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SEC Registration Number

[illegible]

(Company's Full Name)

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

MARIA CARMELA M. GUERRERO

Contact Person

8840-7000/loc 37843

Company Telephone Number

1	2
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Month

3	1
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Day

(Fiscal Year)

2022 Integrated Annual Corporate Governance Report (I-ACGR)

2022 Integrated Annual Corporate Governance Report (I-ACGR)

FORM TYPE

Any day in April of each year, or if not practicable, on such date as may be fixed by the Board of Directors

Any day in April of each year, or if not practicable, on such date as may be fixed by the Board of Directors

Month Day
(Annual Meeting)

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Secondary License Type, If Applicable

CGFD

Dept. Requiring this Doc.

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Amended Articles Number/Section

Total Amount of Borrowings

Domestic

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Foreign

To be accompanied by SEC Personnel concerned

[illegible]

File Number

[illegible]

Document ID

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Remarks: Please use BLACK ink for scanning purposes.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. May 30, 2023

.....
Date of Report (Date of earliest event reported)

2. SEC Identification Number34001..... 3. BIR Tax Identification No.000-708-174-000.....

4. **BDO Unibank, Inc.**

Exact name of issuer as specified in its charter

5. METRO MANILA

Province, country or other jurisdiction of
incorporation

6. (SEC Use Only)

Industry Classification Code:

BDO Corporate Center, 7899 Makati Avenue,
Makati City, Philippines

Address of principal office

0726

.....
Postal Code

(632) 8840-7000/8702-6000

Issuer's telephone number, including area code

9. **N.A.**

Former name or former address, if changed since last report

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	<p>The Board is composed of eleven (11) members and aided by five (5) advisors. The present members of the Board have extensive experiences in banking, credit management, investment management, accounting and finance, insurance, legal management, business management, strategy formulation, bank regulations including anti-money laundering, information technology, sustainability, and risk management, including but not limited to the following risk areas: credit risk, liquidity risk, market risk, interest rate risk, operational risk, consumer protection risk, and environmental and social risks.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>For the qualification standards, see Selection, Nomination and Election of Board Members on page 6 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

2. Board has an appropriate mix of competence and expertise.	COMPLIANT	<p>The BDO Board has a diverse and balanced composition.</p> <p>See Board Snapshot on page 24 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</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>There have been no changes in the personal circumstances of each director that would otherwise disqualify them to remain as Directors. Their individual profiles can be viewed on pages 33 to 38 in the Board of Directors section of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

Recommendation 1.2

1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>The present composition of the Board exceeds the minimum regulatory standards which require that independent and non-executive directors account for the majority. Independent and Non-Executive Directors of the Bank comprise 82% (9 of 11) of the Board.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
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Recommendation 1.3

1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p>See pages 26 to 27, Section 8, Item – Governance Policies, Programs and Procedures (Director Orientation and Continuing Education Policy) in the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. Company has an orientation program for first time directors.	COMPLIANT	<p>Director Orientation and Continuing Education Policy is published on the corporate website and can be viewed using the following link:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Director%20Orientation%20Policy%202018.pdf</p>	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	<p>All of the directors of BDO Unibank complied with the annual corporate governance training requirement of four (4) hours in 2022. Eight (8) directors of BDO Unibank, along with members of senior management, attended its in-house corporate governance seminar held on July 20, 2022. Keynote speaker Prof. Kishore Mahbubani of the Asia Research Institute, National University of Singapore provided valuable insights on geopolitical risk in the face of fierce geopolitical contest among world superpowers and the continuing rise of Asia and the ASEAN. S&P Global, on the other hand, talked about sustainability and the role of boards, with focus on climate change and biodiversity challenges that companies are facing today.</p> <p>Two (2) directors attended the corporate governance seminars facilitated by the Institute of Corporate Directors last August 3, October 28, and</p>	

		<p>December 9, 2022, which covered advanced corporate governance training, anti-money laundering updates, diverse and inclusive policies, and ESG strategy. One (1) director attended the corporate governance seminar facilitated by the Risks, Opportunities, Assessment and Management (ROAM), Inc., with topics on corporate governance regulatory updates, global and regional trends, and personal liability of directors and officers under the law.</p> <p>Please see page 28 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
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Recommendation 1.4

1. Board has a policy on board diversity.	COMPLIANT	<p>BDO has put in place a Board Diversity Policy which prescribes that the Nominations Committee will consider all aspects of diversity in order to maintain an appropriate balance of skills, background, experience, and knowledge of the Board.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BOARD%20DIVERSITY%20POLICY.pdf</p> <p>As part of the Board's commitment to continually promote and observe diversity in its membership, it ensures that the members of the Board have expertise in fields relevant to BDO's business and strategic plans.</p> <p>See Board Snapshot on page 26 of the 2022 BDO Annual Report.</p>	
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		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	COMPLIANT	<p>See page 2, Section 1, Item 4 on the Bank's Board Diversity provision as part of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>Please also see the section on Board Diversity Policy on the Bank's website:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/BOARD%20DIVERSITY%20POLICY.pdf</p> <p>The present members of the Board have extensive experiences in banking, credit management, investment management, accounting and finance, insurance, legal management, business management, strategy formulation, bank regulations including anti-money laundering, information technology, sustainability, and risk management, including but not limited to the following risk areas: credit risk, liquidity risk, market risk, interest rate risk, operational risk, consumer protection risk, and environmental and social risks.</p> <p>More than half of the board members have foreign education and/or work experiences, which bring global perspectives to the board. In 2022, a foreign director and a female independent director joined</p>	

		<p>the Board on January 8, 2022 and July 31, 2022, respectively, thus further enhancing diversity in the Bank's Board.</p> <p>See page 26 for Board Snapshot in the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	<p>Atty. Edmundo L. Tan is the Corporate Secretary. See page 3, Section 1, Item 5 – Board Governance Framework (Independent Officers) in the Revised Corporate Governance Manual for his duties and functions.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>See also page 38 of the 2022 BDO Annual Report for his qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	He is a separate individual.	
3. Corporate Secretary is not a member of	COMPLIANT	He is not a member of the Board.	

the Board of Directors.			
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	See Annex A for the attached Certificate of Attendance of Atty. Edmundo L. Tan. He attended the 2022 BDO Annual Corporate Governance Seminar held on July 20, 2022.	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	See Annex B for the scanned copy of transmittal memo to a director on the distribution of board meeting materials within five (5) business days before the scheduled meeting.	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p>The Bank has a dedicated independent Compliance Officer functionally reporting to the Board Audit Committee. He is Atty. Federico P. Tancongo. See page 4 of the Revised Corporate Governance Manual for his duties and functions and page 31 of both 2022 and 2023 BDO Definitive Information Statements for his profile and qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO Definitive Information Statement 22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
2. Compliance Officer has a rank of Senior	COMPLIANT	He is a Senior Vice President.	

Vice President or an equivalent position with adequate stature and authority in the corporation.			
3. Compliance Officer is not a member of the board.	COMPLIANT	He is not a member of the Board.	
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	See Annex C for the attached Certificate of Attendance of Atty. Federico P. Tancongo. He attended the 2022 BDO Annual Corporate Governance Seminar held on July 20, 2022.	

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

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	<p>In discharging their fiduciary duty, directors perform functions such as the review and guidance on corporate strategy, risk management policies and procedures, annual budgets and business plans and monitoring their implementation; the setting of financial objectives, monitoring implementation and corporate performance; and approving the issuance of capital stock distribution of dividends, strategic plans, major capital expenditures, acquisitions, equity investments, fixed assets, mergers, joint ventures, divestments, and significant related party transactions.</p> <p>In 2022, the Board of Directors approved the acts contained in page 27 of the 2022 BDO Annual Report. The acts of the Board pertaining to these items were properly and timely disclosed to the PSE after the Board meetings, as applicable.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba/nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-</p>	
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Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<p>As provided in the Bank's Revised Corporate Governance Manual (see page 10 – Item b (2) – Specific Duties and Responsibilities of the Board of Directors), the Bank's Board of Directors approves the Bank's strategic objectives and business plans.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The Board, being the highest governance body, is responsible for approving and updating the Bank's business objectives and strategies. Such are done during focused discussions in the strategic board meetings, in the regular board meetings and in the Annual Officers' Meeting, the latest of which was held on March 19, 2022.</p> <p>The Board actively engages in the affairs of the Bank and keeps up with material changes in the Bank's business and regulatory environment and ensures that the Bank has beneficial influence on the economy. The Board also approves and oversees the implementation of policies governing major areas of the Bank's operations. The Board holds special meetings as may be necessary to discuss strategic matters and critical concerns.</p> <p>See also pages 26 to 27 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-</p>	

		reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	<p>The Board discusses and reviews the implementation of the Bank's business objectives and strategies during focused discussions in the strategic board meetings, in the regular board meetings when monthly results of operations and financial performance are presented by Management, and also in the Annual Officers' Meeting when the President reports to the key officers and with the Board the results of the Bank operations and financial performance, the latest of which was held on March 19, 2022.</p> <p>During the year, the Board approved, reviewed, and oversaw the Bank's financial budget and capital funding, business targets and strategies, quarterly declaration of dividends, and the release of the 2021 audited financial statements within 59 days from year end. Its oversight functions include the review of operational and financial performance of senior management and work of the various committees in accordance with their Terms of Reference.</p> <p>The Board also discussed macroeconomic outlook pre- and post-national election, including the current state of COVID-19 and the ongoing global inflation and their impact on the bank strategies. As part of its strategy to build strong business franchise, the Board approved the additional equity investment and capital infusion by BDO Unibank into BDO Network Bank in response to the latter's strong salary and MSME loan growth and to continue to serve more clients in underserved and unbanked areas. It also approved the increase in the Bank's authorized capital stock (common shares) from 5.5 billion to 8.5 billion shares, and the amendment to</p>	

		<p>the Bank's Articles of Incorporation to reflect the increase.</p> <p>The Board also oversaw matters related with sustainability. It approved the issuance of its maiden Blue Bond amounting to US\$100 million, through an investment from the International Finance Corporation, to expand financing for projects that help prevent marine pollution and preserve clean water resource, while supporting the country's climate goals. The Board also approved the addition of blue category to the Bank's Sustainable Finance Framework to support the country's blue economy while establishing a new asset class in the Philippine debt market. It also approved the Bank's Energy Transition Finance Statement in support of the Paris Agreement and the Philippines' Nationally Determined Contributions (NDCs).</p> <p>See also pages 26 to 27 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	<p>The Board periodically reviews the Bank's corporate mission and vision and ensures their continuous alignment with the Bank's strategic plans during focused discussions of strategic initiatives in the strategic board meetings, regular board meetings and in the Annual Officers' Meeting, the latest of which was held on March 19, 2022. The meeting was attended by the majority of the Board of Directors of the BDO Group, wherein the Bank's mission and vision statements were revisited versus the accomplishment of the strategic plans of the Bank.</p>	

		<p>See page 26 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	<p>The strategy execution process is described in page 14 of the 2022 BDO Annual Report. It encompasses the focus areas of the Bank, its strategic initiatives and a diversified business model with products and services catering to the changing needs of Filipino customers.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>The Chairperson of the BDO Board of Directors since April 29, 1995 is Ms. Teresita T. Sy. See page 33 of the 2022 BDO Annual Report for her profile and qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors,	COMPLIANT	<p>The Bank has a Succession Planning Policy which covers the following processes:</p> <ol style="list-style-type: none"> 1. Key Role and Talent Identification – involves identification of key leadership and technical 	

key officers and management.		<p>individual contributor roles in the Bank, determination and definition of required competencies for each identified key role, identification and assessment of readiness of talents, and establishment of talent inventory.</p> <p>Potential successors are either tapped internally or externally and are developed to be ready to be the successors in 2-3 years' time.</p> <p>2. Assessment and Building of Succession Bench Strength – involves coordination between the Business Unit and HRG in strategizing and implementing specific initiatives to continue to develop, attract and hire talents, and increase talent retention to further build and strengthen talent pool.</p> <p>The Bank has also adopted a talent management program wherein each of the functional areas would already be documented and dovetailed to a specific career development program that the Bank has in place. The program could be an internal program, i.e. leadership programs, or an external structured program.</p> <p>The Bank's amended succession planning policy was approved by the Nominations Committee and Board of Directors on December 4, 2021 and was noted by the Corporate Governance Committee on December 7, 2021. See Annex D for the attached Secretary's Certificate.</p>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	<p>See Policy on Retirement of Directors.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Policy%20on%20Retirement%20of%20direct ors.pdf</p>	

Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p>The Bank remuneration policy is geared towards attracting, retaining and motivating employees and members of the Board. See page 29 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	<p>All qualified employees may be entitled to an annual merit increase in salary, based on their performance for the immediately preceding year. This has a long-term and compounding effect to the fixed pay, which serves as basis for their retirement benefit. See page 29 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	The concerned directors are required to recuse in the deliberation.	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	COMPLIANT	There is a Board-approved remuneration policy for Senior Executives per Resolution No. 215-A-2022 dated December 3, 2022. See Annex E for the attached Secretary's Certificate.	

<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	<p>COMPLIANT</p>	<p>The measurable standards established by the Bank is the Key Result Areas Plan for each employee every year, which specifies the focus area of performance and the results expected that are aligned with the strategy of the Bank. The fulfillment of these standards is the basis on the yearly appraisal rating of employees.</p> <p>The remuneration framework for senior management includes fixed pay, bonus and the Employee Stock Option Plan (ESOP) as a long term incentive program. A claw back mechanism is in place, where the benefits and rights accruing from the ESOP can be revoked or forfeited, if the eligible employee is terminated from service for cause or in the event of imposition of an administrative or disciplinary sanction or penalty against the eligible employee at any time during and after the vesting period prior to exercise. It is linked to corporate and individual performance, based on an annual appraisal of senior management officers. See page 29 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
<p>Recommendation 2.6</p>			
<p>1. Board has a formal and transparent board nomination and election policy.</p>	<p>COMPLIANT</p>	<p>The procedures for the nomination of directors are published in pages 22 to 25 and pages 23 to 26 of the 2022 and 2023 BDO Definitive Information Statements (DIS) while the election of directors is in pages 5 to 6 and pages 5 to 6 thereof.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p>	

		https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149 The policy for the selection, nomination and election of directors could be found on page 6 of the Revised Corporate Governance Manual published on the BDO website. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf Please see page <u>32</u> , Section 13 of the Revised Corporate Governance Manual – Promoting Shareholder Rights/Right to Nominate.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	See pages <u>6</u> to <u>7</u> , Section 2, Item 3 – Duties, Functions and Responsibilities of the Board (Selection, Nomination and Election of Board Members), and page <u>18</u> , Section 3, Item 5 – Board Committees (Nominations Committee), of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	This is included in the procedures for nomination of directors on pages 22 to 25 and pages 23 to 26 of the 2022 and 2023 BDO Definitive Information Statements (DIS), respectively. See page <u>6</u> to <u>7</u> , Section 2, Item 3 – Duties, Functions and Responsibilities of the Board (Selection, Nomination and Election of Board Members) in the Revised Corporate Governance Manual.	

		https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149 https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<p>The short listing of candidates by the Nominations Committee is done by pre-screening and checking the qualifications of nominees from the pool of candidates versus the standards. See pages 6 to 7, Section 2, Item 3 – Duties, Functions and Responsibilities of the Board (Selection, Nomination and Election of Board Members) in the Revised Corporate Governance Manual and pages 22 to 25 and pages 23 to 26 of the 2022 and 2023 BDO Definitive Information Statements (DIS), respectively.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	

		nt 22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT	<p>The Nominations Committee leads in the process of identifying and evaluating nominees for directors. It evaluates the balance of skills, knowledge and experience of the existing Board and the requirements of the Bank. The result of the evaluation determines the role and key attributes than an incoming director should have. See pages 6 to 7, Section 2, Item 3 – Duties, Functions and Responsibilities of the Board (Selection, Nomination and Election of Board Members), and page 18, Section 3, Item 5 – Board Committees (Nominations Committee), in the Revised Corporate Governance Manual and page 49 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	<p>See pages 6 to 7 on the Selection, Nomination and Election of Board Members in the Revised Corporate Governance Manual. This is handled by the Nominations Committee.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Optional: Recommendation to 2.6			

<p>1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.</p>	<p>COMPLIANT</p>	<p>See pages 6 to 7 on the Selection, Nomination and Election of Board Members in the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The Nominations Committee receives recommendations for potential candidates and uses, to the extent possible, external search firms or external databases, such as the member/fellow listings of the following: (a) a local non-profit organization dedicated in professionalizing practice of corporate directorship, (b) an organization committed to promoting management excellence, and (c) an organization of financial executives and practitioners, in selecting the pool of candidates for the new members of the Board, as done with the appointment of two (2) new independent directors and election of a new non-executive director in 2022.</p>	
<p>Recommendation 2.7</p>			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>COMPLIANT</p>	<p>The Board has established policies and procedures on related party transactions (RPTs) in accordance with BSP and SEC regulations. These include definition of related parties, coverage of RPT policy, guidelines in ensuring arm's-length terms, identification and prevention of management potential or actual conflicts of interest, adoption of materiality thresholds, internal limits for individual and aggregate exposures, whistle-blowing mechanisms, and, restitution of losses and other remedies for abusive RPTs. See the BDO Group's Related Party Transactions Policy.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

		governance/corporate-policies/Revised%20RPT%20Policy.pdf	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	<p>Material related party transactions (RPT) are vetted and approved by the RPT Committee, composed of all independent directors including the Chairman. RPT whose value meets or exceeds 10% of the Bank's total assets, require review of an external independent party to evaluate the fairness of its terms and conditions and approval of 2/3 vote of the Board, with at least a majority of the independent directors voting affirmatively.</p> <p>See Related Party Transactions Policy, which can be viewed through the following link:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	<p>It covers DOSRI, Subsidiaries, Affiliates, and Other Related Parties in compliance with BSP and SEC regulations.</p> <p>See Related Party Transactions Policy, which can be viewed through the following link:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions	COMPLIANT	The revised RPT policy provides that transactions that amount to or exceed 10% of BDO Unibank's total assets (singly or aggregated within a 12-month period) are required to be reported to the Securities and Exchange Commission. This type of RPT must be	

<p>according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p>approved by at least 2/3 vote of the Board of Directors, with at least a majority of the independent directors voting to approve the proposed transaction. In case a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock.</p> <p>The Bank also defined a materiality threshold of Php 500 million for credit transactions and Php 50 million for non-credit transactions. This type of material RPTs need to be endorsed by the Related Party Transactions Committee before they can be approved by the Board of Directors.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba/nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>COMPLIANT</p>	<p>The Bank strives to achieve the recommendation through its independent directors who are tasked to make an independent assessment of the Bank's RPTs to ensure that they are done at arm's length and not favorable to the Bank's related parties. This is demonstrated through the following:</p> <p>a. All material RPTs, following the SEC-prescribed materiality threshold of ten percent (10%) of the Bank's total assets based on the latest audited financial statement, shall be approved by at least 2/3 vote of the Board of Directors, with at least a majority of the independent directors voting to approve the proposed transaction. In case the latter is not secured, the material RPT may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding</p>	

		<p>capital stock. See page <u>15</u> of the Bank's Related Party Transactions Policy.</p> <p>b. All material RPTs go through vetting of the Related Party Transactions Committee (RPTC), majority of which is composed of independent directors; and endorsed to the Board for approval.</p> <p>In approving RPTs, independent directors of the Board are essentially acting on behalf of minority and/or non-related party shareholders as the former do not represent the majority and/or related party shareholders.</p> <p>Further, during the Annual Stockholders' Meeting, material RPTs are presented together with the other acts of the Board for ratification by stockholders whereby effectively, the majority of non-related party shareholders are also included in the voting. Their corresponding votes will be counted and reflected in the voting tabulation. See page 7 of the minutes of the 2022 Annual Stockholders' Meeting where all significant related party transactions were ratified by the shareholders.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-AnnexI.pdf</p> <p>See pages <u>236</u> and <u>385</u> to 392 of 2023 BDO Definitive Information Statement:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
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Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	<p>See pages 10 to 11, Item c. (Specific Duties and Responsibilities of the Board of Directors) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>See page 26 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	<p>See page 10 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>A yearly self-assessment is conducted focusing on the performance of the Board, directors, Committees and senior management, through the Corporate Governance Committee, using an approved set of questionnaires.</p> <p>See pages 27 to 28 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-</p>	

		relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf For the heads of independent control functions, their performance is being rated yearly by the respective board-level committees they report to.	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	The Key Result Areas Plan (KRA) is the effective performance management framework adopted to ensure that individual performance is tracked versus standards set by Management and Board. See pages <u>5</u> to <u>6</u> (Remuneration and Other Incentives of Directors and Senior Management) and pages <u>17</u> to <u>18</u> (Compensation Committee) of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	All employees are similarly assessed using the pre-defined KRA, which considers the employees' functions. See pages <u>5</u> to <u>6</u> (Remuneration and Other Incentives of Directors and Senior Management) and pages <u>17</u> to <u>18</u> (Compensation Committee) of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Recommendation 2.10			

<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p>COMPLIANT</p>	<p>See Internal Control and Risk Management on page 8 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The Board Audit Committee (BAC) also ensures that a review of the effectiveness of the Bank's internal control, including financial, operational and compliance controls and risk management, is conducted annually. The result of the BAC's annual assessment is affirmed by the Bank's Corporate Governance Committee.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>SEC Form 17-C (BDO – 2022 BAC Assessment):</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=de92b19c00eda6339e4dc6f6c9b65995</p>	
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>	<p>COMPLIANT</p>	<p>The Bank has a Conflict of Interest Policy which enjoins the directors and employees to act in a manner that will serve the best interest of BDO and its shareholders. This requires that all business decisions and actions must be aligned to the principles and values of BDO, and should not be driven by personal motivations or influenced by personal relationships which may interfere in the exercise of objective and independent judgment. Any financial and personal interest or benefit in any transaction involving BDO must be disclosed. When presented with a situation involving a potential conflict of interest, it is necessary to disclose the</p>	

		<p>possible conflict in writing to the Supervising Officer, in case of officer or employee, or to the Board of Directors, in case of Director.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Conflict%20of%20Interest%20Policy.pdf</p>	
3. Board approves the Internal Audit Charter.	COMPLIANT	There is a Board-approved internal audit policy statement (audit charter) per Resolution No. 124-2022 dated June 25, 2022. See Annex F for the attached Secretary's Certificate.	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	<p>See Internal Control and Risk Management on page 8 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The Risk Management Committee of the Board, as part of its duties and responsibilities, approves the enterprise risk management framework and written risk management plan developed by management, defining the policies, limits, and strategies for managing and controlling major risks of BDO. See Section III of its Terms of Reference.</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-eb430b9ff7 (View PDF of its Terms of Reference)</p> <p>The Bank also has in place appropriate tools or methods to identify material credit, market, liquidity</p>	

		and operational risks, which form part of regular reporting to RMC. Additionally, stress tests for identified material risks are performed regularly to determine their impact on capital. For credit risk, in particular, Risk Management Group performs a Rapid Portfolio Review in cases of adverse news on particular segment of borrowers or exposures.	
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>See enterprise risk management framework designed to enhance risk management through a holistic and integrated framework so that all material risks faced by the Bank are identified, measured, evaluated, mitigated, monitored and appropriately managed. See page 29 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	<p>See page 8 of the Revised Corporate Governance Manual. It is also published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/BO ARD%20CHARTER.pdf</p>	
2. Board Charter serves as a guide to the directors in the	COMPLIANT	Yes. The Bank's Revised Corporate Governance Manual serves as the Board Charter. It clearly states the roles, responsibilities, structure, and powers of the Board of Directors, subject to the provisions of the	

performance of their functions.		<p>Corporation Code of the Philippines, BDO's Articles of Incorporation and By-Laws, other applicable laws or regulations, corporate governance best practices and policies of the Board.</p> <p>See pages 4 to 19 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT	<p>Yes. The Bank's Revised Corporate Governance Manual serves as the Board's Charter. It is publicly available through the corporate website.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/BOARD%20CHARTER.pdf</p>	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	COMPLIANT	<p>See Personal Trading Policy published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/PERSONAL%20TRADING%20POLICY.pdf</p> <p>The policy includes a trading blackout period imposed on directors and employees of the Bank when price-sensitive information is disclosed to the public. In 2022, nine (9) trading blackout notices were issued.</p>	

Optional: Principle 2

1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	COMPLIANT	<p>This is covered in the Related Party Transactions Policy published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	<p>The types of decision requiring board approval:</p> <ul style="list-style-type: none">• Corporate strategy, risk management policies and procedures, governance policies and practices, annual budgets and business plans, annual and interim financial statements, key operational initiatives, selection of CEO, the hiring, resignations and promotions of senior officers, succession planning, remuneration and nomination of directors.• Issuance of capital stocks, distribution of dividends, strategic plans, major capital expenditures, amendments of Articles of Incorporation and By-Laws, acquisitions, equity investments, fixed assets, mergers, joint ventures, divestments, and significant related party transactions <p>See pages 9 to 14 Duties & Responsibilities of the Board of Directors in the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as

nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	<p>The Board has established nine (9) committees to assist in the performance of its roles and functions. See Section 3 (Establishing Board Committees) on pages 15 to 19 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	<p>See pages 16 to 17 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>Yes. See External Audit on page 17 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>and Strengthening the External Auditor's Independence on page 28 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
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<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>COMPLIANT</p>	<p>The Board Audit Committee is composed of three (3) non-executive directors, two (2) of whom are Independent Directors including the Chairman. See page 42 of the 2022 BDO Annual Report on the Board Audit Committee composition and pages 36 to 37 on their qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>COMPLIANT</p>	<p>See page 42 of the 2022 BDO Annual Report for the members of the Board Audit Committee and pages 36 to 37 of the same report on their qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>The Chairman of the Board Audit Committee is Mr. Vicente S. Pérez, Jr., an Independent Director. He is not a Chairman of any other Board Committees. See page 37 of the 2022 BDO Annual Report and page 16 to 17 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<p>All services provided by the External Auditor are required to be approved by the Board Audit Committee. See External Audit and Strengthening the External Auditor's Independence on pages <u>17</u> and <u>28</u>, respectively, of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	<p>This is being done in the Executive Session of the Independent and Non-Executive Directors (INED) without the presence of management or any executive director. In 2022, there were three (3) sessions of the INEDs with the External Auditor. See page 30 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	COMPLIANT	<p>In 2022, the Board Audit Committee held 13 meetings. See page 42 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	<p>This is part of the Terms of Reference of the Board Audit Committee.</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834 (View PDF of its Terms of Reference)</p> <p>See Internal Audit Division on pages 16 to 17 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	<p>See page 18 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The function of identifying the quality of directors is vested on the Nominations Committee, which is a separate and distinct committee. The Board also constituted a Compensation Committee, which performs oversight on the remuneration policies of the BDO Group.</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-1bef815625-item-04552fb083</p>	
2. Corporate Governance Committee is composed of at least	COMPLIANT	The Corporate Governance Committee is composed of four (4) members, all of whom are Independent Directors including the Chairman. See page 44 of the 2022 Annual Report on membership	

three members, all of whom should be independent directors.		composition, pages 35 to 37 on the qualifications of the members. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	The Chairman of the Corporate Governance Committee was Mr. Vipul Bhagat, an Independent Director, who served as such from January 8 to April 22, 2022. He was replaced by Mr. George T. Barcelon, also an Independent Director, on April 22, 2022. See page 44 of the 2022 BDO Annual Report. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meets at least twice during the year.	COMPLIANT	In 2022, the Corporate Governance Committee held seven (7) meetings. See page 44 of the 2022 BDO Annual Report. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a	COMPLIANT	See Risk Management Committee on page 18 of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-	

company's Enterprise Risk Management system to ensure its functionality and effectiveness.		governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	<p>The Risk Management Committee is composed of three (3) members, two (2) of whom are Independent Directors, including the Chairman; and one (1) Executive Director. See page 47 of the 2022 BDO Annual Report for the membership composition and pages 34 and 36 for the members' qualifications.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>The Chairman of the Risk Management Committee was Mr. Vicente S. Pérez, Jr., an Independent Director, who served as such until April 21, 2022. He was replaced by Mr. Vipul Bhagat, also an Independent Director, on April 22, 2022. See page 47 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>Mr. Bhagat is not the Chairman of the Board or any other board-level committee.</p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk	COMPLIANT	<p>See page 47 of the 2022 BDO Annual Report for the members of the Risk Management Committee. All three (3) members are seasoned bankers with extensive international banking experience. See pages 34 and 36 of the 2022 BDO Annual Report.</p>	

and risk management.		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	See Related Party Transactions Committee on page 19 of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT	The Related Party Transactions Committee is composed of three (3) non-executive directors, two (2) of whom are Independent Directors including the Chairman. See page 51 of the 2022 BDO Annual Report on the membership composition and pages 34 and 36 on their qualifications. https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process,	COMPLIANT	Each committee has its own Terms of Reference that clearly defines the composition, duties and responsibilities, which is approved by the Board. These are published on the Bank's website at: https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-1bef815625-item-04552fb083	

resources and other relevant information.		(View PDF of the Terms of Reference of each Board Committee)	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	<p>Yes. This is included in the Terms of Reference of each committee.</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-1bef815625-item-04552fb083</p> <p>(View PDF of the Terms of Reference of each Board Committee)</p>	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	<p>Yes. These are published on the Bank's website at:</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-1bef815625-item-04552fb083</p> <p>(View PDF of the Terms of Reference of each Board Committee)</p>	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	<p>See disclosure on the attendance and participation of directors to Board meetings, which can be viewed in page 25 of the 2022 BDO Annual Report:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>The attendance of the directors in the Board-level Committee meetings may be found in pages 41 to 51 of the 2022 BDO Annual Report, while their attendance to shareholders' meetings can be seen in the Minutes.</p>	
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2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	<p>Materials for Board meetings are required to be sent out to the directors five (5) days ahead of the meeting to enable the directors to prepare diligently for the meetings to evaluate and add value to the items presented, actively participate and contribute meaningfully to the discussions of the Board. Materials on significant events occurring after the initial release of board materials are distributed prior to the meeting to accommodate client requirements and to fully inform the relevant Board</p>	

		<p>Committees and Board of such events. See Board and Committee meetings on page 20 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	<p>The directors are expected to prepare diligently for the meetings to evaluate and add value to the items presented, actively participate and contribute meaningfully to the discussions of the Board. See Board and Committee Meetings on page 19 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	<p>This is part of the Multiple Board Seats Policy on page 21 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>See pages 33 to 38 of the 2022 BDO Annual Report for the list of directorships in PLCs and non-PLCs of the members of the BDO Board. No director serves as such in more than five (5) PLCs.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	<p>This is part of the Multiple Board Seats Policy on page 21 of the Revised Corporate Governance Manual, which was approved by the Board.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT	<p>Yes. The Bank's two (2) executive directors, Jesus A. Jacinto Jr. (Vice Chairman of the Board) and Nestor V. Tan (President & CEO) do not have any directorships in listed companies outside the BDO Group.</p> <p>See their profiles in pages 33 and 34 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	<p>Schedule of regular board meetings for the coming year is set in advance before the start of the new calendar year and published in the Board Calendar of Activities, for the information and guidance of all directors and advisors. See Board Meetings-Frequency on page 19 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

3. Board of directors meets at least six times during the year.	COMPLIANT	<p>In 2022, the BDO Board met 15 times. See Board of Directors Meetings on page 25 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	COMPLIANT	<p>At least two-thirds (2/3) of the Directors shall constitute a quorum at any Board meeting for the transaction of any business. Unless there be quorum at any meeting, no business may be transacted. Every decision of at least two-thirds (2/3) of such quorum duly assembled as a Board on any question or matter submitted to the Board of Directors shall be valid as a corporate act.</p> <p>See Bank's Amended By-Laws.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf</p>	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	<p>The Bank's Revised Corporate Governance Manual requires that the Bank's Board shall have at least five (5) Independent Directors.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

		<p>See Independent Directors on page 21 of the Revised Corporate Governance Manual and Composition on page 24 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	<p>See Profiles of the Independent Directors on pages 34 to 37 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	<p>The Bank has no voting trust agreements and restrictions in the By-Laws that constrain the directors' ability to vote independently.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p>	
Recommendation 5.3			

<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	<p>COMPLIANT</p>	<p>See Tenure/Term Limits of Independent Directors on page 22 of the Revised Corporate Governance Manual and page 32 of the 2022 Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>COMPLIANT</p>	<p>See Tenure/Term Limits of Independent Directors on page 22 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>As of 2022, all independent directors of the Bank have not served in such capacity for more than nine years.</p>	
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	<p>COMPLIANT</p>	<p>This is part of the Tenure/Term Limits of Independent Directors Policy. As of 2022, all independent directors of the Bank have not served in such capacity for more than nine years.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Term%20limit%20of%20Independent%20Director.pdf</p>	

Recommendation 5.4

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	<p>The Chairperson of the Board is Ms. Teresita T. Sy while the President & CEO is Mr. Nestor V. Tan.</p> <p>See pages 33 and 34 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	<p>Their roles are separate and distinct from each other, to achieve a balance of authority, clear accountability, and better capacity for independent decision making. See Chairperson of the Board and Chief Executive Officer on pages 23 to 24 of the Revised Corporate Governance Manual.</p> <p>The Chairperson and CEO have no family relationship.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>See pages 33 and 34 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	COMPLIANT	<p>The Chairperson of the Board is a Non-Executive Director as prescribed by the BSP. The Bank has a Lead Independent Director (Mr. Dioscoro I. Ramos) who was appointed by the Board from amongst the Independent Directors. See his functions on page 24 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	<p>The Related Party Transactions Policy of the Bank requires any member of the reviewing committee or the Board who has a potential interest in any proposed related party transaction to abstain from the discussion or deliberation.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	COMPLIANT	<p>In 2022, there were three (3) sessions of Independent and Non-Executive Directors with the External Auditor, Chief Risk Officer, Chief Compliance Officer and the Chief Internal Auditor without the presence of management or any bank executive director. See page 30 of the 2022 BDO Annual Report and page 150 of the 2023 BDO Definitive Information Statement.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-</p>	

		reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	
2. The meetings are chaired by the lead independent director.	COMPLIANT	<p>Mr. Dioscoro I. Ramos (current Lead Independent Director) chaired these meetings. See page 30 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	<p>The Bank's CEO for the last 2 years until now is Mr. Nestor V. Tan.</p> <p>See page 34 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its	COMPLIANT	A yearly self-assessment is conducted focusing on the performance of the Board, Directors, Committees and senior management, through the	

performance as a whole.		<p>Corporate Governance Committee, using an approved set of questionnaires. For 2022, the Bank re-appointed PwC Philippines (PwC) as external facilitator for the Board Effectiveness Evaluation. PwC facilitated a peer and self-evaluation process on the Board, Board Committees, individual directors, and senior management. See pages 27 to 28 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT	<p>Yes, this is part of the yearly Board Self-Assessment.</p> <p>See pages 27 to 28 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
3. The individual members conduct a self-assessment of their performance.	COMPLIANT	<p>Yes, this is part of the yearly Board Self-Assessment.</p> <p>See pages 27 to 28 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
4. Each committee conducts a self-assessment of its performance.	COMPLIANT	<p>Yes, this is part of the yearly Board Self-Assessment.</p> <p>See pages 27 to 28 of the 2022 BDO Annual Report.</p>	

		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	<p>The Bank engaged PwC Philippines (PwC) to conduct the Board Effectiveness Evaluation for 2021 and 2022 to comply with the SEC recommendation.</p> <p>For better governance practice, the Bank's Board thru the endorsement of the Corporate Governance Committee, re-appointed PwC as external facilitator for the 2022 self-assessment by the Board of its performance and effectiveness. Engaging an independent party every year, rather than every three years as recommended by the Securities and Exchange Commission, provides more governance inputs to the Board and allows comparability and continuity of aspects examined.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	The Board recognizes the importance and benefits of conducting annual self-assessment to determine its effectiveness. The Board, through the Corporate Governance Committee, undertakes the evaluation of its performance as a collective body, its Committees including the performance of the Chairperson, to determine whether they are functioning effectively, pinpoint areas for improvement and assess whether it possesses the right mix of backgrounds and competencies. The	

		<p>Corporate Governance Committee reports the results of the self-assessment to the Board.</p> <p>A Director Peer Evaluation is also conducted annually. Each director is requested to rate his/her colleagues on the Board using a prescribed questionnaire.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	<p>The result of the yearly self-assessment is published either in the Annual Report which is distributed to the shareholders or on the Bank's website hence, they could comment on the information published.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and	COMPLIANT	<p>The Revised Code of Business Conduct and Ethics is published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	

practices in internal and external dealings of the company.			
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p>The Human Resources Group and the Office of the Corporate Secretary are responsible for overseeing the implementation of this Code by directors and employees across the BDO Unibank Group. All directors and employees were required to sign the Acknowledgment Receipt Form to document that they have read and understood the provisions of the Code. See page 7 of the Code – Responsibility for Implementation.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	<p>The Revised Code of Business Conduct and Ethics is published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	<p>See page 3, Item 6 – Acceptance/Solicitation of Gifts, Bribery and Corruption under Observance of Standards of Conduct for Individuals of the Revised Code of Business Conduct and Ethics. Likewise, the institution commits to comply with anti-corruption and bribery laws in all jurisdictions it operates.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	

		governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	<p>All directors and employees are required to acknowledge that they have read and understood the Code stipulating their compliance with the standards and policies set forth therein.</p> <p>The Code applies at all times to all members of the Board of Directors and BDO Unibank Group employees in their dealings with clients, business partners and service providers. See page 1 of the Code – Applicability of the Code and Commitment to the Code.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	<p>See page 7 of the Code – Responsibility for Implementation, and Approval and Disclosure.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that give a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	<p>See page 26, Section 8 – Enhancing Company Disclosure Policies and Procedures of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	COMPLIANT	<p>As a policy, audited financial statements are released not later than 60 days after the close of the financial year. The 2022 Audited Financial Statements were disclosed to the PSE on 24 February 2023, which is 55 days from 31 December 2022.</p> <p>The interim reports for 1st, 2nd and 3rd quarter of 2022 were disclosed to the PSE 22 (22 April 2022), 32 (1 August 2022), and 28 (28 October 2022) days, respectively after the end of the quarter.</p> <p>https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=260</p>	
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling	COMPLIANT	1. The principal risk to minority shareholders could arise from Related Party Transactions. However, because all RPTs are done on an arms' length basis and are compliant with BSP regulations, this risk is properly managed and controlled. For material RPTs, the Related Party Transactions Committee reviews the transaction to ensure that there is no	

<p>shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>		<p>preferential treatment and that it is done at arm's length before these are endorsed to the Board for approval. See the accomplishments of the Related Party Transactions Committee in the 2022 BDO Annual Report (page 51).</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>2. See page 32 of the 2022 BDO Annual Report showing the company's major stockholders.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>3. See pages 205 to 211, Section 2.3 of BDO's Notes to Financial Statements in the SEC Form 17-A (BDO Annual Report).</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p> <p>4. No imbalances exist.</p>	
Recommendation 8.2			
<p>1. Company has a policy requiring all directors to disclose/report to the company any</p>	<p>COMPLIANT</p>	<p>See page 1 – Applicability of the Personal Trading Policy to all directors, officers and employees of BDO Unibank, Inc. and its subsidiaries which is published on the corporate website at:</p>	

dealings in the company's shares within three business days.		https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/PERSONAL%20TRADING%20POLICY.pdf The policy includes a trading blackout period imposed on directors and employees of the Bank when material, non-public, price-sensitive information is disclosed to the public. In 2022, nine (9) trading blackout notices were issued.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	See page 1 – Applicability of the Personal Trading Policy to all directors, officers and employees of BDO Unibank, Inc. and its subsidiaries which is published on the corporate website at: https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/PERSONAL%20TRADING%20POLICY.pdf Actual dealings of shares are disclosed in PSE Edge within three (3) days after transaction date. https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=260	
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase	COMPLIANT	See quarterly disclosure to PSE of BDO's Public Ownership Report and List of BDO's Top 100 stockholders for 2022, which can be viewed through the following links: PSE EDGE: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=260 BDO website: https://www.bdo.com.ph/about-bdo/company-disclosures/ownership	

of its shares from the market (e.g. share buy-back program).		BDO's Conglomerate Map can be viewed at BDO's website through the following link: https://www.bdo.com.ph/about-bdo/corporate-profile/organizational-structure	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	See pages <u>33</u> to 38 (Board of Directors) of the 2022 BDO Annual Report. The share ownership of the directors is in page <u>32</u> . https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	See pages 25 to 33 and pages 26 to 33 of the 2022 and 2023 BDO Definitive Information Statements. The security ownership of management is in pages <u>9</u> to 14 and pages <u>9</u> to 14 of the aforementioned reports. https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO Definitive Information Statement 22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	
Recommendation 8.4			
1. Company provides a clear disclosure of its	COMPLIANT	See page 6, Section 26 (Directors' Fees and Other Remuneration) of the Amended By-Laws, which can	

<p>policies and procedure for setting Board remuneration, including the level and mix of the same.</p>		<p>also be viewed on BDO's website through the following link:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf</p> <p>See also pages 5 to 6 (Remuneration and Other Incentives of Directors and Senior Management) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>COMPLIANT</p>	<p>See pages 5 to 6 (Remuneration and Other Incentives of Directors and Senior Management) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>COMPLIANT</p>	<p>The remuneration of each member of the Board of Directors for 2022 is presented in the 2023 BDO Definitive Information Statement.</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
<p>Recommendation 8.5</p>			

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	COMPLIANT	<p>See page 7 (Related Party Transactions) and Annex B (Policy on Related Party Transactions) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The updated Related Party Transaction Policy of the BDO was enhanced in order to conform with the requirements of SEC Memorandum Circular No. 10 (Series of 2019).</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	COMPLIANT	<p>On top of the Advisement Report that must be submitted to the SEC, the Bank's RPT policy requires public disclosure of material RPTs that meet or exceed 10% of the Bank's total assets by including a summary thereof in the Integrated-Annual Corporate Governance Report. In 2022, no transaction qualified under the materiality threshold as defined in SEC Memorandum Circular No. 10 (Series of 2019).</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any	COMPLIANT	See Conflicts of Interest Policy wherein directors and employees are required that any financial and personal interest or benefit in any transaction involving BDO, must be disclosed. When presented	

other conflict of interests.		<p>with a situation involving a potential conflict of interest, it is necessary to disclose the possible conflict in writing to the Supervising Officer, in case of officer or employee, or to the Board of Directors, in case of Directors. This is documented through the Conflict of Interest (COI) Form.</p> <p>This policy is published on the corporate website at:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Conflict%20of%20Interest%20Policy.pdf</p>	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	COMPLIANT	<p>The process of ensuring that RPTs are conducted in a fair and at arms' length manner could be found in the Related Party Transactions Policy. The Revised Related Party Transactions Policy provides a general approval matrix to be observed to ensure proper review and approval of transactions between the Bank and a Related Party. In 2022, the Bank did not engage in any related party transaction that will reach the threshold set by SEC Memorandum Circular No. 10 (Series of 2019).</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or	COMPLIANT	<p>Material fact or events are disclosed to the public via PSE EDGE under "Company Disclosures".</p> <p>See below link to said section of PSE EDGE:</p> <p>https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=260</p>	

disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.		<p>Company disclosures are also available on BDO's website and can be viewed thru this link:</p> <p>https://www.bdo.com.ph/about-bdo/company-disclosures/all-disclosures</p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	<p>BDO has an inherent in-house expertise in evaluating the fairness of the transaction price for deals entered into by the Bank because this is one of the functions of its subsidiary Investment House, BDO Capital and Investment Corp. When dealing with significant transactions, it is a practice to engage an independent party to evaluate the price for asset acquisitions or disposals that are equivalent to five percent (5%) or more of the Bank's total assets.</p> <p>Further, the Bank's Related Party Transactions Policy requires that related party transactions, whose values meet or exceed 10% of the Bank's total assets, require review of an external independent party to evaluate the fairness of its terms and conditions and approval of 2/3 vote of the Board, with at least a majority of the independent directors voting affirmatively.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements,	COMPLIANT	<p>See pages 7 to 8 in both 2022 and 2023 BDO Definitive Information Statements, particularly the note on security ownership of certain record/beneficial owners wherein the Bank disclosed that there are no voting trust shares or shares issued pursuant to a Voting Trust Agreement registered with BDO nor has there been any change</p>	

confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.		<p>in control of BDO. BDO is also not aware of any contractual arrangement or otherwise between its shareholders and/or third parties, which may result in change in control of BDO.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	<p>The latest version of the Corporate Governance Manual can be viewed on our website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT	<p>The latest version of the Corporate Governance Manual was submitted to the SEC and PSE on June 3, 2022 (Annex G). It can be viewed on our website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
3. Company's MCG is posted on its company website.	COMPLIANT	<p>The latest version of the Corporate Governance Manual can be viewed on our website at:</p>	

		https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	<p>The latest version of the Corporate Governance Manual was submitted to the SEC and PSE on June 3, 2022. It can be viewed on our website at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:			
a. Corporate Objectives	COMPLIANT	<p>See page 14 of the 2022 BDO Annual Report for BDO's strategy.</p> <p>BDO focuses on building a strong business franchise to achieve diversity and sustainability of earnings over the long-term.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
b. Financial performance indicators	COMPLIANT	See pages 10 to 11 of the 2022 BDO Annual Report re: Financial & Operating Highlights – Financial Performance Indicators.	

		https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
c. Non-financial performance indicators	COMPLIANT	<p>These are published in the 2022 Annual Report and Sustainability Report of BDO which are posted on its website.</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>https://www.bdo.com.ph/about-bdo/sustainability/sustainability-reporting</p>	
d. Dividend Policy	COMPLIANT	<p>The Bank recognizes the importance of providing a stable and sustainable dividend stream consistent with its commitment to shareholders. The Bank has been paying a regular cash dividend of Php 0.30 per share per quarter, or an annual equivalent of Php 1.20 per share. Beginning the first quarter of 2023, a regular cash dividend of Php 0.75 per share shall be paid.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

		https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/dividend-information/dividend-policy/2023_BDO%20DIVIDEND%20POLICY%20STATEMENT_b.pdf	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT	See pages 33 to 38 of the 2022 BDO Annual Report. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT	See pages 25 and 41 to 51 of the 2022 BDO Annual Report for the attendance of directors in full Board meetings and Board Committee meetings, respectively. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
g. Total remuneration of each member of the board of directors	COMPLIANT	The remuneration of each member of the Board of Directors for 2022 is presented in the 2023 BDO Definitive Information Statement and SEC Form 17-A (BDO Annual Report) for 2022. https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement	

		nt_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149 https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149	
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	COMPLIANT	<p>See page 54 of the 2022 BDO Annual Report re: Compliance with the SEC Code of Corporate Governance.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	COMPLIANT	<p>See the Board Audit Committee report in pages 42 to 44 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or	COMPLIANT	<p>See page 44 (last paragraph) of the Board Audit Committee report in the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-</p>	

Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.		relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	COMPLIANT	<p>See page 16 of the 2022 BDO Annual Report and pages 247 to 302 in the Notes to Financial Statements in the SEC Form 17-A (BDO Annual Report).</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p>	
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	<p>See page 28, Section 9 – Strengthening the External Auditor's Independence and Improving Audit Quality of the Revised Corporate Governance Manual on the Audit Committee Oversight Function on the External Auditor.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-</p>	

		governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	<p>The Board Audit Committee recommends to the Board the appointment, reappointment, and/or change of external auditor. See its Term of Reference.</p> <p>https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834 (View PDF of its Terms of Reference)</p> <p>Of the total shareholder votes cast of 3,486,355,304, votes in favor for the reappointment of the external auditor was 3,460,032,342 or 99.24%. See Item VIII (Appointment of External Auditor) in the Minutes of the 2022 ASM, which can be also be viewed on BDO's website through:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annex1.pdf</p>	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	COMPLIANT	No such removal or change has happened to date.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	The signing partner of Punongbayan & Araullo (P&A) for financial audit of the Bank is being rotated regularly to comply with the requirement of SRC Rule 68 (3)(b)(ix) on the five (5) year Rotation of External Auditors, as exhibited in the table below:	

		Signing Partner	Financial Audit Years	
		Mr. Francis B. Albalate	2005-2006	
		Mr. Benjamin P. Valdez	2007-2011	
		Mr. Romualdo V. Murcia III	2012-2016	
		Mr. Leonardo D. Cuaresma, Jr.,	2017-2019	
		Mr. Romualdo V. Murcia III	2020-2022	
Recommendation 9.2				
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit	COMPLIANT	See Terms of Reference of the Board Audit Committee published on the corporate website at: https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834 (View PDF of its Terms of Reference)		

process, taking into consideration relevant Philippine professional and regulatory requirements.			
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	See Terms of Reference of the Board Audit Committee published on the corporate website at: https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834 (View PDF of its Terms of Reference)	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	COMPLIANT	See Terms of Reference of the Board Audit Committee published on the corporate website at: https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834 (View PDF of its Terms of Reference)	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	See Terms of Reference of the Board Audit Committee published on the corporate website at: https://www.bdo.com.ph/about-bdo/corporate-governance/governance-structure#faqaccordion-e86d191a43-item-410bbad834	

		(View PDF of its Terms of Reference)	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	<p>See pages 99 to 101, Item 8 (Changes in and Disagreements with Accountants on Accounting and Financial Disclosure) of the SEC Form 17-A (BDO Annual Report) for 2022, which could also be viewed at:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	<p>To avoid conflict of interest and impairment of independence, the Board Audit Committee has in place the list of non-audit services, which may not be provided by the External Auditor. See page 28, third paragraph of Audit Committee Oversight Function in the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	<p>Fees paid in 2022 amounted to Php 12,201,003.36, which includes audit and non-audit services. The non-audit fee (0.93%) paid to external auditor does not outweigh the audit fees. The non-audit fee of Php 112,000.00 pertains to the engagement of external auditor on vote tabulation during the Annual Stockholders' Meeting.</p>	

		<p>Please see page 100 of SEC Form 17-A (BDO Annual Report) for 2022:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p>	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p>Mr. Romualdo V. Murcia III SEC Group A Accreditation Partner - No. 95626-SEC (until financial period 2026) Firm - No. 0002 (until Dec. 31, 2024)</p> <p>Punongbayan & Araullo Grant Thornton 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Ave, Makati, 1200</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	COMPLIANT	<p>Upon verification from the Bank's external auditor, Punongbayan & Araullo is covered by the SEC Oversight Assurance Review (SOAR) Inspection Program, in compliance with SEC Memorandum Circular No. 9, Series of 2017 and as revised by SEC Memorandum Circular No. 12, Series of 2021.</p> <ul style="list-style-type: none"> • Date the external auditor was subjected to SOAR Inspection: September 2022. • Name of audit firm: Punongbayan & Araullo (P&A Grant Thornton) • Members of the engagement team inspected by the SEC: The names of the members of the engagement team were provided to the SEC during the SOAR inspection. 	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	<p>The Bank's Sustainability Report contains disclosure of the Bank's management of EESG issues and is compliant with the globally recognized standard in reporting sustainability and non-financial issue. The report can be accessed at:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p> <p>https://www.bdo.com.ph/about-bdo/sustainability/sustainability-reporting</p>	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	<p>See BDO's Sustainability Report. BDO's reporting standard is based on GRI reporting standards. The report can be accessed at:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p> <p>https://www.bdo.com.ph/about-bdo/sustainability/sustainability-reporting</p>	

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

Recommendation 11.1

1. Company has media and analysts' briefings as channels of communication to	COMPLIANT	See page 29, Section 11 – Promoting a Comprehensive and Cost-Efficient Access to Relevant Information in the Revised Corporate Governance Manual.	
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ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.		https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf See Analyst Briefings published on the corporate website at: https://www.bdo.com.ph/about-bdo/investor-relations/presentations-and-events	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:			
a. Financial statements/reports (latest quarterly)	COMPLIANT	See SEC 17-Q Reports at: https://www.bdo.com.ph/about-bdo/company-disclosures/SEC-filings#faqaccordion-a00aa4b414-item-58e084a9ea	
b. Materials provided in briefings to analysts and media	COMPLIANT	See Analyst Briefings at: https://www.bdo.com.ph/about-bdo/investor-relations/presentations-and-events	
c. Downloadable annual report	COMPLIANT	See Annual Reports at: https://www.bdo.com.ph/about-bdo/investor-relations/financials	
d. Notice of ASM and/or SSM	COMPLIANT	See Notice and Agenda of the 2022 Annual Stockholders' Meeting at: https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf	

e. Minutes of ASM and/or SSM	COMPLIANT	See Minutes of the 2022 Annual Stockholders Meeting at: https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annexl.pdf	
f. Company's Articles of Incorporation and By-Laws	COMPLIANT	See BDO Amended Articles of Incorporation and By-Laws at: https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-Articles-of-Incorporation.pdf https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	Yes. The company website structure is compliant with SEC-mandated format. See our corporate website at: www.bdo.com.ph	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	The BDO internal audit function adheres to the governing regulations: The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing, Definition of Internal Auditing, and Code of Ethics and certain leading practices and guidance. In assessing controls, BDO Internal Audit employs the COSO Internal Control - Integrated Framework and the Control Objectives	

		<p>for Information and Related Technology. For Year 2022, BDO Internal Audit completed 4,043 audit engagements covering the key risk areas of the Bank, subsidiaries and other offices (domestic and foreign).</p> <p>The internal control system is reviewed by Internal Audit annually, in accordance with the BDO Risk-based Audit Methodology. The annual assessments of the control, risk management and governance processes, including compliance with certain laws and regulations are summarized in the Annual Internal Audit Closing Report that is submitted to the Board Audit Committee and the Board of Directors.</p> <p>See page 30, item 5 – Internal Audit Function of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	<p>See pages 15 to 16 (Risk Management) of the 2022 BDO Annual Report for the discussion of the risk management framework, risk management procedures and processes, major risks of the Bank and how these are adequately and consistently evaluated, managed, controlled and monitored, and risk governance structure.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	

Supplement to Recommendations 12.1

1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	COMPLIANT	There is a Board-approved regulatory compliance management manual per Resolution No. 127-B-2021 dated June 26, 2021. See Annex H for the attached Secretary's Certificate. The manual is being reviewed annually. Changes to the manual are subject to the approval and endorsement of the Board Audit Committee.	
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Optional: Recommendation 12.1

1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	COMPLIANT	<p>The Bank has put in place an effective IT governance process that covers structure, principles and processes. On top of the IT governance structure is the Board of Directors that provides oversight and strategic direction in the development and implementation of the IT governance process thru the Information Technology Steering Committee (ITSC). The IT governance principles define the role that IT will play within and across the organization. These principles are defined in the context of business strategy.</p> <p>In BDO where there are multiple business units, these principles are geared towards supporting the needs of each business entity, including IT and information security, business continuity requirements, new trends in technology such as cloud deployment,</p>	
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		<p>and data privacy, and how IT will support them, collectively on a shared-service basis or individually.</p> <p>The end-to-end processes define the necessary series of steps with defined inputs, activities, deliverables, roles and associated responsibilities and authority. Results are then submitted to the ITSC for review and reporting to the Board. See page 50 of the 2022 BDO Annual Report at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	COMPLIANT	<p>As provided under the BDO Internal Audit Policy Statement (Internal Audit Charter), as reviewed and approved annually by the Board Audit Committee:</p> <ul style="list-style-type: none"> – The purpose of BDO Internal Audit is to provide independent, objective assurance, and consulting services designed to add value and improve BDO and subsidiaries operations. – The BDO Internal Audit Head reports functionally to the Board Audit Committee. – The BDO Internal Audit is independent of the activities audited and from the day to day internal control processes, and is free to report audit results, findings, opinions, appraisals, and other information through clear reporting line. – The Internal auditors are expected to have impartial and unbiased attitude in performing audits and to avoid conflict of interest. <p>See also page 29 to 30 of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-</p>	

		governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	The Chief Internal Auditor (CIA) is Ms. Estrellita V. Ong. See Role of Chief Internal Auditor on page 30 of the Revised Corporate Governance Manual for her responsibilities. https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	COMPLIANT	This is part of the CIA's responsibilities as described in the Revised Corporate Governance Manual (page 30). https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	NOT APPLICABLE	This is not applicable since BDO Internal Audit is in-house.	
Recommendation 12.4			

1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	See page 30 (Independent Risk Management Function) of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	NOT APPLICABLE	In 2022, the Risk Management Group did not avail of external technical support.	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	The Chief Risk Officer is Ms. Evelyn L. Villanueva. See page 29 of the BDO Definitive Information Statements for 2022 and 2023, respectively, for her qualifications and page 31 (Role of the Chief Risk Officer) of the Revised Corporate Governance Manual for her responsibilities. https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	

		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	<p>The Chief Risk Officer has a rank of Executive Vice President. She is appointed by the Board of Directors and reports directly to the Risk Management Committee. She is the Head of the Risk Management Group composed of risk management professionals who are experts in their own field.</p> <p>See page 31 (Role of the Chief Risk Officer) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	COMPLIANT	<p>The Chief Internal Auditor (CIA) attests annually to the Board Audit Committee and to the Chairperson of the Board that a sound independent control system is in place and functioning well, as part of the 2022 Internal Audit Closing Report. The Chief Internal Auditor (CIA) functionally reports to the Board Audit Committee.</p> <p>The Chief Compliance Officer (CCO) reports the status of the Bank's compliance with laws, rules, and regulations to the Board Audit Committee on a monthly basis. He also functionally reports to the Board Audit Committee.</p> <p>As the CIA and CCO are considered independent officers reporting to the Board Audit Committee, their respective reports are made, and should be</p>	

		made, directly to the Board Audit Committee and to the Chairperson of the Board. They do not functionally report to the President & Chief Executive Officer. Their roles are found in pages <u>4</u> and <u>30</u> of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	See pages 32 to 34, Section 13 (Promoting Shareholders Rights) of the Revised Corporate Governance Manual. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	The Revised Corporate Governance Manual is published on the corporate website at: https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	Yes. This is expressly stated in the voting Rights of shareholders in Article IV, Section 13 of the Amended By-Laws and on page 32 of the Revised Corporate Governance Manual.	

		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	<p>The equitable treatment of shareholders is enshrined in Article IV, Section 13 of Amended By-Laws and page 32 of the Revised Corporate Governance Manual. Our CG principle of FAIRNESS essentially applies among others, to the equal treatment and protection of shareholder rights, as stated. Rights available to the majority shareholders are also available to the minority shareholders.</p> <p>There are 2 types of BDO shares, namely: Common Shares and Series A Preferred Shares with 1 vote per share, except in the election of directors where one share is entitled to as many votes as there are directors to be elected.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	BDO has been using poll voting. Cumulative Voting is allowed in the election of directors. This method is discussed in detail on pages 5 to 6 of both 2022 and 2023 BDO Definitive Information Statements - Item C, Election of Directors and Voting Rights (Cumulative	

		<p>Voting).</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
<p>4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.</p>	COMPLIANT	<p>The Bank strives to achieve the Principle being recommended through the following:</p> <ul style="list-style-type: none"> • Affirmation of Shareholders' Voting Rights - The Bank affirms the voting rights given to the minority shareholders relative to certain major corporate acts that require the approval of at least 2/3 of the shareholders, which effectively include already the "majority of the minority" shareholders. <p>In the Notice of the Annual Stockholders' Meeting (ASM), the Bank is reminding all shareholders including minority shareholders to vote during the ASM to reinforce their participation in the affairs of the company.</p> <p>See page 32 of the Revised Corporate Governance Manual and Notice of 2022 ASM.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

		<p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf</p> <ul style="list-style-type: none"> • Recognition of Shareholders' Appraisal Right - In accordance with law, the Bank recognizes also the appraisal right of any shareholder in case of dissenting vote on any approved major corporate actions. <p>See pages 33 to 34 of the Revised Corporate Governance Manual and Notice of 2022 ASM.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf</p> <ul style="list-style-type: none"> • Additional Mechanisms to Protect Minority Shareholders - The Bank has put in place policies to protect minority shareholders: <ul style="list-style-type: none"> ➤ Related Party Transactions Policy – to manage potential conflicts of interest arising from related party transactions. ➤ Personal Trading Policy – to prevent insider trading, wherein trading blackout is imposed on directors and employees of the Bank when material, non-public, price-sensitive information is disclosed to the public. In 2022, nine (9) trading blackout notices were issued. ➤ Whistleblower Policy – to provide a channel for the reporting of illegal practices, abuse 	
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		<p>of authority and fraudulent activity, etc. without fear of reprisal.</p> <p>Related party transactions are also reviewed by the Related Party Transactions Committee, which consists of Independent and Non-Executive Directors.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20RPT%20Policy.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/PERSONAL%20TRADING%20POLICY.pdf</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20WHISTLE%20BLOWER%20POLICY%20-%20Revised%206.24.16.pdf</p>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	COMPLIANT	<p>BDO Amended By-Laws allows this. Please see Article IV Section 15 Amended By-Laws – Special Meetings which states that:</p> <p>"Special meetings of the stockholders may be called for any purpose by the President or by the Chairman at the instance of the Board of Directors or upon written request of stockholders holding at least one third (1/3) of subscribed common stock."</p> <p>To date, there has been no special shareholders' meeting called.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-</p>	

		document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p>The Bank recognizes that all shareholders should be treated fairly and equally whether they are controlling or minority, local or foreign. To ensure this, the Amended By-Laws of the Bank provide that all shares in each class should carry the same rights and any changes in the voting rights to be approved by them.</p> <p>Any stockholder, whether majority or minority has the right to nominate candidates for seats in the Board of Directors, access to any information relating to matters for which the management is accountable, propose items in the agenda of the meeting, provided the items are for legitimate business purposes.</p> <p>The following policies and procedures have been put in place as well to protect the interests of minority shareholders:</p> <ul style="list-style-type: none"> • Related Party Transactions Policy – to manage potential conflicts of interest arising from related party transactions. • Personal Trading Policy – to prevent insider trading, wherein trading blackout is imposed on directors and employees of the Bank when material, non-public, price-sensitive information is disclosed to the public. In 2022, nine (9) trading blackout notices were issued. <p>Please see page 32, Section 13 for the rights of the shareholders in the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	

<p>7. Company has a transparent and specific dividend policy.</p>	<p>COMPLIANT</p>	<p>See BDO Dividend Policy Statement at:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba/nk/en-ph/about-bdo/investor-relations/financials/pdf/dividend-information/dividend-policy/2023_BDO%20DIVIDEND%20POLICY%20STATEMENT_b.pdf</p> <p>“BDO recognizes the importance of providing a stable and sustainable dividend stream consistent with its commitment to stockholders. Since December 2013, the Bank has been paying regular cash dividends of Php 0.30 per quarter, or an annual equivalent of Php 1.20 per share. On February 24, 2023, the Board approved an increase in the regular quarterly cash dividends on common shares of BDO to Php 0.75 per share, or an annual equivalent of Php 3.00 per share, beginning on the 1st Quarter of 2023. This will be the new dividend policy of BDO going forward.</p> <p>The Board of Directors may, at its discretion and depending on the business results for the year and capital needs of the business, declare and approve the distribution of additional special dividends to all stockholders normally announced at the Annual Stockholders' Meeting.”</p> <p>Dividends are processed and paid based on PSE and SEC Rules as follows:</p> <p>Payment date should not be more than 18 trading days from the record date, and disclosure of record date must not be less than 10 trading days from said date.</p> <p>For scrip/scripless Stock Dividends offered in 2012, these were processed and paid as follows:</p>	
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		Board Approval - March 22, 2012 Stockholders' Approval - April 20, 2012 Record Date - May 25, 2012 Issuance Date - June 8, 2012	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	The Bank's external auditor, Punongbayan & Araullo Grant Thornton (P&A), is tasked to count and validate the votes at the Annual Shareholders' Meeting. See page 2 of the Minutes of the 2022 Annual Meeting of the Stockholders. https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annex1.pdf	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	COMPLIANT	Notice and Agenda including Rationale were released on February 15, 2022 (66 days before the ASM). See Notice disclosed on PSE Edge: https://edge.pse.com.ph/openDiscViewer.do?edge_no=5cc07d80bd0c3d0d3470cea4b051ca8f See also 2022 and 2023 BDO Definitive Information Statements for the relevant information provided to shareholders: https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	

Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:			
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	<p>See pages 14 to 19, and pages 15 to 20 of the 2022 and 2023 BDO Definitive Information Statements, respectively, which are attached to the Notice of the Annual Stockholders Meeting, at:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
b. Auditors seeking appointment/re-appointment	COMPLIANT	See Item 7. Independent Public Accountants on pages 39 to 40, and pages 39 to 41 of the 2022 and 2023 BDO Definitive Information Statements, respectively, at:	

		https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	
c. Proxy documents	COMPLIANT	<p>The Notice of Annual Stockholders' Meeting contains a link where the proxy documents can be downloaded.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Proxy-Form-for-Corporate-Stockholders.pdf</p>	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<p>See Agenda Details and Rationale at:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf</p> <p>This may also be found in the BDO Definitive Information Statement:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p>	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken	COMPLIANT	<p>Disclosed to the PSE within 10 minutes after end of ASM and posted on the BDO website.</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=6f07b22de9cd06d13470cea4b051ca8f</p>	

<p>during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.</p>		https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annex1.pdf	
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.</p>	<p>COMPLIANT</p>	<p>See BDO's Minutes of the 2022 ASM, which was posted on April 29, 2022, which is five (5) business days from the end of the meeting on April 22, 2022, at:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annex1.pdf</p> <p>Complete voting results are included in the Minutes of the ASM.</p> <p>Voting of resolutions was done by poll.</p> <p>Yes. The Open Forum portion of the ASM Minutes includes the questions from the shareholders and answers of Nestor V. Tan/President & CEO.</p>	
<p>Supplement to Recommendation 13.3</p>			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>COMPLIANT</p>	<p>See pages 1 to 2 of the Minutes of the 2022 ASM at:</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/April-22-2022-ASM-with-Annex1.pdf</p> <p>Minutes of ASM states that Punongbayan & Araullo, Grant Thornton (P&A) has been appointed to validate all votes in accordance with the voting procedures provided in the Bank's Definitive Information Statement (DIS). DIS states that:</p>	

		<p>Stock Transfer Service, Inc., BDO's stock transfer agent, in conjunction with Punongbayan & Araullo, Grant Thornton, BDO's external auditor, both independent parties, are tasked to count votes on any matter properly brought to the vote of the shareholders, including the election of directors.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p>	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	<p>See pages 48 to 49, Annex C Alternative Dispute Resolution (ADR) of the Revised Manual of Corporate Governance for the complete details of the ADR.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	<p>See pages 48 to 49, Annex C of the Revised Manual of Corporate Governance at:</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	<p>NAME: Mr. Luis S. Reyes/EVP – Head, Investor Relations & Corporate Planning TEL. NUMBER: (632) 8840-7000 locals 36069 EMAIL ADDRESS: irandcorplan@bdo.com.ph</p> <p>See also page 71 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-</p>	

		reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf	
2. IRO is present at every shareholder's meeting.	COMPLIANT	Yes. He has always been present in all ASMs. Please refer to the minutes of past ASMs: https://www.bdo.com.ph/about-bdo/company-disclosures/annual-stockholders-meeting	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	BDO Amended By-Laws do not contain anti-takeover provisions, no issuance of "poison pill" preferred stocks, no standstill agreement, premium stock repurchases, etc. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-profile/corporate-document/pdf/BDO-Amended-ByLaws-SEC-Approved-on-28July2022.pdf	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	COMPLIANT	As of December 31, 2022, public float was 44.12%, per BDO's Public Ownership Report submitted to PSE. PSE EDGE: https://edge.pse.com.ph/openDiscViewer.do?edge_no=205160c38c9d6ce19e4dc6f6c9b65995 BDO website: https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/top-100-stockholders/2022/Top_100_Stockholders_Dec_31_2022.pdf?_ga=2.209530002.1060971390.1684810740-1478061347.1645172149	
Optional: Principle 13			
1. Company has policies and	COMPLIANT	See page 29, Section 11 – Promoting a Comprehensive and Cost-Efficient Access to	

practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting		<p>Relevant Information; page <u>35</u>, Shareholder Relations; page <u>36</u>, Investors; and page <u>37</u>, Stakeholders' Engagement of the Revised Corporate Governance Manual. These contain the policies and practices to actively engage the shareholders anytime for a better appreciation of market sentiment towards the Bank.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	COMPLIANT	<p>During the 2022 ASM, shareholders were allowed to attend via proxy and remote communication, and to vote in absentia.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Notice-and-Agenda-final.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=5cc07d80bd0c3d0d3470cea4b051ca8f</p>	

Duties to Stakeholders

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

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	<p>The Bank's stakeholders are the shareholders, customers, employees, creditors, suppliers, service providers, counterparties, government, regulators, competitors, and communities in which the Bank operates. See page 35 (Fair Treatment and Protection of Stakeholders) of the Revised Corporate Governance Manual for the policies and programs for each type of stakeholders.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
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		governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	<p>See pages 35 (Fair Treatment and Protection of Stakeholders) of the Revised Corporate Governance Manual for the policies and programs for each type of stakeholders.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	<p>1. For Shareholders:</p> <p>NAME: Mr. Luis S. Reyes/EVP – Head, Investor Relations & Corporate Planning TEL. NUMBER: (632) 8840-7000 local 36069 EMAIL ADDRESS: irandcorplan@bdo.com.ph</p> <p>2. For Customers and Other Stakeholders</p> <p>NAME: Ms. Gina Marie C. Galita/SVP- Head, BDO Customer Contact Center TEL. NUMBER: (632) 8631-8000 EMAIL ADDRESS: callcenter@bdo.com.ph</p> <p>See Policy on Disclosure of Sensitive / Confidential Matters to Management at:</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20WHISTLE%20BLOWER%20POLICY%20-%20Revised%206.24.16.pdf</p>	
Supplement to Recommendation 14.3			

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	See pages 48 to 49, Annex C of the Revised Corporate Governance Manual for the full details of Alternative Dispute Resolution Policy. https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	COMPLIANT	The Bank has continued to follow, where appropriate, the regulations of the SEC, PSE and BSP and international best practices of corporate governance issued by globally recognized standards setting bodies such as the Organization of Economic Cooperation and Development (OECD), and the ASEAN Corporate Governance Scorecard which serve as essential points of reference.	
2. Company respects intellectual property rights.	COMPLIANT	The Bank does not infringe on the intellectual property rights of others. As an example, it uses only licensed software in its banking applications. Proprietary protection of Intellectual Property Rights is a standard provision in the Software Licensing Agreement.	
Optional: Principle 14			

<p>1. Company discloses its policies and practices that address customers' welfare</p>	<p>COMPLIANT</p>	<p>The Board of Directors approved the BDO Group's Guiding Principles on Consumer Protection which serves as BDO's framework for defining its Consumer Protection Risk Management System (CPRMS). As specified in the CPRMS, consumer protection practices are embedded in the banking operations, and considered in the development and implementation of products and services.</p> <p>See page 53 of the 2022 BDO Annual Report.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p>COMPLIANT</p>	<p>The Bank adopts strict standard and procedures on the selection, qualification, accreditation and supervision of its suppliers/contractors. The Bank's guidelines in General Procurement cover this. These include, among others, the following:</p> <p>A. Sourcing of Vendors / Suppliers / Contractors</p> <p>1. As a general rule, vendors, suppliers, and contractors shall be sourced through research via trade organizations, publications (including the internet), professional bodies, and other external entities, and through market consultation.</p> <p>2. The Bank's Procurement unit, the Procurement and Supply Management Division (PSMD), shall accept walk-in vendors/suppliers/contractors and entertain referral from units as possible sources of goods or services.</p> <p>B. Vendor Accreditation</p> <p>Criteria shall include the following items:</p> <p>a. financial, credit, and technical capability</p> <p>b. track record / reputation in the industry</p>	

		<p>c. availability of capacity /network d. cost competitiveness e. business reciprocity with the Bank</p> <p>C. Competitive Processes Canvassing/Bidding The Bank invites a certain number of vendors/suppliers. They have to meet certain criteria before they can bid for work or a supply contract. The Bank awards the Contract to the one who offers the most advantageous commercial terms and who can demonstrate cost effectiveness, competence, and reliability.</p> <p>See also page 36 (Creditors, Counterparties and Suppliers) of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
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Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	<p>See pages 37 to 38, Section 15 – Encouraging Employees Participation of the Revised Corporate Governance Manual.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p>	
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Supplement to Recommendation 15.1

1. Company has a reward/compensatio	COMPLIANT	The Employee Stock Option Plan has been in place since 2005. Please see pages 235 to 236 and pages	
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<p>n policy that accounts for the performance of the company beyond short-term financial measures.</p>		<p>243 to 244 of the 2022 and 2023 BDO Definitive Information Statements – Executive Stock Option Plan (ESOP), respectively.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p>See pages 161 to 163 and pages 156 to 158 under Employees in the 2022 and 2023 BDO Definitive Information Statements, respectively, which detail the policies and programs related to Employee Welfare, Health & Safety including pertinent data in 2022.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149</p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>See pages 161 to 162 and pages 156 to 157 under Training and Development of the 2022 and 2023 BDO Definitive Information Statements, which detail the various in-house and external training programs conducted, and related data on training hours.</p> <p>https://www.bdo.com.ph/sites/default/files/pdf/2022-BDO-ASM-Information-Statement-final.pdf</p>	

		https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/BDO_Definitive_Information_Statement_22March23.pdf?_ga=2.140470963.1060971390.1684810740-1478061347.1645172149	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	<p>This is embodied in the Revised Code of Conduct and Business Ethics on Conduct Relating to Customers and External Constituencies and Acceptance / Solicitation of Gifts, Bribery and Corruption. See page 1 and 3 of the Code.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	<p>The Revised Code of Conduct and Business Ethics is published on the Bank's website and intranet to be accessible to all covered individuals. The implementation of the Code was announced bank-wide in the e-Newsgam. Covered individuals were required to sign an Acknowledgment Receipt Form signifying that they have read and understood the policies and programs enunciated in the Code.</p> <p>https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf</p>	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and	COMPLIANT	See page 7 Sanctions & Penalties of the Revised Code of Conduct and Business Ethics at:	

penalizing employee involvement in offering, paying and receiving bribes.		https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/BDO%20CODE%20OF%20CONDUCT%20AND%20BUSINESS%20ETHICS.pdf which we quote: “Failure to comply with the requirements of the Code may lead to disciplinary measures commensurate to the violations. The Bank will use principles of fair accountability and due process in investigating and making decisions on all matters pertaining to failure to abide by the Code. BDO reserves the right to impose corresponding sanctions and/or penalties for violation of the Code, which includes dismissal from service or from the Board of Directors, as the case may be, without prejudice to further legal, administrative or criminal charges depending on the offense.”	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	COMPLIANT	See Policy on Disclosure of Sensitive or Confidential Matters to Management at: https://www.bdo.com.ph/content/dam/bdouniba nk/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20WHISTLE%20BLOWER%20POLICY%20-%20Revised%206.24.16.pdf This is clearly stated in the section on Protecting the Whistle Blower. Reporting Process Reporting may be done thru any available means such as but not limited to SMS text (e.g. BDO Watch),	

		letter, email or phone call directly to the Office of the President (OP) or the appropriate Head of the Unit concerned. For concerns directly involving the President and the other Executive Directors, the report should be addressed to the Board of Directors thru the Office of the Chairperson. For RPT-related concerns, the report should be addressed to the Chairman of the Related Party Transactions Committee.	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	COMPLIANT	See Reporting Process above.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	<p>This is delegated to the Legal and Compliance Groups of the Bank that are responsible for overseeing the implementation of this policy and compliance across the BDO Unibank Group. The Head of the Cases Review Committee Secretariat will submit a monthly report to the Chief Compliance Officer, Cases Review Committee, and the Audit Committee covering the number of reports received, actions taken and its latest status. The Audit Committee, at its discretion, may periodically report the whistle blower cases to the Board of Directors.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/corporate-policies/Revised%20WHISTLE%20BLOWER%20POLICY%20-%20Revised%206.24.16.pdf</p>	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1

1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	COMPLIANT	<p>See pages 56 to 57 Corporate Social Responsibility of BDO in the 2022 BDO Annual Report for its community involvement. On environment-related programs, BDO has in place a Social and Environmental Management Systems Policy (SEMS Policy) to ensure that environmental and social consciousness are incorporated in the day-to-day operations of the Bank for the benefit of all its stakeholders, employees, and the community in which it operates. It has also a provision that will limit the Bank's exposure to certain industries that have an adverse impact on the environment and this is included in the evaluation of credit proposals. The Bank also introduced the "Go Green Program" to raise awareness on environmental issues, and promote good environmental practices in the workplace.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/investor-relations/financials/pdf/quarterly-reports/2022/BDO%20Unibank%202022%20Annual%20Report.pdf</p>	
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Optional: Principle 16

1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	COMPLIANT	<p>See BDO's sustainable development programs published in the Sustainability Report at:</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p>	
-----------------------------------------------------------------------------------------------------------------------------	-----------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

		https://www.bdo.com.ph/about-bdo/sustainability/sustainability-reporting	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	<p>See page 38 to 39, Section 16 – Encouraging Sustainability and Social Responsibility of the Revised Corporate Governance Manual wherein the Bank has instituted socio-civic programs centered on Disaster Response Advocacy, Environmental Initiatives, Sustainability, Climate Change and Wildlife Protection.</p> <p>https://www.bdo.com.ph/content/dam/bdounibank/en-ph/about-bdo/corporate-governance/governance-manual/BDO-Unibank-Inc-Corporate-Governance-Manual-2022.pdf</p> <p>The BDO Group interacts positively with the communities in which it operates through our corporate social responsibility arm, BDO Foundation, Inc. BDO Group's efforts on social responsibility can be found in the Sustainability Report.</p> <p>https://www.aem.bdo.com.ph/content/dam/support-group/office-of-the-corporate-secretary/annual-stockholders-meeting/2023/SEC_Form_17-A_Annual_Report_2022.pdf?_ga=2.180109604.1060971390.1684810740-1478061347.1645172149</p> <p>https://www.bdo.com.ph/about-bdo/sustainability/sustainability-reporting</p>	

SIGNATURES:

BDO Unibank, Inc.

2022 Integrated Annual Corporate Governance Report

MAY 30 2023 IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
____ day of May 2023.


TERESITA T. SY
Chairperson

MAY 30 2023

SUBSCRIBED AND SWORN TO before me this ____ day of May, 2023, affiant exhibited to me her Competent Evidence of Identity as shown below:

Name

Competent Evidence of Identity

TERESITA T. SY

Passport No. [REDACTED] / DFA NCR East / March 8, 2031


NOTARY PUBLIC

Doc. No. 110

Page No. 23

Book No. III

Series of 2023.


Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.

2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
MAY 27 2023 day of May 2023.



NESTOR V. TAN

President & Chief Executive Officer

SUBSCRIBED AND SWORN TO before me this 27th day of May, 2023, affiant exhibited to me his Competent Evidence of Identity as shown below:

Name

Competent Evidence of Identity

NESTOR V. TAN

Passport No. [REDACTED] / DFA NCR East / November 22, 2030

NOTARY PUBLIC

Doc. No. 106
Page No. 23
Book No. 711
Series of 2023.



Atty. ALEJANDRO M. TUPAS, III

Appointment No. M-212; Notary Public until 31 December 2023

Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City

PTR No. 9566763, 03 January 2023, Makati City

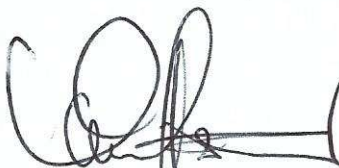
MCLE Compliance No. VII-0011590, 28 February 2022

21/F, BDO Towers Valero, 8741 Paseo de Roxas,

Salcedo Village, Makati City

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
~~27~~ day of May 2023.



DIOSCORO I. RAMOS
Lead Independent Director

SUBSCRIBED AND SWORN TO before me this ~~27~~ day of May, 2023, affiant exhibited to me his Competent Evidence of Identity as shown below:

Name


Competent Evidence of Identity

DIOSCORO I. RAMOS

Passport No. [REDACTED] / PCG Hong Kong / May 4, 2031

NOTARY PUBLIC

Doc. No. 105
Page No. 22
Book No. III
Series of 2023.



Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
day of May 2023.

27 MAY 2023



GEORGE T. BARCELON
Independent Director

SUBSCRIBED AND SWORN TO before me this 27 MAY 2023 day of May, 2023, affiant exhibited to me his Competent Evidence of Identity as shown below:

Name

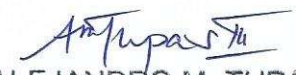
Competent Evidence of Identity

GEORGE T. BARCELON

Passport No. [REDACTED] / DFA-NCR East / July 3, 2029

NOTARY PUBLIC

Doc. No. 103
Page No. 22
Book No. III
Series of 2023.



Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
27 day of May 2023.
27 MAY 2023


ESTELA P. BERNABE
Independent Director

27 MAY 2023

SUBSCRIBED AND SWORN TO before me this ____ day of May, 2023, affiant exhibited to me her Competent Evidence of Identity as shown below:

Name


Competent Evidence of Identity

ESTELA P. BERNABE

Passport No. [REDACTED] / DFA Manila / April 18, 2028

NOTARY PUBLIC

Doc. No. 102
Page No. 22
Book No. 111
Series of 2023.


Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.

2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
27 MAY 2023 day of May 2023.


VIPUL BHAGAT

Independent Director

SUBSCRIBED AND SWORN TO before me this 27 MAY 2023 day of May, 2023, affiant exhibited to me his Competent Evidence of Identity as shown below:

Name

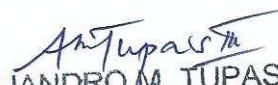
VIPUL BHAGAT

Competent Evidence of Identity

Passport No. [REDACTED] / United States Department of State/ December 12, 2023

NOTARY PUBLIC

Doc. No. 104
Page No. 22
Book No. III
Series of 2023.


Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

MAY 29 2023 IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
____ day of May 2023.



VICENTE S. PÉREZ, JR.
Independent Director

MAY 29 2023

SUBSCRIBED AND SWORN TO before me this ____ day of May, 2023, affiant exhibited
to me his Competent Evidence of Identity as shown below:

Name

Competent Evidence of Identity

VICENTE S. PÉREZ, JR.

Passport No. [REDACTED] / DFA Manila / January 14, 2030

NOTARY PUBLIC

Doc. No. **482**
Page No. **98**
Book No. **T**
Series of 2023.



Atty. CHRISTINE JOY K. TAN

Appointment No. M-227; Notary Public until 31 December 2023
Roll No. 57195; IBP No. 293973, 10 January 2023, Makati City
PTR No. 9566762, 03 January 2023, Makati City
MCLE Compliance No. VII-0012596, 8 March 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Mandaluyong,
Philippines, this MAY 29 day of May 2023.

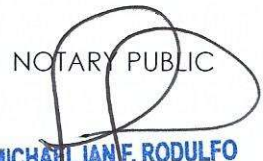

FEDERICO P. TANCONGCO
Senior Vice President & Chief Compliance Officer 

SUBSCRIBED AND SWORN TO before me this MAY 29 day of May, 2023, affiant exhibited
to me his Competent Evidence of Identity as shown below:

<u>Name</u>	<u>Competent Evidence of Identity</u>
-------------	---------------------------------------

FEDERICO P. TANCONGCO	Passport No. [REDACTED] / DFA-NCR Northeast/ March 3, 2032
-----------------------	------------------------------------------------------------

Doc. No. 224
Page No. 46
Book No. CXXXVIII
Series of 2023.

NOTARY PUBLIC

MICHAEL IAN F. RODULFO
Notary Public for Mandaluyong City
Appointment No. 0468-22 / Until December 31, 2023
Roll of Attorneys No. 60508
MCLE Compliance No. VII-0014851

BDO Unibank, Inc.
2022 Integrated Annual Corporate Governance Report

IN WITNESS WHEREOF, I have hereunto set my hands at City of Makati, Philippines, this
27 MAY 2023 day of May 2023.


EDMUNDO L. TAN
Corporate Secretary

SUBSCRIBED AND SWORN TO before me this 27 MAY 2023 of May, 2023, affiant exhibited
to me his Competent Evidence of Identity as shown below:

Name


Competent Evidence of Identity

EDMUNDO L. TAN

Passport No. [REDACTED] /DFA-Manila/ June 30, 2032

NOTARY PUBLIC

Doc. No. 101
Page No. 22
Book No. III
Series of 2023.


Atty. ALEJANDRO M. TUPAS, III
Appointment No. M-212; Notary Public until 31 December 2023
Roll No. 55349; IBP Lifetime Member No. 013125, Quezon City
PTR No. 9566763, 03 January 2023, Makati City
MCLE Compliance No. VII-0011590, 28 February 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

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

SECRETARY'S CERTIFICATE

I, **ALVIN C. GO**, being Assistant Corporate Secretary of **BDO UNIBANK, INC. (BDO Unibank)**, a universal bank organized and existing under and in accordance with the laws of the Republic of the Philippines, with business address at BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City, do hereby certify that –

1. In my capacity as Assistant Corporate Secretary of BDO Unibank, I have custody of the minutes book of BDO Unibank which contains the minutes of the meetings of the Board of Directors;

2. At the regular meeting of the Board of Directors of BDO Unibank held on May 27, 2023, at which meeting a quorum was present and acting throughout, the following resolution was unanimously adopted and approved:

Resolution No. 103-2023

“RESOLVED, That the Board of Directors of BDO Unibank, Inc. (BDO Unibank) approve and confirm, as it hereby approves and confirms, the 2022 Integrated Annual Corporate Governance Report of BDO Unibank, as approved and endorsed by BDO Unibank’s Corporate Governance Committee in its Resolution No. 2023-05-01 adopted on May 19, 2023, which reads as follows:

“RESOLVED, That the Corporate Governance Committee (the “Committee”) of BDO Unibank, Inc. (the “Bank”) approve and endorse, as it hereby approves and endorses to the Board of Directors for its approval, the Bank’s 2022 Integrated Annual Corporate Governance Report, as modified, a copy of which is attached as Annex “A-2” to the Minutes and made part of this Resolution, to be submitted to the Securities and Exchange Commission.”

3. The above-quoted resolution has not been revoked or rescinded and continues to be in full force and effect.

4. I am executing this certificate for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto affixed my signature this MAY 30 2023 at Makati City, Philippines.


ALVIN C. GO
Assistant Corporate Secretary


SUBSCRIBED AND SWORN TO before me this MAY 30 2023 at Makati City, Philippines, affiant exhibited to me his Tax Identification No. [REDACTED] and Social Security System No. [REDACTED].

NOTARY PUBLIC

Doc. No. 489
Page No. 99
Book No. 1
Series of 2023.

BDO Unibank, Inc.
BDO Towers Valero
8741 Paseo De Roxas
Salcedo Village
Makati City 1226
Philippines
Swift Code BNORPHMM
Tel +632 8840-7000

bdo.com.ph


Atty. CHRISTINE JOY K. TAN
Appointment No. M-227; Notary Public until 31 December 2023
Roll No. 57195; IBP No. 293973, 10 January 2023, Makati City
PTR No. 9566762, 03 January 2023, Makati City
MCLE Compliance No. VII-0012596, 8 March 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City



Certificate of Attendance

is presented to

ATTY. EDMUNDO L. TAN

**Corporate Secretary, BDO Unibank, Inc.
Non-Executive Director, APC Group, Inc.**

for attending and participating in the

2022 Annual Corporate Governance Seminar

Topics:

*Sustainability and the Role of Boards
Geopolitical Risk*

July 20, 2022

8:00 am – 12:30 pm

via Zoom Videoconferencing

A handwritten signature in black ink, appearing to read "Federico P. Tancongo", is positioned above the printed name.

Atty. Federico P. Tancongo

**Senior Vice President & Chief Compliance Officer
BDO Unibank, Inc.**

This seminar is accredited by the Securities and Exchange Commission (SEC) in its advisement letter dated 07 July 2022 signed by Atty. Rachel Esther J. Gumtang-Remalante, Director of Corporate Governance and Finance Department, with reference number 202207-004-OD.

ANNEX B

BDO Board Meeting Materials for December 3, 2022 (First Batch)

Fri 11/25/2022 5:12 PM

To: Teresita T. Sy [REDACTED]; Nestor V. Tan [REDACTED]; Jesus A. Jacinto [REDACTED]; Josefina N. Tan [REDACTED]; Jones M. Castro [REDACTED]; Jones M. Castro Jr. [REDACTED]; Jose F. Buenaventura [REDACTED]; Jose F. Buenaventura [REDACTED]; Corazon de La Paz Bernardo [REDACTED]; Corazon S. Bernardo [REDACTED]; Jose T. Sio [REDACTED]; Dioscoro Ramos [REDACTED]; Dioscoro I. Ramos [REDACTED]; Vicente S. Perez [REDACTED]; Vicente S. Perez Jr. [REDACTED]; George Barcelon [REDACTED]; George T. Barcelon [REDACTED]; Harley T. Sy [REDACTED]; Christopher A. Bell-Knight [REDACTED]; Vipul Bhagat [REDACTED]; Vipul Bhagat [REDACTED]; Walter C. Wassmer [REDACTED]; Estela Perlas-Bernabe [REDACTED]

Cc: [REDACTED]

3 attachments (11 MB)

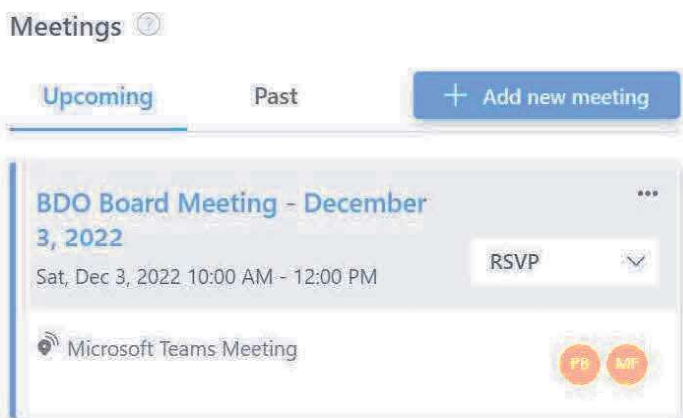
BDO Board materials 12.3.22 (Batch 1).zip; Virtual Meeting Guide 12 3 22.pdf; Board-Connect-User-Guide.pdf;

Dear Sir/Ma'am:

Please find attached the first batch of materials for the **Board Meeting of BDO Unibank, Inc.** to be held on Saturday, **December 3, 2022, at 10:00 A.M.**, at the **Board Room**, 31/F, BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City.

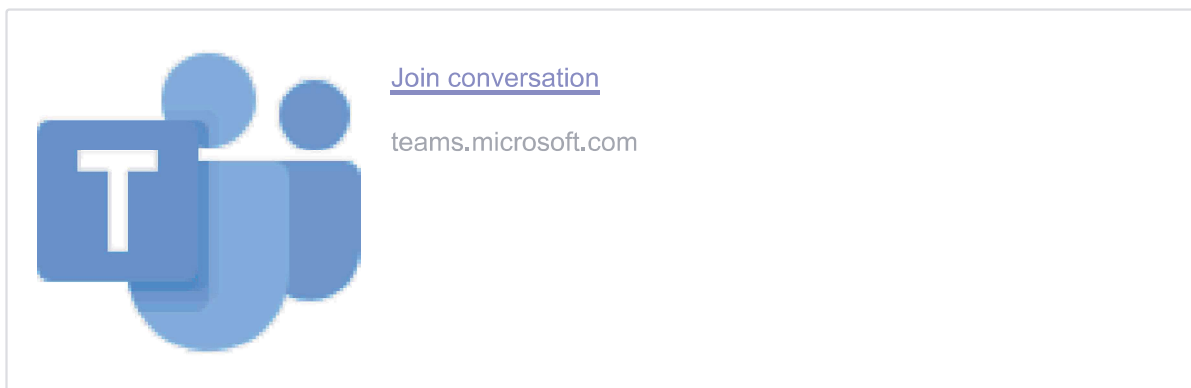
You may access the attached file using the password to be sent by [REDACTED] in a separate email.

The Board meeting materials and meeting credentials are also accessible through **BOARD CONNECT** under **Teams-Board of Directors and Advisors**. You may access your BDO account anytime to view the same. Once you are able to get into the Board Connect meeting panel, click the name of the meeting (**BDO Board Meeting - December 3, 2022**) to open the meeting page and view the materials.



If you cannot physically attend the meeting, you may attend and participate via remote communication (**through MS Teams platform**) using the following meeting details:

Meeting: **BDO Board Meeting - December 3, 2022**



Meeting ID: [REDACTED]

Meeting password: [REDACTED]

pursuant to SEC Memorandum Circular No. 6, Series of 2020 (Guidelines on the Attendance and Participation of Directors, Trustees, Stockholders, Members, and Other Persons of Corporations in Regular and Special Meetings Through Teleconferencing, Video Conferencing and Other Remote or Electronic Means of Communication). Further, please be advised that there will be a **video/audio recording of the meeting**.

For a better Board meeting experience, kindly see attached Virtual Meeting Guide and Board Connect User Guide.

Should you encounter any problem relative to Board Connect, you may contact the following representatives from IT Group for assistance:



Should you be participating virtually and have thought of some questions in advance to raise at the Board Meeting, you may send them ahead of the meeting date through email to [REDACTED]. In case you are unable to raise them due to unexpected failure of internet or network connection, the Corporate Secretary or Secretary of the Meeting may read the same on your behalf.

You may also send your questions/comments through the **chat facility** of the meeting platform so the same could be read and responded to at the meeting proper.

Thank you.

[REDACTED]
Office of the Corporate Secretary
21/F, BDO Towers Valero, 8741 Paseo de Roxas
Salcedo Village, 1226 Makati City
Tel.: [REDACTED]

BDO Board Meeting - December 3, 2022 Agenda is ready for review

Fri 11/25/2022 6:49 PM

To: Teresita T. Sy; Jesus A. Jacinto; Nestor V. Tan; Dioscoro I. Ramos; Jones M. Castro Jr.; Vicente S. Perez Jr.; George T. Barcelon; Vipul Bhagat; Estela Perlas-Bernabe; Josefina N. Tan; Walter C. Wassmer; Corazon S. Bernardo; Jose F. Buenaventura; Harley T. Sy; Jose T. Sio; Christopher A. Bell-Knight

Your Board Agenda is ready to view



BDO Board Meeting - December 3, 2022

Dec 3, 2022

10:00 AM - 12:00 PM

Microsoft Teams Meeting

Contact meeting organiser

Dear BDO Directors and Advisors:

You may view the meeting materials for the Board Meeting of BDO Unibank, Inc. on December 3, 2022, Saturday, at 10:00 A.M., through BOARD CONNECT under **Teams-BDO Board of Directors and Advisors**. Please access your BDO account anytime to view the same. Once you are able to get into the Board Connect meeting panel, click the name of the meeting (**BDO Board Meeting - December 3, 2022**) to open the meeting page and view the materials. You may also click "View full agenda in Board Connect" at the bottom of this page.

Thank you.

Agenda

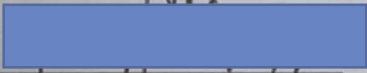
Documents

1. Call to order

FOR : NVT
JAJ
JNT

FROM: CORSEC

RE : BOARD MATERIALS
JULY 30, 2022 MTG

RECEIVED BY: 

DATE: 7/25



Certificate of Attendance

is presented to

FEDERICO P. TANCONGCO

Senior Vice President & Chief Compliance Officer, BDO Unibank, Inc.

for attending and participating in the

2022 Annual Corporate Governance Seminar

Topics:

*Sustainability and the Role of Boards
Geopolitical Risk*

July 20, 2022

8:00 am – 12:30 pm

Conrad Manila, Pasay City

A handwritten signature in black ink, appearing to read "Maria Carmela M. Guerrero".

Maria Carmela M. Guerrero

**First Vice President & Corporate Governance Officer
BDO Unibank, Inc.**

This seminar is accredited by the Securities and Exchange Commission (SEC) in its advisement letter dated 07 July 2022 signed by Atty. Rachel Esther J. Gumtang-Remalante, Director of Corporate Governance and Finance Department, with reference number 202207-004-OD.

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

SECRETARY'S CERTIFICATE

I, **ALVIN C. GO**, being the Assistant Corporate Secretary of **BDO UNIBANK, INC. (BDO Unibank)**, a universal bank organized and existing under and in accordance with the laws of the Republic of the Philippines, with business address at BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City, do hereby certify that –

1. In my capacity as Assistant Corporate Secretary of BDO Unibank, I have custody of the minutes book of BDO Unibank which contains the minutes of the meetings of the Board of Directors;

2. At the regular meeting of the Board of Directors of BDO Unibank held on December 4, 2021, at which meeting a quorum was present and acting throughout, the following resolution was unanimously adopted and approved:

Resolution No. 226-A-2021

“RESOLVED, That the Board of Directors of BDO Unibank, Inc. (BDO Unibank) approve and confirm, as it hereby approves and confirms, the amendments to BDO Unibank’s Succession Planning Policy, as approved and endorsed by BDO Unibank’s Nominations Committee in its Resolution No. 2021-12-01 adopted on December 4, 2021, which reads as follows:

“RESOLVED, That the Nominations Committee of BDO Unibank, Inc. (the “Bank”), approve and endorse, as it hereby approves and endorses, for approval of the Board of Directors, the amendments to BDO Unibank’s Succession Planning Policy, as set forth in Annex “A” hereof.”

3. The above-quoted resolution has not been revoked or rescinded and continues to be in full force and effect.

4. I am executing this certificate for whatever legal purpose it may serve.


IN WITNESS WHEREOF, I have hereunto affixed my signature this DEC 09 2021 at Makati City, Philippines.


ALVIN C. GO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this DEC 09 2021 at Makati City, Philippines, affiant exhibited to me his Tax Identification No. [REDACTED] and Social Security System No. [REDACTED].

NOTARY PUBLIC

Doc. No. 383
Page No. 78
Book No. T
Series of 2021.


Atty. CHRISTINE JOY N. TAN
Appointment No. M-336
Notary Public until 31 December 2021
21/F BDO Towers Valero, 8741 Paseo de Roxas
Salcedo Village, Makati City 1226
Roll No. 57195
IBP No. 145381, 08 January 2021, Makati City
PTR No. 8535989, 06 January 2021, Makati City
MCLE Compliance No. VI-0015458, 20 November 2018

BDO Unibank, Inc.
BDO Corporate Center
7899 Makati Avenue
Makati City 0726
Philippines
Swift Code BNORPHMM
Tel +632 8840-7000

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

SECRETARY'S CERTIFICATE

I, **ALVIN C. GO**, being Assistant Corporate Secretary of **BDO UNIBANK, INC. (BDO Unibank)**, a universal bank organized and existing under and in accordance with the laws of the Republic of the Philippines, with business address at BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City, do hereby certify that –

1. In my capacity as Assistant Corporate Secretary of BDO Unibank, I have custody of the minutes book of BDO Unibank which contains the minutes of the meetings of the Board of Directors;

2. At the regular meeting of the Board of Directors of BDO Unibank held on December 3, 2022, at which meeting a quorum was present and acting throughout, the following resolution was unanimously adopted and approved:

Resolution No. 215-A-2022

“RESOLVED, That the Board of Directors of BDO Unibank, Inc. (BDO Unibank) approve and confirm, as it hereby approves and confirms, the revised Compensation Policy Guidelines of BDO Unibank, as approved and recommended by BDO Unibank's Compensation Committee in its Resolution No. 2022-11-02 adopted on November 16, 2022, which reads as follows:

“RESOLVED, That the Compensation Committee of BDO Unibank, Inc. (the “Bank”), having conducted a review, approve and recommend, as it hereby approves and recommends, for approval of the Board of Directors, the revised Compensation Policy Guidelines of the Bank, a copy of which is attached as Annex “B” to the Minutes and made an integral part of this Resolution.”

3. The above-quoted resolution has not been revoked or rescinded and continues to be in full force and effect.

4. I am executing this certificate for whatever legal purpose it may serve.


IN WITNESS WHEREOF, I have hereunto affixed my signature this DEC 07 2022 at Makati City, Philippines.


ALVIN C. GO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this DEC 07 2022 at Makati City, Philippines, affiant exhibited to me his Tax Identification No. [REDACTED] and Social Security System No. [REDACTED].

NOTARY PUBLIC

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Page No. 55
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Series of 2022.


Atty. MARIA FELICIA T. ZANTUA
Appointment No. M-214; Notary Public until 31 December 2023
Roll No. 58016; IBP Lifetime Member No. 12574, Laguna
PTR No. 8864151, 11 January 2022, Makati City
MCLE Compliance No. VII-0014924, 6 April 2022
21/F, BDO Towers Valero, 8741 Paseo de Roxas,
Salcedo Village, Makati City

BDO Unibank, Inc.
BDO Towers Valero
8741 Paseo De Roxas
Salcedo Village
Makati City 1226
Philippines
Swift Code BNORPHMM
Tel +632 8840-7000



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

SECRETARY'S CERTIFICATE

I, **ALVIN C. GO**, being Assistant Corporate Secretary of **BDO UNIBANK, INC. (BDO Unibank)**, a universal bank organized and existing under and in accordance with the laws of the Republic of the Philippines, with business address at BDO Towers Valero, 8741 Paseo de Roxas, Salcedo Village, Makati City, do hereby certify that –

1. In my capacity as Assistant Corporate Secretary of BDO Unibank, I have custody of the minute book of BDO Unibank which contains the minutes of the meetings of the Board of Directors;

2. At the regular meeting of the Board of Directors of BDO Unibank held on June 25, 2022, at which meeting a quorum was present and acting throughout, the following resolution was unanimously adopted and approved:

Resolution No. 124-2022

RESOLVED, That the Board of Directors of BDO Unibank, Inc., (BDO Unibank) approve and confirm, as it hereby approves and confirms, the 2022 Internal Audit Policy Statement of BDO Unibank, as approved and endorsed by BDO Unibank's Board Audit Committee in its Resolution No. 2022-06-01 adopted on June 22, 2022, which reads as follows:

“RESOLVED, That the Board Audit Committee (BAC) of BDO Unibank, Inc. (BDO) approve and endorse, as it hereby approves and endorses, for approval of the Board of Directors, the 2022 BDO Internal Audit Policy Statement, a copy of which is attached as Annex “B” to the Minutes and made an integral part of this Resolution.”

3. The above-quoted resolution has not been revoked or rescinded and continues to be in full force and effect.

4. I am executing this certificate for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto affixed my signature this JUN 28 2022 at Makati City, Philippines.

ALVIN C. GO
Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this JUN 28 2022 at Makati City, Philippines, affiant exhibited to me his Tax Identification No. [REDACTED] and Social Security System No. [REDACTED].

NOTARY PUBLIC

Atty. CHRISTINE JOY K. TAN

Appointment No. M-336

Notary Public until 31 December 2021

Extended until 31 June 2022 per Supreme Court *En Banc*

Resolution dated 28 September 2021 (B.M. No. 3795)

21/F BDO Towers Valero, 8741 Paseo de Roxas

Salcedo Village, Makati City 1226

Roll No. 57195

IBP No. 177780, 10 February 2022, Makati City

PTR No. 8864147, 11 January 2022, Makati City

MCLE Compliance No. VI-0012110, 11 September 2018

Doc. No. 167
Page No. 35
Book No. 7
Series of 2022.

BDO Unibank, Inc.
BDO Corporate Center
7899 Makati Avenue
Makati City 0726
Philippines
Swift Code BNORPHMM
Tel +632 8840-7000

bdo.com.ph

We find ways®

ANNEX G

Fwd: CGFD_BDO Unibank Inc_2022 Corporate Governance Manual_03June2022

CGFD Account <cgfd@sec.gov.ph>

Fri 6/3/2022 3:07 PM

To: BDO Unibank - SEC <bdounibank1.sec@bdo.com.ph>

Cc: Shiena Angela D. Aquino [REDACTED] Federico P. Tanconco

[REDACTED] Maria Carmela M. Guerrero [REDACTED] Erick

Anthony J. Valencia [REDACTED] Bryan L. Servando

[REDACTED] cgfd cgd <cgfd_cgd@sec.gov.ph>

 1 attachments (2 MB)

REV CORGOV MANUAL 2022_FINAL (SEC).pdf;

Dear Sir/Madam,

This is to acknowledge receipt of your email. This will be forwarded to our handling Division.

On **12 May 2021**, the Commission issued a **NOTICE** with subject "Revised Guidelines on the Submission of Documents, Issuance of Payment Assessment Form, Other Request and Compliance", as a Guidance for the covered companies indicated therein. To view the complete Notice, please click this link - <https://www.sec.gov.ph/notices/revised-guidelines-on-the-submission-of-documents-issuance-of-payment-assessment-form-other-requests-and-compliance/>. This supersedes CGFD Notices dated June 24, 2020 and July 20, 2020 and adopts the relevant guidelines under SEC Memorandum Circular No. 3, Series of 2021.

Insofar as the covered companies enumerated therein are concerned (and with respect to reports, applications, requests and other documents falling within our Department's jurisdiction), only the submissions that are compliant with the requirements provided in the abovementioned Notice shall be considered as filed with the Commission.

We encourage you to regularly monitor the SEC Website (www.sec.gov.ph) and/or the SEC's Facebook page for updates and announcements.

Thank you.

CORPORATE GOVERNANCE AND FINANCE DEPARTMENT (CGFD)
Securities and Exchange Commission

Confidentiality Notice:

IMPORTANT: *This email message, including attachments, if any, contains confidential information which may be privileged or otherwise protected from disclosure and intended solely for the use of the individual or entity to whom it is addressed and others authorized to receive it. If you are not the intended recipient of this message you must not disclose or use the information contained in it. If you have received this email in error, please notify us immediately by return email and delete the document and any copies thereof. Notice is hereby given to you that any use, downloading, copying, review, re-transmission, dissemination, distribution, reproduction or any action taken in reliance upon this email, without the consent of the original sender is prohibited by law, including R.A. No. 4200 (The Anti-Wire Tapping Law), R.A. No. 8792 (The E-Commerce Law), A.M. No. 01-7-01-SC (Rules on Electronic Evidence), or R.A. No. 10173 (The Data Privacy Act of 2012).*

The Commission is neither liable for the proper and complete transmission of the information nor for any delay in its receipt. The Commission accepts no liability for any damage caused by this email or its attachments due to viruses, interference, interception, corruption or unauthorized access.

----- Forwarded message -----

From: **BDO Unibank - SEC** <bdounibank1.sec@bdo.com.ph>

Date: Fri, Jun 3, 2022 at 1:57 PM

Subject: CGFD_BDO Unibank Inc_2022 Corporate Governance Manual_03June2022

To: ictdsubmission@sec.gov.ph <ictdsubmission@sec.gov.ph>

Cc: cgfd@sec.gov.ph <cgfd@sec.gov.ph>, [REDACTED], Federico

P. Tancongco [REDACTED] Maria Carmela M. Guerrero

[REDACTED] Erick Anthony J. Valencia [REDACTED],

Bryan L. Servando [REDACTED]

03 June 2022

SECURITIES AND EXCHANGE COMMISSION

Corporate Governance and Finance Department

G/F, North Wing Hall, Secretariat Building, PICC Complex

Vicente Sotto St., 1307 Pasay City

Attention: **Atty. RACHEL ESTHER J. GUMTANG-REMALANTE**
Director

Dear Director Gumtang-Remalante:

We submit herewith the **2022 Revised Manual on Corporate Governance** of BDO Unibank, Inc signed by Ms. Teresita T. Sy, Board Chairperson, and Atty. Federico P. Tancongco, Chief Compliance Officer, with proper notarization. This was unanimously adopted approved by the Board of Directors per its Resolution No. 110-2022 dated 28 May 2022.

We hope you find the foregoing in order. Should you have any inquiry about this document, you may coordinate with our Corporate Governance Officer, Ms. Maria Carmela M. Guerrero [REDACTED] or her associate, Atty. Erick Anthony J. Valencia [REDACTED] who are also copied herein.

Sincerely yours,

BDO UNIBANK, INC.

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



BDO Unibank, Inc.
BDO

PSE Disclosure Form 17-18 - Other SEC Forms/Reports/Requirements

Form/Report Type	Manual on Corporate Governance
Report Period/Report Date	Jun 3, 2022

Description of the Disclosure

Ladies and Gentlemen:

Please find attached the latest Manual on Corporate Governance of BDO Unibank, Inc.

Thank you.

Filed on behalf by:

Name	Elmer Serrano
Designation	Corporate Information Officer

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

SECRETARY'S CERTIFICATE

I, **ALVIN C. GO**, being the Assistant Corporate Secretary of **BDO UNIBANK, INC. (BDO Unibank)**, a universal bank organized and existing under and in accordance with the laws of the Republic of the Philippines, with offices at BDO Corporate Center, 7899 Makati Avenue, Makati City 0726, do hereby certify that –

1. In my capacity as Assistant Corporate Secretary of BDO Unibank, I have custody of the minutes book of BDO Unibank which contains the minutes of the meetings of the Board of Directors;

2. At the regular meeting of the Board of Directors of BDO Unibank held on June 26, 2021, at which meeting a quorum was present and acting throughout, the following resolution was unanimously adopted and approved:

Resolution No. 127-B-2021

“RESOLVED, That the Board of Directors of BDO Unibank, Inc. (BDO Unibank) approve and confirm, as it hereby approves and confirms, the 2021 Updates to the Regulatory Compliance Management Manual of BDO Unibank, as approved and endorsed by BDO Unibank's Board Audit Committee in its Resolution No. 2021-06-03 adopted on June 16, 2021, which reads as follows:

“RESOLVED, That the Board Audit Committee (BAC) of BDO Unibank, Inc. (BDO Unibank), approve and endorse, as it hereby approves and endorses, for approval of the Board of Directors, the 2021 Updates to the Regulatory Compliance Management Manual, a copy of which is attached as Annex “I” to the Minutes and made an integral part of this Resolution.”

3. The above-quoted resolution has not been revoked or rescinded and continues to be in full force and effect.

4. I am executing this certificate for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto affixed my signature this JUL 01 2021 at Makati City, Philippines.


ALVIN C. GO

Assistant Corporate Secretary

SUBSCRIBED AND SWORN TO before me this JUL 01 2021 at Makati City, Philippines, affiant exhibited to me his Tax Identification No. [REDACTED] and Social Security System No. [REDACTED].

NOTARY PUBLIC

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Page No. 49
Book No. I
Series of 2021.


Atty. CHRISTINE JOY K. TAN
Appointment No. M-336

Notary Public until 31 December 2021
21/F BDO Towers Valero, 8741 Paseo de Roxas
Salcedo Village, Makati City 1226
Roll No. 57195

IBP No. 145381, 08 January 2021, Makati City
PTR No. 8535989, 06 January 2021, Makati City
MCLE Compliance No. VI-0015458, 20 November 2018

BDO Unibank, Inc.
BDO Corporate Center
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Philippines
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Tel +632 8840-7000