Chinabank Head Office, Makati City

& through Zoom Meetings

A handwritten signature in black ink, appearing to read 'Maniego', is positioned above the printed name of the Chairman.

Atty. Pedro H. Maniego Jr.
Chairman

REPUBLIC OF THE PHILIPPINES)
 MAKATI CITY) S.S.
 =====

SECRETARY'S CERTIFICATE

I, **Atty. ARTURO JOSE M. CONSTANTINO III**, of legal age, with office address at 5th Floor, CBS Building, 314 Sen. Gil Puyat Avenue, Makati City, 1200 Philippines, after having been duly sworn to in accordance with law, hereby certify that:

I am the duly appointed Corporate Secretary of **CHINA BANK SAVINGS, INC.**, (the "Corporation"), a thrift banking corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at CBS Building, 314 Sen. Gil Puyat Avenue, Makati City, Philippines;

As Corporate Secretary, I have possession of the records of the Corporation, including the minutes of the meetings of the Board of Directors, Executive Committee, and other Board-approved Committees;

During the regular meeting of the Board of Directors of the Corporation held on **19 December 2024**, at which meeting a quorum was present and acting throughout, the following resolution was duly passed and approved:

RESPONSE TO THE BOARD'S NOTICE OF ACTION FOR THE CBS FIVE-YEAR BUSINESS PLAN AND PROJECTIONS

Resolution No. BD 14-12.19.2024-22

RESOLVED, AS IT IS HEREBY RESOLVED, that the Board notes and approves the Response to the Board's Notice of Action for the CBS Five-Year Business Plan and Projections, as contained in the Memorandum dated 19 December 2024 submitted by the President and the Controller.

XXX

The above resolution is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I hereby affix my signature on this **DEC 20 2024** at Makati City.


Atty. ARTURO JOSE M. CONSTANTINO III
 Corporate Secretary

SUBSCRIBED AND SWORN TO before me this **DEC 20 2024** at Makati City, affiant having exhibited to me his government issued Passport ID No. P1283873B issued by DFA Manila valid until 29 March 2029.

Doc. No. 196
 Page No. 31
 Book No. Y
 Series of 2024


ATTY. RICHARD A. DEL ROSARIO
 Notary Public until December 31, 2025
 Appointment No. M-155 (2024-2025) 02/15/2024 for Makati City
 Roll No. 72045-IBP No. 380052 issued on 02/29/2023
 PTR No. 10074019 01/09/2024 Makati City
 RPLS No. 10074019-01, 01/09/2024
 314 Sen. Gil Puyat Avenue, Makati City

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL

SUBJECT: SUCCESSION MANAGEMENT PROGRAM**Policy No:****Page 1 of 5****Effectivity Date: January 1, 2014****Approval Date: April 2, 2014****OBJECTIVES**

The Bank's Succession Management Program (SMP) aims to:

- A. Contribute to implementing the Bank's strategic business plans;
- B. Identify high-potential employees who may be considered as possible successors for key positions and to prepare, train and develop them; and
- C. Make available qualified successors to assume key positions to ensure seamless transition of talents in the Bank.

ROLES AND RESPONSIBILITIES**A. General Responsibilities****1. Business Group**

- a. Business Group Leaders / Senior Officers shall have hands-on involvement in the Program.
- b. Senior Officers shall be responsible for developing talent in their respective Groups / Divisions, for rewarding them, and for taking action for results and non-results.
- c. For purposes of this Manual, Business Group Leaders shall refer to Group, Division, Region, Area and Department Heads as shown in Table 1.

Table 1: List of Business Group Leaders

Branch	Non-Branch
Group Head	Group Head
Deputy Group Head	Division Head / Cluster Head
Region Head	Department Head
Area Head	

2. Human Resources Division

The HRD Head shall be responsible for giving update/advice to Senior Management about the Program and important developments, situations and issues to be resolved in relation to the Succession Management Program of the Bank and its subsidiaries. HRD-OEDD shall be responsible for:

- a. Collecting information and disseminating SMP and Successor for Officer Retirees (SFOR) information across business units through Business Group Leaders and other HRD Departments.

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL

SUBJECT: SUCCESSION MANAGEMENT PROGRAM	
Policy No:	Page 2 of 5
Effectivity Date: January 1, 2014	Approval Date: April 2, 2014

- b. Providing data and process support to the business groups, such as documentation of competencies, performance requirements, individual development plans and other tools for assessment and evaluation of candidates.

POLICY GUIDELINES

- A. The HRD Head with Group / Division Heads will initiate identification of target group or key positions that will be eventually vacated due to employee movement, resignation or retirement.
- B. The SFOR includes various scenarios for retirement and the processes that emanate from each scenario of which the officers and Management have to follow to ensure proper and timely succession from the incumbent officer to the incoming officer, the successor.

Three (3) scenarios covered by SFOR:

Scenario 1 - Officers who are nearing the age of 50 and qualified for Early Retirement¹

Includes CBC officers (Assistant Manager to Senior Vice President) who are 46 years old to 49 years old whose total number of years with the Bank² is 10 years on the day he / she reaches the age of 50.

Scenario 2 - Officers who are nearing the age of 55 and qualified for Normal Retirement³

Includes CBC officers (Assistant Manager to Senior Vice President) who are 51 years old to 54 years old.

Scenario 3 - Officers who are nearing the age of 60 and qualified for Deferred or Late Retirement⁴

Includes CBC officers (Assistant Manager to Senior Vice President) who are 56 years old to 59 years old.

- C. Business Group Leaders will conduct inventory of high-potential employees through discussions within their business units and HRD who can be possible successors for key

¹ Section 2. Early Retirement – on the day a member attains age 50 and after rendering at least 10 years of continuous service with the Bank, he may, at his option, retire and shall be entitled to the retirement benefits provided under Article VI of the Plan (CBC Employees' Retirement Plan – as amended December 1, 1996).

² Continuously employed with CBC

³ Section 1. Normal Retirement – For the qualified members of the Plan, normal retirement date shall be the last day of the month during which he attains the age of 55 provided he has served the Bank for at least ten (10) continuous years; provided that the employees may opt to retire on the last day of the month during which he attains age 60, subject to the provisions of Article VI on retirement benefits (CBC Employees' Retirement Plan).

⁴ Section 3. Deferred or Late Retirement – Any member may continue to work with the Bank beyond his normal retirement age of 55, provided such extended or late retirement shall not extend beyond the employee's 60th birthday, subject to the provisions of Article VI on retirement benefits (CBC Employees' Retirement Plan – as amended December 1, 1996).

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL

SUBJECT: SUCCESSION MANAGEMENT PROGRAM	
Policy No:	Page 3 of 5
Effectivity Date: January 1, 2014	Approval Date: April 2, 2014

positions in the Bank by evaluating in terms of competencies required for the position as well as their readiness to assume higher responsibilities.

If possible successor is from another unit (outside the unit where he/she was identified as a possible successor), procedures stated below should be followed:

1. Business Group Leader will secure endorsement from his / her Group or Division Head
2. Business Group Leader will inform HRD Head
3. HRD will secure endorsement from candidate's unit for eventual transfer of assignment

Note: A possible successor can only be included in the Succession Management Program upon the endorsement of his/her current Group / Division / Region / Area Head.

- D. Business Group Leaders will draft Individual Development Plan for each identified possible successor.
- E. HRD – OEDD reviews the drafted Individual Developmental Plans and revises as necessary which will be approved by the Line Officer, Group or Division Head and Chief Operating Officer.
- F. Possible successors shall be evaluated in terms of the competencies required for the position as well as their readiness to assume higher responsibilities.

CRITERIA

A. Performance Record

Annual performance rating of at least Good for the last two (2) years

B. Disciplinary Record

No disciplinary record action record for the last two (2) years

C. Key Competencies

High-potential employees who may be considered as possible successors must meet at least proficiency Level 3 of the following key competencies (see Annex A for the definition of each competency):

Proficiency Level 1	Proficiency Level 2	Proficiency Level 3	Proficiency Level 4
Has not demonstrated the required competency and current circumstances are	Has not demonstrated the required competency but shows aptitude and potentials to	Has demonstrated the required competency in some instances.	Has fully demonstrated the required competency

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL

SUBJECT: SUCCESSION MANAGEMENT PROGRAM

Policy No:

Page 4 of 5

Effectivity Date: January 1, 2014

Approval Date: April 2, 2014

Insufficient to assess potential.	acquire and demonstrate it.		
-----------------------------------	-----------------------------	--	--

1. Analytical Thinking
2. Business Development
3. Customer Focus
4. Developing Others
5. Entrepreneurial Orientation
6. Goal Orientation
7. Managing Performance
8. Operational Efficiency & Effectiveness
9. People Management
10. Sales Management
11. Strategy Execution
12. Transformational Leadership

Job Family	Applicable Competencies
Marketing	All
Operations	All except Sales Management and Business Development
Support	
Technical	

D. Job-Specific Competencies

High-potential employees who may be considered as possible successor must also meet the job-specific competencies and required proficiency level which shall be determined by the Business Group Leaders.

PROCEDURES

1. HRD – OEDD generates Leadership Roster (Exhibit 1) every April and October of the year and simultaneously conducts job profiling for those who are in the SFOR and key positions.
2. HRD – OEDD submits the generated reports to HRD Head and Group / Region / Area / Division Heads concerned for discussion every May – June and November – December of the year.
3. HRD – OEDD updates the reports as necessary and resubmits to HRD Head and Group / Region / Area / Division Heads concerned until approval.

HUMAN RESOURCE POLICIES AND PROCEDURES MANUAL

SUBJECT: SUCCESSION MANAGEMENT PROGRAM	
Policy No:	Page 5 of 5
Effectivity Date: January 1, 2014	Approval Date: April 2, 2014

4. Based on the discussion, Business Leaders prepare the Individual Development Plan (Exhibit 2) which is submitted to HRD – OEDD and revises it as necessary until approval of the Group / Region / Area / Division Heads concerned and if the possible successor is for a Group Head position, HRD – OEDD secures approval up to COO level.
5. HRD – OEDD ensures that IDP is being executed through monthly report and follow-up with HRD Head.
6. HRD – OEDD prepares quarterly SMP report which shows the percentage of implementation of the IDP and submits to HRD Head and Group / Region / Area / Division Heads concerned.
7. Business Leaders assess possible successors through the Bench Assessment (Exhibit 3) and submits to HRD – OEDD.
8. HRD – OEDD evaluates the accomplished Bench Assessments and updates the monthly and quarterly reports which will be submitted to the HRD Head.
9. HRD Head discusses with Group / Region / Area / Division Heads concerned the readiness of the possible successors and next steps.



CHINA BANK SAVINGS

314 Sen. Gil Puyat Avenue, Makati City 1200
(02) 8988-8555 • www.cbs.com.ph

China Bank Savings, Inc.

Nomination Process¹

(With Fit and Proper Rule/Guide for the Assessment of the Nominee)

A. Nomination

Any shareholder of record, including a minority shareholder, who is entitled to a notice and to vote during the Annual Stockholders' Meeting, is qualified to nominate or be nominated.²

B. Form and Content

1. All nominations shall be in writing duly signed by the nominating stockholders or their representatives duly authorized in writing, with the written acceptance and conformity of the nominee.³
2. The nomination must indicate whether the nominee is intended to be independent director and shall contain the nominee's age, educational attainment, and full disclosure of work and/or business experience and/or affiliations. Please see **Annex 1** for the Nomination Form.

C. Endorsement to Board Committee

Nominations⁴ shall be submitted to the Nominations Committee and/or the Corporate Governance Committee thru any member or to the Corporate Secretary.

D. Pre-Screening

1. The Nominations and/or Corporate Governance Committee shall pre-screen⁵ the qualifications of the nominees on the basis of the nomination and/or supporting papers⁶. Ensuring that the nominee's qualities are aligned with the Bank's strategic direction.
2. The nominee must be fit and proper for the position of a director⁸
 - 2.1 Whether a person is fit and proper for the position of a director, the following matters must be considered by the Committee:
 - a. Skills are sufficient to lead and/or assist the Bank in accomplishing its vision and corporate goals;

¹Based on the 2018 Nomination Rules of China Bank, issued by the OCS.

²CBC-CG Manual, 2018, p.13

³Revised IRR of the SRC, Rule 38.8.2

⁴The Nomination shall be done using the prescribed template from the Nomination Rules.

⁵The Committee shall put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s. Rule 38.8.3 of the Revised IRR of the SRC (2015)

⁶Such as but not limited to the Bio-data of the Nominee (BSP template), Nomination Form, Certification by the Independent Director [for IDs].

⁷Revised CBC Nominations Committee Charter (2017)

⁸MORB, X142.3(2017) - Duties and responsibilities of officers) Qualifications of a director.

- b. Integrity/probity, physical/mental fitness; relevant education/ financial literacy/training;

In assessing a director's integrity/ probity, consideration shall be given to the director's market reputation, observed conduct and behaviour, as well as his ability to continuously comply with company policies and applicable laws and regulations, including market conduct rules, and the relevant requirements and standards of any regulatory body, professional body, clearing house or exchange, or government and any of its instrumentalities/agencies.

- c. Possession of competencies relevant to the job, such as knowledge and experience, skills, diligence and independence of mind; and
- d. Sufficiency of time to fully carry out responsibilities.

2.2 Qualifications of an Independent Director

- a. The list of qualifications and disqualifications of an Independent Director are provided in [Annex 2](#) hereof.
- b. Some Board-level Committees require that an Independent Director should sit as a member and/or that it should be composed entirely of Independent Directors. Each of this committee may require certain skills or educational background. The attached [Annex 3](#) summarized these qualifications on a per Committee basis.

3. Board Diversity

The Committee in assessing the nominee shall consider the Bank's policy on diversity to ensure optimal mix in the members of the Board. Please refer to [Annex 4](#) for the Diversity Policy.

E. Use of A Search Firm

In accordance with the Bank's CG Manual, The Board of Directors may use professional search firms or other external sources of candidates when searching for candidates for the Board.

F. List of Candidates

1. If there is not enough nominees for directors and/or IDs, the Nominations and/or Corporate Governance Committees, jointly or separately, as may be agreed upon among the members, may by majority vote nominate such number of nominees for the said position and include them in the final list for the Stockholders' Meeting.
2. The Committees shall prepare a final list of candidates containing all relevant information about the nominees (indicate the nominees for Independent Director).

3. Only nominees whose name appears on the Final List of Candidates shall be eligible for election as Independent Director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual stockholders' meeting.⁹

⁹ Rule 38.8.5, Revised IRR of the SRC (2015).


CHINA BANK SAVINGS

 314 Sen. Gil Puyat Avenue, Makati City 1200
 (02) 8988-9555 • www.cbs.com.ph

CERTIFICATION

This is an annual certification as to the attendance of the Board of Directors of **CHINABANK SAVINGS, INC.**, for the year **2024**, in compliance with the Manual on Corporate Governance in matrix form.

NAME OF DIRECTORS	18 JAN.	15 FEB.	23 FEB. Special	21 MAR.	25 APR.	16 MAY	20 JUN.	18 JUL.	15 AUG.	19 SEPT.	17 OCT.	21 NOV.	12 DEC. Special	19 DEC.	19 DEC. Special	Percentage of Meetings Attended per Director (as applicable)
Ricardo R. Chua	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Nancy D. Yang	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Romeo D. Uyan, Jr.	✓	✓	✓	✓	✓	x	x	x	x	x	✓	✓	x	✓	✓	60%
James Christian T. Dee*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	100%
Jose L. Osmeña, Jr.**	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	x	✓	✓	✓	N/A	85.71%
Patrick D. Cheng	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	93.33%
Herbert T. Sy, Jr.	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	x	✓	✓	80%
Philip S. L. Tsai	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Claire Ann T. Yap	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Genaro V. Lapez	✓	x	x	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	x	66.66%
Antonio S. Espedido, Jr.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Aloysius C. Alday, Jr.	N/A													✓	✓	100%

LEGEND:

✓ - Present

x - Absent

* Mr. James Christian T. Dee was exempted from attending the Special Board Meetings scheduled on December 19, 2024 (Board Meeting without the President).

** Mr. Jose L. Osmeña, Jr. retired as Regular Director of China Bank Savings, Inc., effective December 19, 2024.

***Mr. Aloysius C. Alday, Jr. was appointed as Regular of Director of China Bank Savings, Inc., effective December 19, 2024.

This further certifies the presence of a quorum for all scheduled meetings of China Bank Savings, Inc., Board of Directors.

Makati City, Philippines, 3 January 2025.

Atty. Arturo Jose M. Constandino III
 Corporate Secretary



CHINA BANK SAVINGS
314 Sen. Gil Puyat Avenue, Makati City 1200
(02) 8988-9555 • www.cbs.com.ph

CERTIFICATION

This is to certify that the that the Audit Committee of the Bank, together with the external auditor, Sycip Gorres Velayo & Co. (SGV), the Chief Audit Executive and Internal Audit Department for China Bank Savings, Inc., (the Bank) held a meeting on 19th March 2024 on the Bank's Financial Statements as of and for the year ended 31 December 2023.

Issued this 11th day of April 2025 in Makati City.


ATTY. ARTURO JOSE M. CONSTANTINO III
Corporate Secretary



CHINA BANK SAVINGS
314 Sen. Gil Puyat Avenue, Makati City 1200
(02) 8988-9555 • www.cbs.com.ph

OFFICE OF THE CORPORATE SECRETARY

NOTICE OF ACTION OF THE AUDIT COMMITTEE


TO	:	Ms. Marita P. Roxas, CBS Audit Department Head
cc	:	Mr. Jeruel N. Lobien, Chief Audit Executive
	:	Atty. Josephine F., Fernandez, HRD Head
	:	Mr. Ronald R. Marcaida, Senior Audit Executive
	:	Ms. Julie Ann T. Pring, CBC IT Audit Department Head
	:	Mr. Felicisimo M. Balitsa, Jr., CBS Branch Audit Unit Head
	:	Ms. Nyra D. Manguilin, CBS Head Office Audit Unit Head
DATE	:	21 March 2024
SUBJECT	:	2024 Audit Plan and Corresponding Additional Internal Audit Personnel

Please be informed that the Audit Committee of China Bank Savings, Inc., in its regular meeting held on **19 March 2024**, wherein a quorum was present and acted throughout, passed **Resolution No. AC 02-03.19.2024-4.a**, approving the above subject/request, as contained in the Presentation Materials dated 19 March 2024.

The above-mentioned action of the Committee further includes the following instruction:

1. Coordinate with HRD for the hiring of required Internal Audit personnel.

For your information and/or immediate action, please.


Atty. Arturo Jose M. Constantino III
Corporate Secretary

Date : March 19, 2024
 For : The Board of Directors
 Thru : The Audit Committee
 From : CBS Audit Department
 Subject : 2024 Audit Plan

We hereby submit the Y2024 Audit Plan of CBS Audit Department for review and approval.

A. Branch Audit Unit

Units to Cover	Count	Type of Audit		Man-Days Allocation
		Regular	Limited	
Branches	52	27	25	1,360
Cash Centers	4	-	4	88
Total	56	27	29	1,448

Note:

Total available man-days of 1,115 as of date is short by 333, which is expected to be provided upon hiring of one (1) Audit Officer and two (2) Audit Assistants.

B. Head Office Audit Unit

Count	Units to Cover	Man-Days Allocation
1	APD Lending Center (APDLC) General Santos	58
2	APDLC Bacolod	58
3	APDLC Tagum	58
4	APDLC Kalibo	58
5	APDLC Butuan	58
6	APDLC Sorsogon	58
7	APDLC Calapan	58
8	APDLC Blumentritt	55
9	APDLC Caloocan	55
10	APD Sales Sourcing and Account Generation	45
11	LOD Shared Services Department	70
12	APD Loan Operations Division	55
13	Branch Service Operations Management and Cash Vault Operations	70
14	APD Collections Department	50
15	APD Sales and Support	55
16	LOD Consumer Loans Department	60
17	LOD Business Center and SME Loans Department	70
18	Housing Loans Division	60
19	Auto Loans Division	60
20	Auto Loan Underwriting Department	55
21	Auto Loan Collection, Housing Loan Collection, Personal Loan/Handy Salary/Recovery Collection and Front-end Collection Departments	55
22	Strategy Department	55
23	Business Partnership Department	55
24	Fraud Management and Project Management	30

Count	Units to Cover	Man-Days Allocation
25	Sustainability Unit	30
26	Housing Loan Underwriting Department	55
27	Administrative Services Department	70
28	APD Sales Services	40
Total		1,556

Note:

Total available man-days of 1,280 as of date is short by 276, which is expected to be provided upon hiring of two (2) Audit Officers and two (2) Audit Assistants including replacements for personnel expected to resign by April and June 2024.

C. Confirmation of Balances

Account Types	Man-Days Allocation
Deposit	55
Loan	50
Total	105

D. Other Requests for Approval


1. Branch Audit Unit

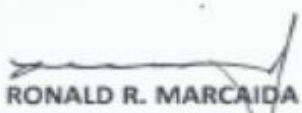
Hiring of additional one (1) Audit Officer and one (1) Audit Assistant to replace personnel who will be reassigned to Continuous Audit Team


2. Head Office Audit Unit

Outsourcing of five (5) audit engagements

The Internal Audit Charter states that the Chief Audit Executive "...has the responsibility to develop a risk-based internal audit plan and submit the plan annually to the Board thru the Audit Committee for review and approval."


MARITA P. ROXAS
 AVP & Department Head


RONALD R. MARCAIDA
 VP & Senior Audit Executive


JERUEL N. LOBIEN
 SVP & Chief Audit Executive