

PHILIPPINE SAVINGS BANK
REVISED ASEAN CORPORATE GOVERNANCE SCORECARD
(ACGS)
Updated as of 31 May 2024

ASEAN CAPITAL MARKETS FORUM
REVISED OCTOBER 2023

LEVEL 1

A. Rights and Equitable Treatment of Shareholders

A.1	Basic Shareholder Rights	Guiding Reference																														
A.1.1	<p>Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days.</p> <p>YES. The Bank's Dividend Policy provides that: <i>"In line with upholding the shareholders' right to receive dividends, the Bank commits to <u>regularly and timely declare and pay out dividends</u> provided that they are declared and paid out of the Bank's unrestricted retained earnings and that the pertinent rules and regulations of the SEC, the PSE and the BSP based on applicable laws are duly complied with xxx. Unless approved via majority vote of the Board of Directors at a different rate or otherwise restricted/prohibited from declaring/paying dividends, the Bank shall <u>regularly declare and pay cash dividends at a rate of Seventy-Five Centavos (PhP0.75) per share on a quarterly basis.</u>"</i></p> <p>As such, the Bank regularly declares and timely pays quarterly cash dividends to all common stockholders as of the set record dates within thirty (30) calendar days from date of their declaration, as follows:</p> <table border="1" data-bbox="230 794 1417 981"> <thead> <tr> <th>Date of Declaration</th> <th>Rate per Share</th> <th>Amount</th> <th>Record Date</th> <th>Date of Payment*</th> </tr> </thead> <tbody> <tr> <td>January 26, 2023</td> <td>Php0.75</td> <td>Php320,144,562.00</td> <td>February 10, 2023</td> <td>February 27, 2023</td> </tr> <tr> <td>April 27, 2023</td> <td>Php0.75</td> <td>Php320,144,562.00</td> <td>May 15, 2023</td> <td>May 29, 2023</td> </tr> <tr> <td>July 20, 2023</td> <td>Php0.75</td> <td>Php320,144,562.00</td> <td>August 4, 2023</td> <td>August 22, 2023</td> </tr> <tr> <td>October 19, 2023</td> <td>Php0.75</td> <td>Php320,144,562.00</td> <td>November 8, 2023</td> <td>November 20, 2023</td> </tr> <tr> <td>January 18, 2024</td> <td>Php0.75</td> <td>Php320,144,562.00</td> <td>February 2, 2024</td> <td>February 19, 2024</td> </tr> </tbody> </table> <p>*30th calendar fell on non-working day/holiday, hence, moved to the next working day.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual, Section 7. Dividend Policy, Page 66 Corporate Website: About PSBank>Investor Relations>Dividends Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024, Audited Financial Statements, Page 74</p>	Date of Declaration	Rate per Share	Amount	Record Date	Date of Payment*	January 26, 2023	Php0.75	Php320,144,562.00	February 10, 2023	February 27, 2023	April 27, 2023	Php0.75	Php320,144,562.00	May 15, 2023	May 29, 2023	July 20, 2023	Php0.75	Php320,144,562.00	August 4, 2023	August 22, 2023	October 19, 2023	Php0.75	Php320,144,562.00	November 8, 2023	November 20, 2023	January 18, 2024	Php0.75	Php320,144,562.00	February 2, 2024	February 19, 2024	<p>G20/OECD Principles of Corporate Governance (2023): II.A. Basic shareholder rights should include the right to: 6) share in the profits of the corporation.</p>
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A.2	Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Guiding Reference
A.2.1	<p>Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?</p> <p>NO. Inasmuch as the Bank's non-executive directors only receive fixed monthly per diem and transportation allowance</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.5. Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be</p>

	for attending Board and committee meetings as provided under the Bank's existing Remuneration Policy, such is not included in the agenda items of the Bank's Annual Stockholders' Meeting (ASM) for the shareholders' approval.	able to make their views known, including through votes at shareholder meetings, on the remuneration of board members and/or key executives, as applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.
A.2.2	<p>Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?</p> <p>YES. As provided for in the Bank's Corporate Governance Manual (CGM): "<u><i>f. Minority shareholders shall also be allowed to nominate candidates to the Board of Directors.</i></u>"</p> <p>The Bank's CGM further provides that: "<u><i>1) Any stockholder may submit nominations for directorial positions to the Corporate Governance Committee (CGCom). Xxx.</i></u>"</p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 26</u></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Election of Directors – Nomination Procedures, Page 30</u></p>	
A.2.3	<p>Does the company allow shareholders to elect directors/commissioners individually?</p> <p>YES. As provided for in the Bank's Corporate Governance Manual (CGM): "<u><i>Every shareholder entitled to vote on a particular question or matter involved shall be entitled to one (1) vote for each share of stock in his name. Cumulative voting is allowed provided that the total votes cast by a shareholder shall not exceed the number of shares registered in his name as of the record date multiplied by the number of directors to be elected. Matters submitted to shareholders for the ratification shall be decided by the required vote of shareholders present in person or by proxy. Majority vote is required for the following: Xxx Election of a member of the Board of Directors – nominees receiving the highest number of votes shall be declared elected following the provisions of the Revised Corporate Code; and Xxx.</i></u>"</p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests – Voting Procedures, Pages 22-23</u></p>	
A.2.4	<p>Does the company disclose the voting procedures used before the start of meeting?</p> <p>YES. Prior to the holding of the Annual Stockholders' Meeting (ASM), the Bank discloses its voting procedures as part of its Notice of Annual Stockholders' Meeting and under Item 10 re: Voting Procedures and Item 11 re: Participation of Shareholders by Remote Communication of its Preliminary and Definitive Information Statements duly filed with the SEC and PSE and posted in its Website.</p> <p><u>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM (filed on March 25, 2024)-Item 10 re: Voting Procedures and Item 11 re: Participation of Shareholders by Remote Communication, Pages 4 and 30-32</u></p> <p><u>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM (filed on March 18, 2024)-Item 10 re: Voting Procedures and Item 11 re: Participation of Shareholders by Remote Communication, Pages 4 and 28-31</u></p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C. Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings, and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>ICGN (2021) PRINCIPLE 10: 10.4 Meeting procedures Companies should publish meeting procedures (either in person, by proxy or by virtual electronic means) alongside the publication of the AGM Notice. This should include information on the meeting format, registration, access, participant identification, shareholding verification, voting options and the approach to asking/ answering questions. All matters on the ballot should be voted by poll and voting by a 'show of hands' should not be permitted.</p>

A.2.5	<p>Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?</p> <p>YES. The Bank's duly approved/ratified Minutes of Annual Stockholders' Meeting (ASM) records, under "Other Matters", that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded.</p> <p>Item 11 re: Participation of Shareholders by Remote Communication of the Bank's Preliminary and Definitive Information Statements duly filed with the SEC and PSE and posted in its Website at least 30 days prior to the actual holding of its ASM also provides that: "2. Xxx. Xxx, a stockholder (or through his/her Proxy), once verified, will be given an opportunity to raise any relevant questions or express an appropriate comment in relation to the agenda items by sending an email to psbasm@psbank.com.ph not later than a week before the ASM date. Any relevant questions or comments received by the Office of the Corporate Secretary via email within the prescribed period given to the verified stockholders shall be properly acknowledged, noted and addressed accordingly."</p> <p>Corporate Website: About PSBank>Annual Stockholders' Meeting>2023>April 25, 2022 Annual Stockholders' Meeting Minutes Corporate Website: About PSBank>Annual Stockholders' Meeting>2024>April 27, 2023 Annual Stockholders' Meeting Minutes Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM (filed on March 25, 2024)- Item 11 re: Participation of Shareholders by Remote Communication, Pages 30-32 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM (filed on March 18, 2024)- Item 11 re: Participation of Shareholders by Remote Communication, Pages 29-31</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p> <p>ICGN (2021) PRINCIPLE 10: 10.10 Vote disclosure The board should ensure that equal effect is given to votes whether cast in person or in absentia and all votes should be properly counted and recorded via ballot. The outcome of the vote, the vote instruction (reported separately for, against or abstain) and voting levels for each resolution should be published promptly after the meeting on the company website. If a board-endorsed resolution has been opposed by a significant proportion of votes (e.g., 20% or more), the company should explain subsequently what actions were taken to understand and respond to the concerns that led shareholders to vote against the board's recommendation. At the following AGM, the board should report how the views from shareholders were considered to address the concern and any actions taken.</p>
A.2.6	<p>Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?</p> <p>YES. As disclosed in the Bank's April 25, 2024 Annual Stockholders' Meeting (ASM) Results, all stockholders in attendance representing more than 2/3 at 88% of the Bank's outstanding capital stock as of ASM record date approved all ASM agenda items, hence, none of them dissented nor abstained.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2024>PSBank ASM Results 2024</p>	
A.2.7	<p>Does the company disclose the list of board members who attended the most recent AGM?</p> <p>YES. The Bank's duly approved/ratified Minutes of Annual Stockholders' Meeting (ASM) discloses, under "Stockholders in Attendance via Remote Communication", the list of Board members in attendance.</p> <p>Corporate Website: About PSBank>Annual Stockholders' Meeting>April 27, 2023 Annual Stockholders' Meeting Minutes Corporate Website: About PSBank>Annual Stockholders' Meeting>April 25, 2022 Annual Stockholders' Meeting Minutes</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p>

A.2.8	<p>Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?</p> <p>YES. The Bank's duly approved/ratified Minutes of Annual Stockholders' Meeting (ASM) discloses, under the Corporate Secretary's "Certification of Notice and Quorum", that <i>"There was 100% attendance by all nine (9) members of the Board of Directors xxx."</i> and under "Stockholders in Attendance via Remote Communication", the list of Board members in attendance. Please note that the Bank's President/CEO is a director/Board member also.</p> <p>Corporate Website: About PSBank>Annual Stockholders' Meeting>April 27, 2023 Annual Stockholders' Meeting Minutes Corporate Website: About PSBank>Annual Stockholders' Meeting>April 25, 2022 Annual Stockholders' Meeting Minutes</p>	
A.2.9	<p>Does the company allow voting in absentia?</p> <p>YES. The Bank allows stockholders to exercise their votes remotely (in absentia or through proxy) pursuant to applicable regulations of the Revised Corporation Code. For this matter, an online link may be accessed by the verified stockholders to register and/or vote in absentia on the matters for resolution at the meeting. A stockholder who votes in absentia shall be deemed present for purposes of quorum. Item 11 re: Participation of Shareholders by Remote Communication of the Bank's Preliminary and Definitive Information Statements duly filed with the SEC and PSE and posted in its Website at least 30 days prior to the actual holding of its Annual Stockholders' Meeting (ASM) provides the applicable instructions for voting in absentia or through proxy.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM (filed on March 25, 2024) - Item 11 re: Participation of Shareholders by Remote Communication, Pages 30-32</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM (filed on March 18, 2024) - Item 11 re: Participation of Shareholders by Remote Communication, Pages 29-31</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.6. Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.</p>
A.2.10	<p>Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?</p> <p>YES. The Bank's voting procedures require that: <i>"Matters submitted to shareholders for the ratification shall be decided by the required vote of shareholders present in person or by proxy."</i> Item 11 re: Participation of Shareholders by Remote Communication of the Bank's Preliminary and Definitive Information Statements duly filed with the SEC and PSE and posted in its Website at least 30 days prior to the actual holding of its Annual Stockholders' Meeting (ASM) also provides that: <i>"A verified stockholder or his/her Proxy may cast his/her vote for each of the agenda items through the secure voting link provided in the confirmation correspondence. Deadline to vote in absentia through its corresponding link is on xxx."</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual - Shareholders' Rights and Protection of Minority Stockholders' Interests - Voting Procedures, Page 22</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM (filed on March 25, 2024) - Item 11 re: Participation of Shareholders by Remote Communication, Page 31</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM (filed on March 18, 2024) - Item 11 re:</p>	<p>ICGN (2021) PRINCIPLE 10: 10.9 Vote execution The board should clearly publicise a date by which shareholders should cast their voting instructions. The practice of share blocking or requirements for lengthy shareholdings should be discontinued. Companies should ensure accuracy of tracking and reconciling any advance votes received pre-AGM with any live votes cast during the AGM itself.</p>

	<p>Participation of Shareholders by Remote Communication, Page 30</p>	
A.2.11	<p>Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?</p> <p>YES. The Bank discloses under Item 10 re: Voting Procedures and Item 11 re: Participation of Shareholders by Remote Communication of its Preliminary and Definitive Information Statements duly filed with the SEC and PSE and posted in its Website at least 30 days prior to the actual holding of its Annual Stockholders' Meeting (ASM) that: <i>"e. All votes will be counted by the Office of the Corporate Secretary, to be assisted by the Bank's stock & transfer agent, Metrobank Trust Banking Group, and with validation by the SGV & Co."</i> and <i>"4.2 Xxx. The Office of the Corporate Secretary shall then tabulate all votes, to be assisted by the Bank's stock & transfer agent, Metrobank Trust Banking Group, and with validation by the SGV & Co."</i> The same is likewise disclosed in the Bank's ASM Results, to wit: <i>"The stockholders' attendance and the votes cast via remote communication in relation to the ASM were tabulated by the Office of the Corporate Secretary and validated by Metrobank Trust Banking Group, PSBank's stock & transfer agent, and SGV & Co. in its capacity as third-party validator."</i></p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM (filed on March 25, 2024) - Item 11 re: Participation of Shareholders by Remote Communication, Pages 30 & 31</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM (filed on March 18, 2024) - Item 11 re: Participation of Shareholders by Remote Communication, Pages 29 & 30</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2024>PSBank ASM Results 2024</p>	
A.2.12	<p>Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?</p> <p>YES. The Bank publicly discloses the results of its Annual Stockholders' Meeting (ASM) through the filing of SEC Form 17-C (Current Report) with the SEC/PSE/PDEX and posting of the same in its Website <u>immediately within the same day after holding its ASM.</u></p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2024>PSBank ASM Results 2024</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2023>PSBank ASM Results 2023</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2022>PSBank ASM Results 2022</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.1. Shareholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of general meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting.</p>
A.2.13	<p>Does the company provide at least 21 days notice for all AGMs and EGMs?</p> <p>YES. In fact, the Bank's Corporate Governance Manual (CGM) requires an earlier deadline in sending Notice of Annual Stockholders' Meeting (ASM), to wit: <i>"The Board shall be transparent and fair xxx. It shall encourage active shareholder</i></p>	

participation by sending and posting in the Bank's website the Notice of Annual/Special Shareholders' Meeting with sufficient and relevant information (i.e. date, location, meeting agenda and its rationale and explanation, and details of issues to be deliberated on and approved or ratified at the meeting, among others) at least twenty-eight (28) days before the meeting."

As such, it provides Notice of its Annual Stockholders' Meeting (ASM) through the filing of SEC Form 17-C re: Board-approved schedule of ASM and its Record Date within the same day of the Board meeting fixing such every January as well as the filing of the SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS), which include the Notice of Stockholders' Meeting, at least a month before the scheduled ASM which are all posted in the Bank's website, to wit:

ASM Schedule	Dates of Filing		
	SEC Form 17-C	PIS	DIS
April 25, 2024	January 18, 2024	March 18, 2024	March 25, 2024
April 27, 2023	January 26, 2023	March 20, 2023	March 27, 2023
April 25, 2022	January 17, 2023	March 17, 2022	March 25, 2022

[Corporate Governance Manual - Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 25](#)

SEC Form 17-C:

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C \(Current Reports\)>2024>PSBank ASM and Record Dates 2024](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C \(Current Reports\)>2023>PSBank ASM and Record Date 2023](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C \(Current Reports\)>2022>PSBank ASM and Record Date 2022](#)

Preliminary Information Statement (PIS):

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2024>Preliminary Information Statement for April 25, 2024 ASM](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2023>Preliminary Information Statement for April 27, 2023 ASM](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2022>Preliminary Information Statement for April 25, 2022 ASM](#)

Definitive Information Statement (DIS):

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2023>PSBank Definitive Information Statement for April 27, 2023 ASM](#)

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information Statement\)>2022>PSBank Definitive Information Statement for April 25, 2022 ASM](#)

A.2.14

Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?

YES. The Bank provides for the "Explanation and Rationale of Agenda Items" which accompanies its Notice of Stockholders' Meeting as part of its SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) filing as also posted in its website.

[Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS \(Information](#)

	<p>Statement>2024>Preliminary Information Statement for April 25, 2024 ASM, Pages 5-6</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Pages 5-6</p>	
A.2.15	<p>Does the company give the opportunity for shareholders to place item/s on the agenda of general meetings and/or to request for general meetings subject to a certain percentage?</p> <p>YES. The Bank's Corporate Governance Manual provides for the following shareholders' rights:</p> <p><i>"7) Right to put items on the agenda for regular/special stockholders' meetings. The shareholders who, alone or together with other shareholders, hold at least five percent (5%) of the outstanding capital stock of the Bank (a publicly-listed company) shall have the right to include items on the agenda prior to the regular/special stockholder's meeting. Any officer or agent of the Bank who shall unjustly refuse to allow a shareholder or group of shareholders, duly qualified and holding the required to exercise his/her right to put items on the agenda shall be liable under Section 158 of the Revised Corporation Code."</i></p> <p><i>"8) Right to call for a special stockholders' meeting. Any number of shareholders who hold at least ten percent (10%) of the outstanding capital stock of the Bank shall have the right to call for a Special Stockholders' Meeting, either physically or remotely through allowable means of remote communication, subject to compliance with the guidelines set forth under Section 49 of the Revised Corporation Code, SEC Memorandum Circular No. 07 s2021 re: Calling of Special Stockholders' Meeting and other relevant regulations. Such shareholders should have continuously held their shares for a period of at least one (1) year prior to the receipt by the Corporate Secretary of their written call for a Special Stockholders' Meeting."</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual - Shareholders' Rights and Protection of Minority Stockholders' Interests, Pages 24-25</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.4. Shareholders should have the opportunity to ask questions to the board, including on the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p>
A.3 Markets for corporate control should be allowed to function in an efficient and transparent manner.		Guiding Reference
A.3.1	<p>In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?</p> <p>YES. Although none of these happened yet, Section 6 re: Disclosure and Transparency of the Bank's Corporate Governance Manual (CGM) requires that in cases of acquisition or disposition of significant assets: <i>"Xxx, the Bank shall make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its stakeholders. Further, the Board shall appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets."</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Section 6 re: Disclosure & Transparency, Page 65</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.H.1. The rules and procedures governing the acquisition of corporate control in capital markets, extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.</p>

A.4	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Guiding Reference
A.4.1	<p>Does the company disclose its practices to encourage shareholders to engage with the company beyond general meetings?</p> <p>YES. All material information about the Bank which could adversely affect its viability or the interests of the stockholders and other stakeholders are publicly and timely disclosed in its website. The Board commits at all times to full disclosure of material information /dealings. It causes the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the SEC for the interest of its stockholders and other stakeholders. All disclosure/transparency requirements of the BSP and other regulatory authorities are also be complied with. Likewise, the minimum information required to be posted on the Bank’s website, arranged under SEC-recommended topic headings, are also posted therein and retained for a period of five (5) years. Any items in the required website template prescribed by the SEC could be added or removed any time as the need arises. The Bank includes media and analysts’ briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p> <p>For this matter, the Bank maintains an open communication line and use feedback from its various stakeholders to develop better policies, products, and services as well as to accommodate requests for information on the management of the Bank, shareholders rights, or any other Bank-related matters, while remaining mindful of the disclosure limitations under existing laws on the secrecy of bank deposits and data privacy. For this matter, stakeholder engagement touch-points (i.e. via hotlines and other contact details) of Customer Experience (CX) shall be maintained for customer-related concerns and of Corporate Affairs Division (CAD)/Investor Relations Office (IRO)/Public Relations and Corporate Communications Division (PRCCD) for all other concerns.</p> <p>For investor inquires and shareholder assistance, the Contact Information of the Bank’s Corporate Affairs Division (i.e. Telephone No. and Contact Us e-mail with Investor Relations as subject) are provided in the Bank’s website under Investor Relations.</p> <p>Corporate Website: About PSBank Corporate Website: About PSBank>Investor Relations</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.D. Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.</p> <p>ICGN (2021) PRINCIPLE 1: 1.4 Dialogue The board, particularly the chair, lead (or senior) independent director and committee chairs, should constructively engage with shareholders and relevant stakeholders (particularly the workforce) for meaningful dialogue. This infers two-way communication between companies and shareholders/ stakeholders and not a unilateral presentation from just one party. Such dialogue should encompass all matters of material relevance to a company’s governance, strategy, innovation, risk management and performance as well as environmental and social policies and practices.</p>

A.5 Shares and voting rights		
A.5.1	<p>Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?</p> <p>YES. Although the Bank has only one (1) class of shares which is common shares, all holders of common shares are treated equally, have the same shareholders' rights and are entitled to one (1) vote for each share of common stock in his/her name as disclosed in its Corporate Governance Manual that is publicly available in its website.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual - Shareholders' Rights and Protection of Minority Stockholders' Interests, Pages 22-26</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.E. All shareholders of the same series of a class should be treated equally. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>ICGN (2021) PRINCIPLE 9: 9.1. Share classes Ordinary or common shares should feature one vote for each share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power or control disproportionate to their economic interests should be avoided or in the event of the existence of such classes, they should be disclosed and explained and sunset mechanisms should be put into place. Dual class share structures should be discouraged, and where they are in place kept under review and should be accompanied by commensurate extra protections for minority shareholders, particularly in the event of a takeover bid. The board should disclose sufficient information about the material attributes of all of the company's classes and series of shares on a timely basis.</p>
A.6 Notice of AGM		Guiding Reference
A.6.1	<p>Does each of the resolutions tabled at the most recent annual general meeting deal with only one item, i.e., there is no bundling of several items into the same resolution?</p> <p>YES. As shown in the Bank's SEC Form 20-IS (Preliminary and Definitive Information Statements) under "Notice of Annual Stockholders' Meeting" and its accompanying "Explanation and Rationale of Agenda Items" as well as the entailing SEC Form 17-C re: Results of Annual Stockholders' Meeting (ASM), agenda items are not bundled but are presented on a per item basis with each subject of the stockholders' vote/resolution.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>Preliminary Information Statement for April 25, 2024 ASM, Pages 4-6</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Pages 4-6</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2023>PSBank ASM Results 2023</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.C. Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings, and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>II.C.1. Shareholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of general meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting.</p> <p>II.C.2. Processes, format and procedures for general shareholder meetings should allow for equitable treatment of all shareholders. Company procedures should not make it unduly difficult or expensive to cast votes.</p> <p>II.C.5. Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p>II.C.6. Shareholders should be able to vote in person or in absentia,</p>

A.6.2	<p>Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?</p> <p>YES. The Bank's SEC Form 17-C re: Board-approved schedule of ASM in April and its Record Date (which is filed/published within the same day of the Board meeting fixing such every January) as well as the SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) containing the Notice of Stockholders' Meeting (which are filed/published at least a month before the ASM) are all fully translated into English.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2024>PSBank ASM and Record Date 2024</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>Preliminary Information Statement for April 25, 2024 ASM</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM</p>	<p>and equal effect should be given to votes whether cast in person or in absentia.</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment The Board should comprise a sufficient mix of directors with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making in alignment with the company's purpose, long-term strategy and relevant stakeholders.</p> <p>3.7 Director election process Directors should be elected to the board preferably on an annual basis, or stand for election once every three years, and be accountable to shareholders by approval of a majority of shares voted in favour on each resolution. Boards should disclose the process for director election / re-election along with information about board candidates which includes:</p>
<i>Does the notice of AGM/circulars have the following details:</i>		
A.6.3	<p>Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?</p> <p>YES. All such information about the profiles of persons nominated for election/re-election as directors in the Bank's Annual Stockholders' Meeting (ASM) are duly disclosed in the Bank's SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) which are filed/published at least a month before the ASM.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>Preliminary Information Statement for April 25, 2024 ASM, Pages 10-15 (Incumbent Directors for Re-election)</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Pages 10-15 (Incumbent Directors for Re-election) and Pages 21-22 (New Directors for Election)</p>	<p>a) board member identities and rationale for appointment; b) core competencies, qualifications, and professional background; c) recent and current board and management mandates at other companies, as well as significant roles on non-profit/charitable organisations; d) factors affecting independence, including relationship/s with controlling shareholders; e) length of tenure; g) any shareholdings in the company.</p> <p>9.2 Major decisions The board should ensure that shareholders have the right to vote on major decisions which may change the nature of the company in which they have invested. Such rights should be clearly described in the company's governing documents and include:</p>
A.6.4	<p>Are the auditors seeking appointment/re-appointment clearly identified?</p> <p>YES. The Bank's SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) which are filed/published at least a month before the ASM clearly identifies SGV & Co. as the external auditors it intends to re-appoint.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>Preliminary Information Statement for April 25, 2024 ASM - Appointment of the External Auditor, Page 28</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information</p>	<p>a) appoint or remove a director, with or without cause, by a majority of votes cast;</p>

	Statement>2024>PSBank Definitive Information Statement for April 25, 2024 ASM - Appointment of the External Auditor, Page 28-29.	
A.6.5	<p>Were the proxy documents made easily available?</p> <p>YES. Together with the other Annual Stockholders' Meeting (ASM)-related information/documents, the Proxy document can be easily accessed from the Bank's website through the given ASM link, through the PSE EDGE portal or via e-mail request for a copy from the Bank as disclosed in the Bank's Notice of Annual Stockholders' Meeting. The Proxy document is also contained as part of the Bank's SEC Form 20-IS re: Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) which are filed/published at least a month before the ASM.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>Preliminary Information Statement for April 25, 2024 ASM, Pages 4 & 7</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Pages 4 & 7</p>	
A.7	Insider trading and abusive self-dealing should be prohibited.	Guiding Reference
A.7.1	<p>Are the directors / commissioners required to report their dealings in company shares within 3 business days?</p> <p>YES. In fact, our Policy Against Insider Trading (as also embodied in our Corporate Governance Manual) even requires a <u>shorter reporting deadline of only two (2) business/trading days</u>, to wit: <i>"xxx, reporting insiders (i.e. directors and officers) are required to disclose their and their associates' initial beneficial ownership in the Bank's shares and <u>any changes thereof within two (2) trading days after their election/appointment in office and from date of said changes, respectively. They are likewise prohibited from selling or buying Bank's shares during "black-out periods" i.e. upon obtaining material non-public information up to two (2) trading days after such information is disclosed."</u></i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Section 10 re: Policy Against Insider Trading, Page 66</p>	<p>G20/OECD Principles of Corporate Governance (2023): III.E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN (2021) PRINCIPLE 4: 4.4 Employee share dealing The board should develop clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market</p>

A.8	Related party transactions by directors and key executives.	Guiding Reference
A.8.1	<p>Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?</p> <p>YES. In compliance with existing rules & regulations of the Bangko Sentral ng Pilipinas (BSP) for Related Party Transactions (RPTs), the Bank has an annually reviewed/updated Related Party Transactions Policy which requires a Board-level Related Party Transactions Committee (RPTC) to review and ensure that material transactions with related parties are conducted at arms-length, appropriate restrictions are followed, corporate resources are judiciously used and are in the best interest of the Bank and other stakeholders before endorsing them to the Board for approval subject to the ratification/confirmation of the stockholders during the Bank's Annual Stockholders' Meeting (ASM). It is entirely composed of 3 Non-Executive Directors, 2 or majority of whom are Independent Directors including its Chairperson. The Bank's Chief Compliance Officer (CCO) and Chief Audit Executive (CAE) sit as resource persons with the CCO also acting as its Secretary.</p> <p>Its membership composition, standing/authority, specific duties and responsibilities are embodied in the RPTC Charter that is being maintained by the Bank's Compliance Office (CO) and annually reviewed/updated and approved by the Board of Directors upon the RPTC's endorsement.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Related Party Transactions Policy</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Related Party Transactions Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.F. Related party transactions should be approved and conducted in a manner that ensures proper management of conflicts of interest and protects the interests of the company and its shareholders. II.F.1. Conflicts of interest inherent in related party transactions should be addressed. II.F.2. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.</p> <p>ICGN (2021) PRINCIPLE 9: 9.3 Conflicts of interest The board should ensure that policies and procedures on conflicts of interest are established, understood and implemented by directors, management, workers and other relevant parties, including members of related business groups. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence. The use of relationship agreements with controlling shareholders are encouraged to ensure that real or potential conflicts of interest are avoided or mitigated and should confirm that transactions involving conflicted parties will be based on customary market terms.</p> <p>9.4 Related party transactions The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent</p>
A.8.2	<p>Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?</p> <p>YES. The Bank's annually reviewed/updated Related Party Transaction Policy provides, among others, the following: <i>"8. Prohibition of a director and/or officer of the Bank to engage in any Board, RPTC/RPTMC or other committee discussion of approval of any transaction in which he/she and/or his/her related parties is (are) involved; provided however, that such director or officer must provide to the Board/RPTC/RPTMC all material information reasonably requested about the transaction."</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Related Party Transactions Policy</p>	<p>9.4 Related party transactions The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent</p>

A.8.3	<p>Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?</p> <p>YES. In compliance with existing rules & regulations of the Bangko Sentral ng Pilipinas (BSP) for Related Party Transactions (RPTs), the Bank's annually reviewed/updated Related Party Transaction Policy encompasses all transactions with its related parties <u>including loans to its Directors, Officers, Stockholders and their Related Interests (DOSRI)</u>, subsidiaries and affiliates. Pursuant to the BSP's existing DOSRI rules, the Bank's RPT Policy <u>allows lending to DOSRI provided they are conducted at fair and arm's-length terms & conditions and are within the required exposure limits/ceilings subject to approval of the Board of Directors upon the review and endorsement of the Related Party Transactions Committee (RPTC) as well as the required reportorial submission thereof to the BSP.</u></p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Related Party Transactions Policy</p>	<p>directors, either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee. The committee should review significant related party transactions to determine whether they are in the best interests of the company and, if so, to determine what terms are fair and reasonable. The conclusion of committee deliberations on significant related party transactions should be disclosed in the company's annual report to shareholders</p>
A.9 Protecting minority shareholders from abusive actions		Guiding Reference
A.9.1	<p>Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?</p> <p>YES. The Bank always discloses in its Annual Report that its RPTs are conducted at fair and arm's-length terms & conditions, to wit: <i>"We see to it that we conduct fair dealings with counterparties and other stakeholders. We ensure that such dealings, especially with our related parties, are made in the regular course of our business, and upon mutually favorable terms. Our Board-level Related Party Transactions Committee (RPTC), entirely composed of non-executive directors, and Management-level Related Party Transactions Management Committee (RPTMC), help <u>ensure that our transactions with related parties are conducted at arm's length terms and conditions, and that our resources are not misappropriated.</u>"</i></p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Fairness, Pages 44-46</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p> <p>II.E. All shareholders of the same series of a class should be treated equally. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>II.F. Related party transactions should be approved and conducted in a manner that ensures proper management of conflicts of interest and protects the interests of the company and its shareholders.</p> <p>II.G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN (2021) PRINCIPLE 9:</p> <p>9.3 Conflicts of interest</p> <p>The board should ensure that policies and procedures on conflicts of interest are established, understood and implemented by directors, management, workers and other relevant parties, including members of related business groups. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence. The use of relationship agreements with controlling shareholders are encouraged to ensure that real or potential conflicts of interest are avoided or mitigated and should confirm that transactions involving conflicted parties will be based on customary market terms.</p> <p>9.4 Related party transactions</p> <p>The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent directors,</p>

		<p>either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee. The committee should review significant related party transactions to determine whether they are in the best interests of the company and, if so, to determine what terms are fair and reasonable. The conclusion of committee deliberations on significant related party transactions should be disclosed in the company's annual report to shareholders.</p>
<p>A.9.2</p>	<p>In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?</p> <p>NOT APPLICABLE. As a Bangko Sentral ng Pilipinas-Supervised Financial Institution (BSFI), the Bank is bound to comply with the BSP's rules & regulations on Related Party Transactions (RPTs) which requires, among others, that material RPTs should be approved by the Board and confirmed by majority vote of the Stockholders, to wit: <i>"The Board of Directors shall approve all material RPTs, those that cross the materiality threshold, and write-off of material exposures to related parties, and submit the same for confirmation by majority vote of the stockholders in the annual stockholders' meeting. Xxx."</i> [Section 132 of the Manual of Regulations for Banks (MORB) - Specific Duties and Responsibilities of the Board of Directors, item "d (7) (a)", Part I, Page 80]]</p> <p>Thus, pursuant thereto, the above BSP requirement is duly embodied in the Bank's RPT Policy. Hence, this recommendation for certain RPTs to be "approved by disinterested shareholders" cannot be possibly met by banks.</p> <p>https://www.bsp.gov.ph/Regulations/MORB/2021MORB.pdf#page=99</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN (2021) PRINCIPLE 9: 9.5 Shareholder approval of RPTs Shareholders should have the right to approve significant RPTs above an appropriate materiality threshold, and this should be based on the approval of a majority of disinterested shareholders.</p> <p>9.7 Equality and redress The board should ensure that shareholders of the same series or class are treated equally and afforded protection against misuse or misappropriation of the capital they provide due to conduct by the company's board, its management or controlling shareholder, including market manipulation, false or misleading information, material omissions and insider trading. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Proper remedies and procedural rules should be put in place to make the protection effective and affordable. Where national legal remedies are not afforded the board is encouraged to ensure that sufficient shareholder protections are provided in the company's bylaws.</p>

C. Sustainability and Resilience

C.1 Sustainability-related disclosure should be consistent, comparable and reliable, and include retrospective and forward-looking material information that a reasonable investor would consider important in making an investment or voting decision		Guiding Reference
<i>Material Sustainability-related information should be specified</i>		
C.1.1	<p>Does the company identify/report ESG topics that are material to the organization’s strategy?</p> <p>YES. Based on stakeholder analysis, research & trends, analysis and prioritization, our Bank has identified the following 21 issues as material to the Bank on sectoral and organizational level:</p> <p><u>Economic (6):</u></p> <ol style="list-style-type: none"> 1. Financial Performance 2. Market Presence 3. Geographical Positioning and Management 4. Brand Positioning and Management 5. Innovation and Digitization 6. Customer Experience <p><u>Environment (1):</u></p> <ol style="list-style-type: none"> 1. Environmental Compliance <p><u>Social (6):</u></p> <ol style="list-style-type: none"> 1. Customer Health and Safety 2. Diversity and Equal Opportunity 3. Non-discrimination 4. Workplace Health and Safety 5. Labor Relations 6. Talent Acquisition and Retention <p><u>Governance (8):</u></p> <ol style="list-style-type: none"> 1. Anti-Fraud and Anti-Bribery 2. Data Management and Security Practices 3. Customer Privacy 4. Anti-Corruption /Whistleblower Protection 5. Ethics and Integrity 6. Human Rights Protection 7. Financial Risk Management 8. Regulations and Compliance Management <p><u>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – ESG Materiality and Management Approach, Page 10</u></p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.1. Sustainability-related information could be considered material if it can reasonably be expected to influence an investor’s assessment of a company’s value, investment or voting decisions.</p> <p>ICGN (2021) PRINCIPLE 7: 7.7 Materiality and sustainability Sustainability disclosures should focus on materially relevant factors, with many environmental and social factors being sector specific, linked to the company’s management of its natural and human capital. Where possible, sustainability related reporting should also seek to address “double materiality”, for reporting on the company’s external impacts on society and the environment, as well as internal impacts on the company’s own financial performance. Moreover, boards should build an awareness of “dynamic materiality”, recognising that materiality evolves over time alongside factors including emerging technology, product innovation and regulatory developments.</p>
C.1.2	<p>Does the company identify climate change as an issue?</p> <p>YES. As indicated in the preceding item, climate change is identified as a material issue under Environmental Impact. Progress on initiatives taken in line with this is regularly reported/disclosed in the Bank’s annual Sustainability Report particularly in terms of Environmental Compliance, Ecosystems and Biodiversity, Operational Green House Gas Emissions,</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A. Investors are increasingly considering disclosures about how companies assess, identify and manage material climate change and other sustainability risks and opportunities, including for human capital management.</p>

	<p>Electricity Consumption, Fuel Consumption, Water Use and Waste Management.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – Environmental Impact, Pages 20-25</p>	<p>ICGN (2021) PRINCIPLE 7: 7.5 Climate change</p> <p>The board should assess the impact of climate change on the company business model and how it will be adapted to meet the needs of a net zero economy as part of a long-term strategy. This includes setting and disclosing targets to reduce carbon emissions and a period for achievement. Where climate change risks, whether physical or transitional, are identified as material and relevant, reporting should include discussion of the diligence process, strategy, metrics, targets and initiatives used to manage the risks. Disclosure around these actions would help investors understand the resilience of companies facing climate change risks and to assess progress towards achieving net zero targets.</p>
<p>C.1.3</p>	<p>Does the company adopt an internationally recognized reporting framework or standard for sustainability (i.e. GRI, Integrated Reporting, SASB, IFRS Sustainability Disclosure Standards)?</p> <p>YES. The Bank follows the SEC-prescribed standard of reporting which is based on different international sustainability standards like GRI, Integrated Reporting, SASB, and IFRS Sustainability Standards.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.3. Corporate disclosure frameworks, including financial reporting standards and regulatory filing requirements (e.g. public offering prospectuses), should have the same goal of providing information that a reasonable investor would consider important in making an investment and voting decision. It follows that information understood as material in a sustainability-related report should also be considered and assessed in the preparation and presentation of the financial statements. The same level of rigour applied to the measurement and reporting of financial information should be applied to the measurement and reporting of sustainability-related information.</p>
<p><i>If a company publicly sets a sustainability-related goal or target, the disclosure framework should provide that reliable metrics are regularly disclosed in an easily accessible form</i></p>		

<p>C.1.4</p>	<p>Does the company disclose quantitative sustainability target?</p> <p>YES. The Bank has identified three (3) sustainable development goals (SDGs) as its areas of focus up to 2030 and plans to expand on its capabilities for the inclusive growth of the Philippines' Social and Environmental areas in the coming years. These 3 focus SDGs with Bank's actual performance in 2023 vis-à-vis their set targets are reported in the Bank's 2023 Annual Sustainability Report as follows:</p> <ul style="list-style-type: none"> ✓ <u>SDG 8-Decent Work & Economic Growth</u>: promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all – Php2.23 Billion new SME loans were granted in 2023 or 220.89% achievement vs. target ✓ <u>SDG 9-Industry, Innovation and Infrastructure</u>: build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation – 16 sustainable technology solutions were deployed in 2023 or 320% achievement vs. target ✓ <u>SDG 13-Climate Action</u>: urgent action to combat climate change and its impact – use of 100% renewable energy for head office, 3.85% in energy use or 123.20% achievement vs. target <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – Sustainable Development Goals, Page 20</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.4. If a company publicly sets a sustainability-related goal or target, the disclosure framework should ensure that verifiable metrics are disclosed to allow investors to assess the credibility and progress toward meeting the announced goal or target.</p>
<p>C.1.5</p>	<p>Does the company disclose sustainability-related performance progress in relation to its previously set targets?</p> <p>YES. The Bank has identified three (3) sustainable development goals (SDGs) as its areas of focus up to 2030 and plans to expand on its capabilities for the inclusive growth of the Philippines' Social and Environmental areas in the coming years. These 3 focus SDGs with Bank's actual performance in 2023 vis-à-vis their set targets are reported in the Bank's 2023 Annual Sustainability Report as follows:</p> <ul style="list-style-type: none"> ✓ <u>SDG 8-Decent Work & Economic Growth</u>: promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all – Php2.23 Billion new SME loans were granted in 2023 or 220.89% achievement vs. target ✓ <u>SDG 9-Industry, Innovation and Infrastructure</u>: build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation – 16 sustainable technology solutions were deployed in 2023 or 320% achievement vs. target ✓ <u>SDG 13-Climate Action</u>: urgent action to combat climate change and its impact – use of 100% renewable energy for head office, 3.85% in energy use or 123.20% achievement vs. target <p>Aside from these 3 focus SDGs, comparative (2023 vs. 2022) sustainability-related performance progress on other ESG areas are also disclosed in the Bank's 2023 Annual Sustainability Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – Sustainable Development Goals, Page 20 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.4. If a company publicly sets a sustainability-related goal or target, the disclosure framework should ensure that verifiable metrics are disclosed to allow investors to assess the credibility and progress toward meeting the announced goal or target.</p> <p>ICGN (2021) PRINCIPLE 7: 7.4 Sustainability reports The board should provide sustainability reporting to reflect the complexities inherent in a contemporary business by blending financial, human and natural capital considerations in the context of a company's current and future strategic direction. Such disclosures should: b. put historical performance into context, and portray the risks, opportunities and prospects for the company in the future; d. explain key performance indicators to measure progress towards achieving sustainability related targets;</p>

C.1.6	<p>Does the company confirm that its Sustainability Report / Reporting is reviewed and /or approved by the Board or Board Committee?</p> <p>NO. For now, the Bank's Sustainability Report is reviewed and approved at Senior Management's level i.e. up to President/CEO position only. We will consider having this report reviewed and approved by our Board-level Risk Oversight Committee (ROC) moving forward.</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.3. Disclosure of sustainability matters, financial reporting and other information should be connected.</p> <p>Corporate disclosure frameworks, including financial reporting standards and regulatory filing requirements (e.g. public offering prospectuses), should have the same goal of providing information that a reasonable investor would consider important in making an investment and voting decision. It follows that information understood as material in a sustainability-related report should also be considered and assessed in the preparation and presentation of the financial statements. The same level of rigour applied to the measurement and reporting of financial information should be applied to the measurement and reporting of sustainability-related information.</p>
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C.2 Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters

C.2.1	<p>Does the company engage internal stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?</p> <p>YES. All internal stakeholders/units of the Bank were involved and engaged in the identification of ESG-related issues relevant to their respective businesses and operations through materiality survey conducted on a yearly basis, other ESG-related exercises/activities and in the preparation of the annual sustainability report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.1: The determination of which information is material may vary over time, and according to the local context, company-specific circumstances, and jurisdictional requirements. The assessment of material information may also consider sustainability matters that are critical to a company's workforce and other key stakeholders.</p> <p>G20/OECD Principles of Corporate Governance (2023): VI.B: Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters as relevant for the company's business strategy and its assessment of what matters ought to be considered material.</p>
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<p>C.2.2</p>	<p>Does the company engage external stakeholders to exchange views and gather feedback on sustainability matters that are material to the business of the company?</p> <p>YES. The Bank defines "stakeholders" as those individuals and organizations that are affected or affect the Bank's business. It is committed to use its resources and relationships to influence its stakeholders to adopt and integrate sustainable business practices. Its stakeholders are classified into groups based on their interests and needs. For external stakeholders, they are the Bank's customers, investors, service providers, community and regulators. The Bank actively engages with these external stakeholders, collaborating to understand concerns, share best practices, and set unified goals.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report-Stakeholder Management, Pages 37-38</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.1: Sustainability-related information could be considered material if it can reasonably be expected to influence an investor's assessment of a company's value, investment or voting decisions.</p> <p>The determination of which information is material may vary over time, and according to the local context, company-specific circumstances, and jurisdictional requirements. The assessment of material information may also consider sustainability matters that are critical to a company's workforce and other key stakeholders.</p> <p>G20/OECD Principles of Corporate Governance (2023): VI.B: Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters as relevant for the company's business strategy and its assessment of what matters ought to be considered material.</p>
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C.3 The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks **Guiding Reference**
Boards should assess whether the company's capital structure is compatible with its strategic goals and its associated risk appetite to ensure it is resilient to different scenarios

<p>C.3.1</p>	<p>Does the company disclose that the board reviews on an annual basis that the company's capital and debt structure is compatible with its strategic goals and its associated risk appetite?</p> <p>YES. This is regularly done through the Bank's Internal Capital Adequacy Assessment Process (ICAAP) and Recovery Plan as required under existing BSP rules & regulations and is duly disclosed as part of the Bank's Notes to Financial Statements.</p> <p>In coordination with parent-Metrobank, the Bank has adopted and developed a ICAAP framework to ensure that appropriate level and quality of capital are maintained by the Bank and the Metrobank Group over and above the BSP's minimum regulatory capital requirements such as the risk-based capital adequacy ratio of 10%, Common Equity Tier 1 (CET 1) capital ratio of 6%, Tier 1 capital ratio of 7.5% and Capital Conservation Buffer of 2.5%. Under this framework, the assessment of risks extends beyond the Pillar 1 set of credit, market and operational risks and onto other risks deemed material by the Group. The level and structure of capital are assessed and determined in light of the Group's business environment, plans, performance, risks and budget, as well as regulatory directives under base case and tested under relevant stress scenarios. The Bank follows the Group's ICAAP framework and submits the result of its assessment to parent-Metrobank for consolidation and submission to the BSP not later than March 31 of each year.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Audited Financial Statements - Notes to Financial Statements #21, Page 101</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.C.2: Boards should assess whether the company's capital structure is compatible with its strategic goals and its associated risk appetite to ensure it is resilient to different scenarios.</p> <p>The management and board members are best placed to decide if the capital structure of a company is compatible with the strategic goals and its associated risk appetite, within existing restrictions established by shareholders. In order to ensure the company's financial soundness, the board should monitor the capital structure and capital sufficiency with due consideration to different scenarios, including those with low probability but high impact.</p>
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C.4	The corporate governance framework should recognise the rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.	Guiding Reference
<i>Does the company disclose a policy and practices that address :</i>		
C.4.1	<p>The existence and scope of the company's efforts to address customers' welfare?</p> <p>YES. With customers at the forefront of our priorities and in compliance with BSP Circular No. 857, as amended by BSP Circular No. 1048 and BSP Circular No. 1160 re: "Regulations on Financial Consumer Protection to Implement Republic Act No. 11765, otherwise known as the Financial Products and Services Consumer Protection Act (FCPA)", our corporate governance system and culture includes a Financial Consumer Protection (FCP) Framework to ensure that financial consumers' rights are protected at all times and that consumer protection laws, rules and regulations, standards and practices are duly observed and embedded in our business operations. This framework comprises FCP Policies and Procedures, FCP Code of Conduct, Consumer Assistance Management System, FCP Training Program, FCP Risk Management System, FCP Compliance Program, FCP Audit Program, and Financial Consumer Education and Awareness Program. The framework revolves around the core principles of consumer protection, namely:</p> <ol style="list-style-type: none"> 1. Disclosure and transparency; 2. Protection of client information; 3. Fair treatment; 4. Effective recourse; 5. Protection of consumer assets against fraud and misuse; and 6. Financial education and awareness. <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Financial Consumer Protection, Page 48</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.D.1: The rights of stakeholders are to a large extent established by law (e.g. labour, business, commercial, environmental, and insolvency laws) or by contractual relations that companies must respect. In some</p>

C.4.2	<p>Supplier/contractor selection procedures?</p> <p>YES. The Bank's Outsourcing Oversight Committee (OOC) oversees the accreditation of service providers/vendors, performance monitoring, post implementation reviews including materiality, environment and social risk assessment and contract renewals in accordance with our Board-approved risk-based Outsourcing Policy Guidelines pursuant to existing BSP rules and regulations on outsourcing.</p> <p>Further, a high level process of the Bank's supplier/contractor selection procedures is disclosed in the Bank's Sustainability report under Procurement Practices and Stakeholder Management.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Financial Consumer Protection, Page 48 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – Procurement Practices and Supply Chain Management, Page 16 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report – Stakeholder Management, Page 37</p>	
C.4.3	<p>The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?</p> <p>YES. This is disclosed in the Bank's Sustainability Report under Supply Chain Management.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report –Supply Chain Management, Page 16</p>	<p>jurisdictions, it is mandatory for companies to carry out human rights and environmental due diligence. Nevertheless, even in areas where stakeholder interests are not legislated or established by contract, many companies make additional commitments to stakeholders, given that concern over corporate reputation and corporate performance often requires the recognition of broader interests. This may in some jurisdictions be achieved by companies using the OECD Guidelines for Multinational Enterprises for risk-based due diligence to identify, prevent and mitigate actual and potential adverse impacts of their businesses, and account for how these impacts are addressed.</p>
C.4.4	<p>The company's efforts to interact with the communities in which they operate?</p> <p>YES. The Bank discloses its efforts to interact with the communities in which it operates.</p> <p>This is disclosed in the Bank's Sustainability Report under two (2) sections, as follows:</p> <ul style="list-style-type: none"> ✓ Economic Impact – contributions to the government through tax payments and licenses and contributions to the community through donations. ✓ Environmental Impact - supports community initiatives such as clean-up drives and planting activities under Ecosystems and Biodiversity <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report –Economic Impact, Page 15 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report –Environmental Impact, Page 20</p>	
C.4.5	<p>The company's anti-corruption programmes and procedures?</p> <p>YES. Our Corporate Governance Manual provides that: <i>"The Bank conducts its business in a legal, honest and ethical way</i></p>	

	<p><i>and does not tolerate any form of bribery or corruption to obtain an unfair advantage. It shall not offer, pay or receive bribes directly or indirectly. It shall comply with this Policy (as also embodied in the Bank's Code of Conduct for its employees), Republic Act No. 3019 (or the Anti-Graft and Corrupt Practices Act) and all applicable anti-bribery and corruption laws and/or regulations that penalize such acts. This policy shall apply to dealings and transactions of the Bank, its directors and employees, with its clients, service providers, counterparties and other third parties.</i></p> <p><i>Towards this end, all directors and employees of the Bank are prohibited from:</i></p> <ol style="list-style-type: none"> <i>a. Soliciting, arranging or accepting a bribe, facilitation payments and kickbacks for the benefit of the Bank, its director or employee or for the benefit of his/her family, friends, associate or acquaintances;</i> <i>b. Offering, promising or giving a bribe to public officials or other private individuals, directly or indirectly on behalf of the Bank; and</i> <i>c. Abusing entrusted power and authority.</i> <p><i>No director or employee shall be sanctioned or admonished for refusing to pay a bribe or misuse entrusted power and authority regardless of the financial impact to the Bank. On the other hand, a breach to this policy shall result in sanctions, regardless of any benefit to the Bank that may have arisen as a result of the bribe or misuse of entrusted power and authority.</i></p> <p><i>Any knowledge of bribery/corruption may be reported following existing guidelines under the Bank's Whistle Blowing Policy."</i></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Section 16. Anti-Bribery and Corruption Policy, Pages 67-68</u></p> <p><u>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report –Anti-Corruption and Grievance Mechanism for Whistleblowers, Pages 16-17</u></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Whistleblowing Policy</u></p>
C.4.6	<p>How creditors' rights are safeguarded?</p> <p>YES. The Bank upholds/safeguards creditors' rights by honoring contractual obligations and regularly providing relevant information to all its stakeholders in accordance with financial reporting and disclosure standards. Towards this end, the Bank ensures to maintain an effective framework/system of Risk Management, Corporate Governance, Compliance and Internal Audit & Controls which are all disclosed in the Bank's Annual Report.</p> <p><u>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Risk Management and Corporate Governance, Pages 38-57</u></p>
C.4.7	<p>Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?</p> <p>YES. These are all disclosed in the Bank's annual Sustainability Report.</p> <p><u>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</u></p>

C.5	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	Guiding Reference
C.5.1	<p>Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?</p> <p>YES. Bank's stakeholders, including but not limited to, customers, suppliers and the general public have different avenues to contact/reach out to PSBank to voice their concerns, inquiries and/or complaints:</p> <p><u>Investor Relations:</u> Corporate Affairs Division 9th Floor PSBank Center 777 Paseo de Roxas corner Sedeño Street Makati City 1226 Tel: (+632) 8845-8888 Email: psbasm@psbank.com.ph</p> <p><u>Media:</u> PR and Corporate Communications Division 8th Floor PSBank Center 777 Paseo de Roxas corner Sedeño Street Makati City 1226 Tel: (+632) 8845-8208</p> <p><u>For inquiries or concerns:</u> Customer Experience Group 6th Floor PSBank Center 777 Paseo de Roxas corner Sedeño Street Makati City 1226 Tel: (+632) 8845-8888 Fax: (+632) 8845-0048 SMS: (+63) 998-8458888 Email: customerexperience@psbank.com.ph Chat: www.psbank.com.ph</p> <p><u>Stockholder Services:</u> For inquiries regarding dividend payments, change of address or account status: Metrobank Trust Banking Group –Settlements Department 16F Metrobank Center 35th Street corner 7th Avenue Bonifacio Global City Taguig City 1634, Philippines Tel: (+632) 8857-5694 to 95 and 97</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.D.2: The legal framework and process should be transparent and not impede the ability of stakeholders to communicate and to obtain redress for the violation of rights at a reasonable cost and without excessive delay.</p>

<p>On the other hand, as stated in our Whistleblowing Policy, the Bank requires our employees to report any impropriety or malpractice committed by co-employee/s or third-party or parties to their Group Heads or to the Customer Experience and Human Resources Group Head, the Fraud Management Group Head/ Division Heads, or the Chief Audit Executive/Internal Audit Group Head for evaluation if it would warrant an investigation. Under the Code of Conduct, concealment or non-reporting is considered as an impropriety or malpractice in itself. The whistleblower is protected from any form of harassment as a result of any disclosure which was made in good faith believing the disclosure to be true and was not made maliciously or for personal gain. The policy considers any attempt to determine the whistleblower’s identities as a breach of confidentiality which is subject to disciplinary sanctions.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company’s Policies>Whistleblowing Policy Corporate Website: About PSBank>Corporate Governance> Corporate Governance Manual – Section 8. Whistleblowing Policy, Page 66 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Whistleblowing, Page 47 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Shareholders Information, Page 60</p>	
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C.6	Mechanisms for employee participation should be permitted to develop.	Guiding Reference
C.6.1	<p>Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?</p> <p>YES. As stated in our Corporate Governance Manual: <i>“The Bank advocates a work environment free of work hazards and conducive to the well-being and professional development of its employees. As such, the Bank has instituted certain programs and policies pertaining to employees’ health/wellness and family welfare as well as occupational health and safety. The Bank also complies with relevant laws & regulations on the protection of rights in the workplace and the control of infectious diseases.”</i></p> <p>The Bank has also established an Occupational Safety and Health Committee (OSHCOM) to serve as its official planning and policy-making group in all matters pertaining to safety and health pursuant to Rule 1040 of the DOLE’s Occupational Safety and Health (OSH) Standards.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Section 14. Employee Health, Safety and Welfare Policy, Page 67 Corporate Website: About PSBank>Corporate Governance>Company’s Policies>Policy on Health, Safety and Welfare of Employees Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Heartware: People Development-The Right Learning Environment, Page 17</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.D.3: The degree to which employees participate in corporate governance depends on national laws and practices, and may vary from company to company as well. In the context of corporate governance, mechanisms for participation may benefit companies directly as well as indirectly through the readiness by employees to invest in firm specific skills. Examples of mechanisms for employee participation include employee representation on boards and governance processes such as works councils that consider employee viewpoints in certain key decisions. International conventions and national norms also recognise the rights of employees to information, consultation and negotiation. With respect to performance enhancing mechanisms, employee stock ownership plans or other profit sharing mechanisms can be found in many jurisdictions. Pension commitments are also often an element of the relationship between the company and its past and present employees. Where such commitments involve establishing an independent fund, its trustees should be independent of the company’s management and manage the fund in the interest of all beneficiaries.</p>
C.6.2	<p>Does the company explicitly disclose the policies and practices on training and development programmes for its employees?</p> <p>YES. As stated in our Corporate Governance Manual: <i>“The Bank maintains a policy on the continuous learning and development of its employees as it aims to continuously improve the products and services it offers and provides to its customers. As such, the Bank provides for certain training and development programs.”</i></p>	

	<p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Section 13. Learning and Development Policy, Page 67</p> <p>Corporate Website: About PSBank>Corporate Governance>Company’s Policies>Learning and Development Policy</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Heartware: People Development-The Right Learning Environment, Page 17</p>
C.6.3	<p>Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?</p> <p>YES. While the Bank does not have a stock option scheme, it has been consistent in preaching the philosophy of meritocracy, such that our compensation and rewards programs are geared towards providing incentives to employees who have contributed to the success of the Bank.</p> <p>Below are the schemes the Bank employ to incentivize our employees due to their good performance:</p> <p><u>Merit Increase.</u> Annual increases are given to employees based on their relative performance within the organization. The Bank has adopted an increase matrix that rewards high performers without neglecting those rated as standard performers, or those who were able to perform as expected. Rewarding the most productive encourages others to perform better. This procedure on merit increase comes immediately after the annual performance appraisal exercise for the employees to relish the fruits of their hard work and contributions to the growth of the Bank.</p> <p><u>Other Performance Incentives.</u> Based on the overall company performance, i.e., attainment by the Bank of a stipulated income, we grant a return on equity (ROE) bonus to rank and file employees.</p> <p><u>HE1GHTS:</u> Reaching the Peak of Topnotch Performance. This productivity-based award is given quarterly and annually to an individual or group for achieving exceptional performance. In 2023, top-performing PSBankers from Branch Banking Group, Credit and Collections Group, and Indirect Sales Channel Group were recognized for exceeding more than 100% of their target productivity.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Our Remuneration Policy, Page 55</p>

C.7	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.	Guiding Reference
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C.7.1	<p>Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company’s website or annual report</p> <p>YES. The Bank is bound by a “whistleblower” policy that requires our employees to report any impropriety or malpractice committed by co-employee/s or third-party or parties to their Group Heads or to the Customer Experience and Human Resources Group Head, the Fraud Management Group Head/Division Heads, or the Chief Audit Executive/ Internal Audit Group Head for evaluation if it would warrant an investigation. Under the Code of Conduct, concealment or non-reporting is considered as an impropriety or malpractice in itself. The whistleblower is protected from any form of harassment as a result of any disclosure which was made in good faith believing the disclosure to be true and was not made maliciously or</p>
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<p>G20/OECD Principles of Corporate Governance (2023): VI.D.5.</p> <p>Unethical and illegal practices by corporate officers may not only violate the rights detrimental to the company in terms of reputational effects. It is therefore important to establish a confidential whistleblowing policy with procedures and safe-harbours for reporting either personally or through their representative bodies, and others outside the company to report and unethical behaviour. The board should be encouraged to protect these individuals and their representative bodies and to give them confidential direct access to someone independent on the board or an audit or an ethics committee.</p>
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	<p>for personal gain. The policy considers any attempt to determine the whistleblower's identities as a breach of confidentiality which is subject to disciplinary sanctions.</p> <p>In the case of external stakeholders, the Bank has whistle-blowing hotlines such as jag-expose@psbank.com.ph and fire@psbank.com.ph, as provided in the Bank's Whistleblowing Policy that is posted in its website, which can only be accessed by the Internal Audit Group Head and by the Fraud Management Group Head, respectively. They may also report any impropriety/malpractice via e-mail to: customerexperience@psbank.com.ph, customer experience hotline: (632) 8845-8888 and Live Chat as posted in the Bank's website under Contact Us.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Whistleblowing Policy Corporate Website: About PSBank>Corporate Governance> Corporate Governance Manual – Section 8. Whistleblowing Policy, Page 66 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Whistleblowing, Page 47</p>
C.7.2	<p>Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?</p> <p>YES. Under the Bank's whistle blowing policy, the whistleblower is protected from any form of harassment as a result of any disclosure which was made in good faith believing the disclosure to be true and was not made maliciously or for personal gain. The policy considers any attempt to determine the whistleblower's identities as a breach of confidentiality which is subject to disciplinary sanctions.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Whistleblowing Policy Corporate Website: About PSBank>Corporate Governance> Corporate Governance Manual – Section 8. Whistleblowing Policy, Page 66 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Whistleblowing, Page 47</p>

D. Disclosure and Transparency

D.1	Transparent ownership structure	Guiding Reference
D.1.1	<p>Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?</p> <p>YES. This information is disclosed under Investor Relations>Share Information>Top 20 Stockholders as posted in the Bank's website.</p> <p>Corporate Website: About PSBank>Investor Relations>Share Information>Top 20 Stockholders</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on:</p> <p>IV.4. Major share ownership, including beneficial owners, and voting rights.</p> <p>One of the basic rights of investors is to be informed about the ownership structure of the company and their rights vis-a-vis the rights of other owners. The right to such information should also extend to information about the structure of a group of companies and intra-group relations. Such disclosures should make the objectives, nature and structure of the group transparent. Disclosure of ownership data should be provided once certain thresholds of ownership are passed. In equity markets characterised by dispersed ownership structures where small shareholdings may assure significant influence over a company, these thresholds could be set lower. Such disclosure might include data on major shareholders and others that, directly or indirectly, may significantly influence or control the company through, for example, special voting rights, shareholder agreements, the ownership of controlling or large blocks of shares, the use of holding company structures involving layering of companies or significant cross-shareholding relationships and cross guarantees. It is also required or considered good practice in some jurisdictions to disclose shareholdings of directors, including non-executives, and it is good practice that such disclosure is made on an ongoing basis.</p> <p>For enforcement purposes in particular, and to identify potential conflicts of interest, related party transactions and insider trading, information about record ownership needs to be complemented with current information about beneficial ownership. An increasing number of jurisdictions use a centralised national registry while others may require a company-level registry to facilitate access to up-to-date and accurate information on beneficial ownership. In cases where such registries are not available, information about the beneficial owners should be obtainable at least by regulatory and enforcement agencies and/or through the judicial process. In addition, guidance issued by the Financial Action Task Force and the IMF that advocates a multi-pronged approach to ensure availability of information on beneficial ownership can be useful in this regard.</p>
D.1.2	<p>Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?</p> <p>YES. This information is disclosed under Conglomerate Map and Shareholdings Structure as posted in the Bank's website.</p> <p>Corporate Website: About PSBank>Conglomerate Map Corporate Website: About PSBank>Shareholdings Structure</p>	
D.1.3	<p>Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?</p> <p>YES. This information is disclosed under Shareholdings Structure as posted in the Bank's website.</p> <p>Corporate Website: About PSBank>Shareholdings Structure</p>	
D.1.4	<p>Does the company disclose the direct and indirect (deemed) shareholdings of senior management?</p> <p>YES. This information is disclosed under Shareholdings Structure as posted in the Bank's website. Except for the President, no other senior officers hold PSBank shares of stock.</p> <p>Corporate Website: About PSBank>Shareholdings Structure</p>	
D.1.5	<p>Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?</p> <p>YES. This information is disclosed under Conglomerate Map/Metrobank Group as posted in the Bank's website.</p> <p>Corporate Website: About PSBank>Conglomerate Map Corporate Website: About PSBank>Metrobank Group</p>	

D.2	Quality of Annual Report	Guiding Reference
<i>Does the company's annual report disclose the following items:</i>		
D.2.1	<p>Corporate objectives</p> <p>YES. The Bank's Vision and Mission statements are disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – About PSBank-Vision, Mission, Page 2</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on:</p> <p>IV.A.1. The financial and operating results of the company. IV.A.2. Company objectives and sustainability-related information. IV.A.5. Information about the composition of the board and its members, including their qualifications, the selection process, other company directorships and whether they are regarded as independent by the board. IV.A.6. Remuneration of members of the board and key executives. IV.A.8. Foreseeable risk factors.</p>
D.2.2	<p>Financial performance indicators</p> <p>YES. The Bank's Financial Summary/Highlights are disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Our Effortless Outcomes-2023 by the Numbers, Pages 8-11</p>	<p>IV.A.10. Debt contracts, including the risk of non-compliance with covenants.</p> <p>ICGN (2021) PRINCIPLE 2: Leadership and independence</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment</p> <p>ICGN (2021) PRINCIPLE 5: Remuneration</p>
D.2.3	<p>Non-financial performance indicators</p> <p>YES. Non-financial performance indicators are likewise disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Products and Services: Effortless Experiences, Pages 12-13 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Hardware: Process Improvements, Pages 14-15 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Heartware: People Development, Pages 16-17</p>	<p>IV.A.10. Debt contracts, including the risk of non-compliance with covenants.</p> <p>ICGN (2021) PRINCIPLE 2: Leadership and independence</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment</p> <p>ICGN (2021) PRINCIPLE 5: Remuneration</p>
D.2.4	<p>Dividend policy</p> <p>YES. Dividend Policy is disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Corporate Governance, Our Dividend Policy, Page 57</p>	
D.2.5	<p>Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/commissioners</p> <p>YES. All these information about the Bank's directors are disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Corporate Governance-Board of Directors-Profiles, Pages 22-23</p>	
Corporate Governance Confirmation Statement		

D.2.6	<p>Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?</p> <p>YES. As stated in the Bank's Annual Report: <i>"Aside from monitoring and controlling compliance risk, our Chief Compliance Officer (CCO) also tracks our Bank's adherence to our Corporate Governance Manual, which is aligned with the SEC's Revised Code of Corporate Governance for Publicly-Listed Companies, and embodies all CG-related rules and regulations of the BSP. Cases of non-compliance are required to be reported to our board chairman who ensures due process and determines appropriate sanctions. The Bank fully and continually complies with the material requirements of the SEC's Revised Code of Corporate Governance for Publicly-Listed Companies as embodied in its Board-approved Corporate Governance Manual."</i></p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Corporate Governance-Our Governance Vanguard's Compliance, Page 55</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not limited to, material information on: IV.A.9. Governance structures and policies, including the extent of compliance with national corporate governance codes or policies and the process by which they are implemented.</p>
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D.3.	Remuneration of Members of the Board and Key Executives	Guiding Reference
D.3.1	<p>Is there disclosure of the fee structure for non-executive directors/commissioners?</p> <p>YES. As stated in the Bank's Annual Report: <i>"Except for the President/Chief Executive Officer, each Director receives a monthly professional fee for attending Board and committee meetings. This is also in consideration of their valuable contributions in the formulation of the Bank's overall strategy. The total per diem and transportation allowance paid to directors for their attendance in Board meetings for the period January to December 2023 was Php19.1 million. Our remuneration policy for directors indicates that the Chairman, Vice Chairpersons, and each of the directors receive reasonable per diems for attendance at any Board meeting. There is nothing in the By-Laws that prevents any director from serving any other capacity and receiving compensation."</i></p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Corporate Governance-Our Remuneration Policy, Page 56</p>	<p>ICGN (2021) PRINCIPLE 5: 5.9. Non-executive director remuneration The board, or shareholders as required by law in some jurisdictions, should determine levels of pay for non-executive directors and the non-executive chair and ensure that it is structured in a way which ensures independence, objectivity and alignment with the long-term interests of the company and all its shareholders. Remuneration paid to non-executive directors should be publicly disclosed. Performance-based pay or share options should not be granted to non-executive directors and non-executive chairs.</p>
D.3.2	<p>Does the company publicly disclose [i.e. annual report or other publicly disclosed documents] details of remuneration of each non-executive director/commissioner?</p> <p>NO. The Bank discloses annual remuneration of its directors on an aggregate basis only albeit based on the existing disclosure rules of the SEC and PSE, while duly respecting their right to data privacy and with due consideration to their security.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-A (Annual Reports)>2024 – Item 10. Executive Compensation, Page 52</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on: IV.A.6 Remuneration of members of the board and key executives Disclosure on an individual basis (including termination and retirement provisions) is increasingly regarded as good practice and is now required or recommended in most jurisdictions. Some of these jurisdictions call for remuneration of a certain number of the highest paid executives to be disclosed, while in others it is confined to specified positions.</p>

D.3.3	<p>Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?</p> <p>YES. As stated in the Bank's Annual Report: <i>"Our directors and officers are provided with an industry competitive compensation package to attract, motivate, and retain highly qualified people. <u>The salary scales of our officers, including that of our President or Chief Executive Officer (our sole Executive Director), are generally based on the nature of their jobs, positions and ranks.</u> These are reviewed annually vis-à-vis annual performance scorecards so structured to achieve business objectives and adjusted as needed, based on performance. Xxx. We also grant fixed bonuses, including a 13th-month pay in accordance with the law, and a performance bonus (non-guaranteed) based on our overall performance, individual performance, and market conditions. Our Board sees to it that this remuneration strategy is regularly reviewed to ensure that the policy is commensurate with corporate and individual performance, aligned with our long-term interests, compliant with labor laws and regulations, and benchmarked against our industry peers and other market considerations, while also maintaining internal equity."</i></p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Corporate Governance-Our Remuneration Policy, Pages 55-56</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.D. The board should fulfil certain key functions, including:</p> <p>V.D.5 Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives, as well as to disclose their remuneration levels set pursuant to this policy. Such policy statements may specify, especially with respect to executives, the relationship between remuneration and performance with ex ante criteria linked to performance, and include measurable standards that emphasise the long-term interests of the company and the shareholders over short-term considerations. Such measurable standards among others may relate to total shareholder return and appropriate sustainability goals and metrics. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and re-pricing options. In some jurisdictions, policy statements also provide guidance on the payments to be made when hiring and/or terminating the contract of an executive. The board may also monitor the implementation of the policy statement on remuneration.</p>
D.3.4	<p>Does the company publicly disclose [i.e. annual report or other publicly disclosed documents] the details of remuneration of each of the executive directors and CEO [if he/she is not a member of the Board]?</p> <p>NO. The Bank discloses annual remuneration of its directors on an aggregate basis only albeit based on the existing disclosure rules of the SEC and PSE, while duly respecting their right to data privacy and with due consideration to their security.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-A (Annual Reports)>2024 – Item 10. Executive Compensation, Page 52</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A.6. ...</p> <p>Disclosure on an individual basis (including termination and retirement provisions) is increasingly regarded as good practice and is now required or recommended in most jurisdictions. Some of these jurisdictions call for remuneration of a certain number of the highest paid executives to be disclosed, while in others it is confined to specified positions.</p>

D.4.	Disclosure of related party transactions (RPT)	Guiding Reference
D.4.1	<p>Does the company disclose its policy covering the review and approval of material RPTs?</p> <p>YES. The Bank sees to it that it conducts fair dealings with counterparties and other stakeholders. It ensures that such dealings, especially with related parties, are made in the regular course of its business, and upon mutually favorable terms. Its Board-level Related Party Transactions Committee (RPTC), entirely composed of non-executive directors, and Management-level Related Party Transactions Management Committee (RPTMC), help ensure that transactions with</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not limited to, material information on: IV.A.7. Related party transactions.</p> <p>ICGN (2021) PRINCIPLE 9:</p>

	<p>related parties are conducted at arm's length terms and conditions, and that its resources are not misappropriated. These are in accordance with a Board-approved Related Party Transactions (RPT) policy and its specific guidelines and handling procedures vis-à-vis set transaction materiality thresholds and exposure limits. Said RPT policy is regularly reviewed and updated on an annual basis. The Bank's transaction materiality thresholds for RPTs were set on a per transaction type basis, taking into account the high end of their historical ticket sizes, their nature, and our risk appetite. These thresholds are applied on a per single transaction basis for one-time or non-recurring transactions, or the aggregate amount of multiple transactions expected in a year for some arrangements with recurring/continuing transactions. Except for loan transactions to Directors, Officers, Stockholders, and their Related Interests (DOSRI), as well as to subsidiaries and affiliates requiring prior approval of the Board of Directors under existing Bangko Sentral ng Pilipinas (BSP) rules regardless of their amounts, RPTs with amounts within these thresholds are subject to the review and approval of the Management-level RPTMC and endorsement of the Board-level RPTC for the Board of Directors' confirmation. On the other hand, those beyond such thresholds are considered "material" and shall pass through the Board-level RPTC for review and endorsement for Board approval prior to their consummation and for stockholders' confirmation in the Annual Stockholders' Meeting (ASM).</p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Related Party Transactions Policy Corporate Website: About PSBank>Corporate Governance>Company's Policies>Material Related Party Transactions Policy Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Material Related Party Transactions, Page 44</p>	<p>9.4 Related party transactions</p> <p>The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent directors, either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee. The committee should review significant related party transactions to determine whether they are in the best interests of the company and, if so, to determine what terms are fair and reasonable. The conclusion of committee deliberations on significant related party transactions should be disclosed in the company's annual report to shareholders.</p>
D.4.2	<p>Does the company disclose the name, relationship, nature and value for each material RPTs?</p> <p>YES. All these information about the Bank's material RPTs are duly disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Material Related Party Transactions, Pages 45-46</p>	
D.5 Directors and commissioners dealings in shares of the company		Guiding Reference
D.5.1	<p>Does the company disclose trading in the company's shares by insiders?</p> <p>YES. Under the Bank's Policy Against Insider Trading, reporting insiders are required to disclose their and their associates' initial beneficial ownership in PSBank shares and any changes thereof on the next trading day after their election/appointment and from the date of changes thereof, respectively. They are likewise prohibited from selling or buying PSBank shares during "blackout periods," i.e., upon obtaining material non-public information up to two (2) trading days after such information is disclosed.</p> <p>The Bank did not have any trading transactions with reporting insiders and/or their associates in 2023. Directors' level of share ownership and movements throughout 2023 are summarized in a table in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Annual Report – Insider Trading, Page 47</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on: IV.A.4. Major share ownership, including beneficial owners, and voting rights.</p> <p>ICGN (2021) PRINCIPLE 4: 4.4 Employee share dealing The Board should develop clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p> <p>ICGN (2021) PRINCIPLE 5: 5.5 Share ownership The board should disclose the company policy concerning ownership of shares of the company by the CEO, non-executive</p>

		directors and executives. This should include the company policy as to how share ownership requirements are to be achieved and for how long they are to be retained. While CEO and executive share ownership is encouraged, the use of derivatives or other structures that enable the hedging of an individual's exposure to the company's shares should be prohibited.
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D.6	External auditor and Auditor Report	Guiding Reference
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<i>Where the same audit firm is engaged for both audit and non-audit services</i>		
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D.6.1	<p>Are the audit and non-audit fees disclosed?</p> <p>YES. Audit and non-audit fees are duly disclosed in the Bank's Definitive Information Statement (DIS) and in its Integrated Annual Corporate Governance Report (I-ACGR).</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Tax and All Other Fees of External Auditor, Pages 68-69</p> <p>Corporate Website: About PSBank>Corporate Governance>Annual Corporate Governance Report>2023 Integrated Annual Corporate Governance Report (I-ACGR), Page 79</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.C. An annual external audit should be conducted by an independent, competent and qualified auditor in accordance with internationally recognised auditing, ethical and independence standards in order to provide reasonable assurance to the board and shareholders on whether the financial statements are prepared, in all material aspects, in accordance with an applicable financial reporting framework.</p> <p>G20/OECD Principles of Corporate Governance (2023): IV.D. External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit in the public interest.</p> <p>ICGN (2021) PRINCIPLE 8: 8.3 Audit Committee The terms of reference for the committee should be publicly disclosed and include: f) Recommending the appointment, reappointment and, if necessary, the removal of the external auditor, as well as approving audit fees. Any non-audit fees should normally be less than the audit fee and, if not, there should be a clear explanation as to why it was necessary for the auditor to provide these services and how the independence and objectivity of the audit was assured.</p>
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D.6.2	<p>Does the non-audit fee exceed the audit fees?</p> <p>NO. In 2023, non-audit fees paid by the Bank to its external auditors amounting to Php44,000 did not outweigh its audit-related fees totalling Php3.033 Million. These non-audit fees pertain to professional services rendered for the Bank's Annual Stockholders Meeting while audit-related fees pertain to regular year-end financial statement audits.</p> <p>Nonetheless, to ensure that the existing arrangements do not compromise our external auditor's independence, separate engagement agreements and teams handled the said services.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Tax and All Other Fees of External Auditor, Pages 68-69</p>	<p>ICGN (2021) PRINCIPLE 8: 8.3 Audit Committee</p> <p>The terms of reference for the committee should be publicly disclosed and include: f) Recommending the appointment, reappointment and, if necessary, the removal of the external auditor, as well as approving audit fees. Any non-audit fees should normally be less than the audit fee and, if not, there should be a clear explanation as to why it was necessary for the auditor to provide these services and how the independence and objectivity of the audit was assured.</p>
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D.7	Medium of communications	Guiding Reference
<i>Does the company use the following modes of communication?</i>		
D.7.1	<p>Quarterly reporting</p> <p>YES.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17Q (Quarterly Reports)</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.E. Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users.</p>
D.7.2	<p>Company website</p> <p>YES.</p> <p>Corporate Website: About PSBank</p>	<p>ICGN (2021) PRINCIPLE 7: Corporate Reporting</p> <p>Boards should oversee timely and reliable company disclosures for shareholders and relevant stakeholders relating to the company's financial position, approach to sustainability, performance, business model, strategy, and long-term prospects.</p>
D.7.3	<p>Analyst's briefing</p> <p>YES.</p> <p>Corporate Website: About PSBank>Financial Press Releases</p>	
D.7.4	<p>Media briefings /press conferences</p> <p>YES.</p> <p>Corporate Website: What's New-Learn More Corporate Website: About PSBank>Financial Press Releases</p>	

D.8	Timely filing/release of annual/financial reports	Guiding Reference
D.8.1	<p>Are the audited annual financial report / statement released within 120 days from the financial year end?</p> <p>YES. The Bank's Preliminary and Definitive Information Statements, which contain the Bank's Audited Financial Statements (AFS), were filed with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) on March 18, 2024 and March 25, 2024, respectively, hence, released well within the 120-calendar day period. The Bank's 2023 AFS was approved for issuance/release by the Board of Directors on February 22, 2024.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Preliminary Information Statement for April 25, 2024 ASM Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on: IV.A.1. The financial and operating results of the company.</p> <p>G20/OECD Principles of Corporate Governance (2023): IV.C. An annual external audit should be conducted by an independent, competent and qualified auditor in accordance with internationally recognised auditing, ethical and independence standards in order to provide reasonable assurance to the board and shareholders on whether the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework.</p>
D.8.2	<p>Is the annual report released within 120 days from the financial year end?</p> <p>YES. The Bank's Annual Report has always been released in preparation for and prior to the holding of the Bank's Annual Stockholders' Meeting (ASM) which, per Bank's By-laws, is to be held on any day in April of each year on such date and time as may be determined by the majority vote of the Board of Directors, hence, always within 120 days from the financial year end.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report (posted April 19, 2024)</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.E. Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users.</p> <p>ICGN (2021) PRINCIPLE 7: Corporate Reporting Boards should oversee timely and reliable company disclosures for shareholders and relevant stakeholders relating to the company's financial position, approach to sustainability, performance, business model, strategy, and long-term prospects.</p>
D.8.3	<p>Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?</p> <p>YES. The Bank's Audited Financial Statements (AFS), which includes the Independent Auditor's Report as to its fairness of presentation, is submitted to and approved by its Board of Directors.</p> <p>In addition, the Bank's AFS also includes a Statement of Management's Responsibility for Financial Statements which is signed by its Board Chairman, its President and its Controller. This documents Management's responsibility for the preparation and fair presentation of the financial statements including the attached schedules, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. On the other hand, the Board of Directors is responsible for overseeing the company's financial reporting process. The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements (posted April 19, 2024) - Independent Auditor's Report, Page 14 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements (posted April 19, 2024)- Statement of Management's Responsibility for Financial Statements, Page 12</p>	<p>ICGN (2021) PRINCIPLE 7: 7.3 Financial reports The board should affirm that the company's annual report and accounts present a true and fair view of the company's position and long-term prospects.</p>

D.9 Company website		Guiding Reference
<i>Does the company have a website disclosing up-to-date information on the following:</i>		
D.9.1	Financial statements/reports (latest quarterly) YES. Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17Q (Quarterly Reports)	G20/OECD Principles of Corporate Governance (2023): IV.A. Disclosure should include, but not be limited to, material information on: IV.A.1. The financial and operating results of the company.
D.9.2	Materials provided in briefings to analysts and media YES. Corporate Website: What's New-Learn More Corporate Website: About PSBank>Financial Press Releases	G20/OECD Principles of Corporate Governance (2023): IV.E. Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users. ICGN (2021) PRINCIPLE 7: Corporate Reporting
D.9.3	Downloadable annual report YES. Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report	Boards should oversee timely and reliable company disclosures for shareholders and relevant stakeholders relating to the company's financial position, approach to sustainability, performance, business model, strategy, and long-term prospects.
D.9.4	Notice of AGM and/or EGM YES. Corporate Website : About PSBank>Annual Stockholders' Meeting>2024 Notice of Annual Stockholders' Meeting	
D.9.5	Minutes of AGM and/or EGM YES. Corporate Website: About PSBank>Annual Stockholders' Meeting>April 27, 2023 Annual Stockholders' Meeting Minutes	
D.9.6	Company's constitution (company's by-laws, memorandum and articles of association) YES. Corporate Website: About PSBank>Articles of Incorporation and By-laws	

D.10 Investor relations		Guiding Reference
D.10.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office responsible for investor relations? YES. Corporate Website: About PSBank>Investor Relations	G20/OECD Principles of Corporate Governance (2023): V.D. The board should fulfil certain key functions, including: V.D.9. Overseeing the process of disclosure and communications. The functions and responsibilities of the board and management with respect to disclosure and communication need to be clearly

established by the board. In some jurisdictions, the appointment of an investor relations officer who reports directly to the board is considered good practice for publicly traded companies.

E. Responsibilities of the Board

E.1 Board Duties and Responsibilities		Guiding Reference
<i>Clearly defined board responsibilities and corporate governance policy</i>		
E.1.1	<p>Does the company disclose its corporate governance policy / board charter?</p> <p>YES.</p> <p>Corporate Website : About PSBank>Corporate Governance>Corporate Governance Manual Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report– Corporate Governance, Pages 44-57</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV. Disclosure and transparency IV.A. Disclosure should include, but not be limited to, material information on: 9. Governance structures and policies, including the extent of compliance with national corporate governance codes or policies and the process by which they are implemented.</p>
E.1.2	<p>Are the types of decisions requiring board of directors/commissioners' approval disclosed?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Pages 9-22</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.D. The board should fulfil certain key functions, including: 1. Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures. 2. Reviewing and assessing risk management policies and procedures. 3. Monitoring the effectiveness of the company's governance practices and making changes as needed. 4. Selecting, overseeing and monitoring the performance of key executives, and, when necessary, replacing them and overseeing succession planning. 5. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. 6. Ensuring a formal and transparent board nomination and election process. 7. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions. 8. Ensuring the integrity of the corporation's accounting and reporting systems for disclosure, including the independent audit, and that appropriate systems of control are in place, in compliance with the law and relevant standards. 9. Overseeing the process of disclosure and communications.</p>
E.1.3	<p>Are the roles and responsibilities of the board of directors/commissioners clearly stated?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Pages 9-22</p>	
<i>Corporate Vision/Mission</i>		
E.1.4	<p>Does the company have an updated vision and mission statement?</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p>

	<p>YES.</p> <p>Corporate Website: About PSBank>Vision and Mission Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Vision, Mission, Page 2</p>	<p>V. The responsibilities of the board</p> <p>V.D. The board should fulfil certain key functions, including:</p> <p>1. Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.</p>
E.1.5	<p>Does the board of directors play a leading role in the process of developing and reviewing the company's strategy at least annually?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – General Responsibility of the Board, Page 9</p>	
E.1.6	<p>Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – General Responsibility of the Board, Page 9 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Oversight, Pages 50-53</p>	<p>ICGN (2021) PRINCIPLE 1: Board role and responsibilities 1.1 Responsibilities The board is accountable to shareholders and relevant stakeholders for preserving and enhancing sustainable value over the long-term in alignment with a company's purpose and long-term strategy.</p> <p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfil certain key functions, including: 1. Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.</p>

E.2 Board structure		Guiding Reference
<i>Code of Ethics or Conduct</i>		
E.2.1	<p>Are the details of the code of ethics or conduct disclosed?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Code of Business Conduct and Ethics Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Integrity and Accountability – Code of Conduct, Page 46</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.C. The board should apply high ethical standards. The board has a key role in setting the ethical tone of a company, not only through its own actions, but also in appointing and overseeing key executives and consequently the management in general. High ethical standards are in the long-term interests of the company as a means to make it credible and trustworthy, not only in day-to-day operations, but also with respect to longer term commitments. To make the objectives of the board clear and operational, many companies have found it useful to develop company codes of conduct based on, among others, professional standards and sometimes broader codes of behaviour, and to communicate them throughout the organisation. This may include a commitment by the company (including its subsidiaries) to</p>
E.2.2	<p>Are all directors/commissioners, senior management and employees required to comply with the code/s?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Code of Business Conduct and Ethics Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Integrity and Accountability – Code of Conduct, Page 46 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Introduction, Page 7</p>	

		comply with the OECD Guidelines for Multinational Enterprises and associated due diligence standards. Similarly, jurisdictions are increasingly demanding that boards oversee the lobbying, finance and tax planning strategies, thus providing authorities with timely and targeted information and discouraging practices, for example the pursuit of aggressive tax planning schemes, that do not contribute to the long-term interests of the company and its shareholders, and can cause legal and reputational risks.
E.2.3	<p>Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?</p> <p>YES.</p> <p>Corporate Website: About PSBank>Corporate Governance>Code of Business Conduct and Ethics Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Integrity and Accountability – Code of Conduct, Page 46 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Pages 9-10 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Code of Business Conduct and Ethics, Page 64 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Personnel Committee, Pages 51-52</p>	<p>Company-wide codes serve as a standard for conduct by both the board and key executives, setting the framework for the exercise of judgement in dealing with varying and often conflicting constituencies. At a minimum, the code of ethics should set clear limits on the pursuit of private interests, including dealings in the shares of the company. An overall framework for ethical conduct goes beyond compliance with the law, which should always be a fundamental requirement</p>
Board Structure & Composition		
E.2.4	<p>Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?</p> <p>NO. Of the Bank’s nine (9) directors, only four (4) or 44% of them are independent directors.</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs.</p>
E.2.5	<p>Does the company have a term limit of nine years or less or 2 terms of five years¹ each for its independent directors/commissioners?</p> <p>¹ The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011</p> <p>YES. In compliance with the SEC’s Code of Corporate Governance for Publicly-Listed Companies and with the existing rules and regulations of the Bangko Sentral ng Pilipinas (BSP), the Bank adopts the nine (9)-year term limit for its independent directors (reckoned from 2012).</p> <p>Currently, none of the Bank’s four (4) independent directors is in breach of the said 9-year term limit.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Limits for Independent and Non-Executive Directors, Page 29</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>... While national approaches to defining independence vary, a range of criteria are used, such as the absence of relationships with the company, its group and its management, the external auditor of the company and substantial shareholders, as well as the absence of remuneration, directly or indirectly, from the company or its group other than directorship fees. The board may also be required to make an affirmative finding that a director is independent of the company because they have no material relationship with the company or that the director has no relationship which would interfere with the exercise of independent judgement in carrying out the responsibilities of a director. Many jurisdictions also set a maximum tenure for directors to be considered independent.)</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment 3.4 Tenure</p>

		Independent non-executive directors should serve for an appropriate length of time to ensure they contribute an impartial perspective to board discussion and decision-making. Term limits, where they exist, and the identity of directors who have exceeded such limits (and thus no longer deemed independent) should be disclosed. Director tenure should be reviewed by the Nomination Committee annually and director re-election contingent on a satisfactory evaluation of his or her contribution to the board.
E.2.6	<p>Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?</p> <p>YES. A non-executive director may concurrently serve as director in a maximum of five (5) publicly listed companies. In applying this provision to concurrent directorship in entities within a conglomerate, each entity where the non-executive director is concurrently serving as director shall be separately considered in assessing compliance with this requirement.</p> <p>Currently, none of the Bank's eight (8) non-executive directors is in breach of the said 5-board seat limit in publicly-listed companies.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Limits for Independent and Non-Executive Directors, Page 29</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. V.E.3 Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards or committees can interfere with the performance of board members. Some jurisdictions have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Disclosure about other board and committee memberships and chair responsibilities to shareholders is therefore a key instrument to improve board and committee nominations. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.</p>
E.2.7	<p>Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?</p> <p>NO. The Bank's sole executive director, who is its President/CEO, concurrently serves as a director of its parent-Metrobank and affiliate-Sumisho Motor Finance Corporation, hence, just within the Metrobank Group.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors - Profiles, Page 23</p>	
Nominating Committee		
E.2.8	<p>Does the company have a Nominating Committee?</p> <p>YES. The Bank's Board-level Corporate Governance Committee (CGC) assists the Board in the performance of functions that were previously assigned to a Nomination Committee having been dissolved and integrated into the Bank's CGC since 2017.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual >Election of Directors>Nomination Procedures, Page 30</p>	<p>G20/OECD Principles of Corporate Governance (2023): II: The rights and equitable treatment of shareholders and key ownership functions II.C.5 Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known, including through votes at shareholder meetings, on the remuneration of board members and/or key executives, as applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.</p>

E.2.9	<p>Is the Nominating Committee comprised of a majority of independent directors/commissioners?</p> <p>YES. In fact, the Bank’s Board-level Corporate Governance Committee (CGC), which performs the nomination function previously assigned to a Nomination Committee, is composed of three (3) members (including its Chairman) who are all independent directors.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>... With respect to nomination of candidates, boards in many companies have established nomination committees to ensure proper compliance and transparency with established nomination procedures and to facilitate and co-ordinate the search for a balanced, diverse and qualified board. It is regarded as good practice for independent board members to have a key role on this committee. To further improve the selection process, the Principles also call for full and timely disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate. It is required or considered good practice in some jurisdictions to also disclose information about any other board positions or committee memberships that nominees hold, and in some jurisdictions also positions that they are nominated for.</p>
E.2.10	<p>Is the chairman of the Nominating Committee an independent director/commissioner?</p> <p>YES. In fact, the Bank’s Board-level Corporate Governance Committee (CGC), which performs the nomination function previously assigned to a Nomination Committee, is composed of three (3) members (including its Chairman) who are all independent directors.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E.1 Boards should consider assigning a sufficient number of independent board members capable of exercising independent judgement to tasks where there is a potential for conflicts of interest. Examples of such key responsibilities are ensuring the integrity of financial and other corporate reporting, the review of related party transactions, and nomination and remuneration of board members and key executives.</p>
E.2.11	<p>Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?</p> <p>YES. The Bank’s Board-level Corporate Governance Committee (CGC), which performs the nomination function previously assigned to a Nomination Committee, has a Board-approved Charter which is also posted in the Bank’s website.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E The board should be able to exercise objective independent judgement on corporate affairs. V.E.2. Boards should consider setting up specialised committees to support the full board in performing its functions, in particular the audit committee – or equivalent body – for overseeing disclosure, internal controls and audit-related matters. Other committees, such as remuneration, nomination or risk management, may provide support to the board depending upon the company’s size, structure, complexity and risk profile. Their mandate, composition and working procedures should be well defined and disclosed by the board which retains full responsibility for the decisions taken.</p>
E.2.12	<p>Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?</p> <p>YES. The monthly meeting attendance records of the members of the Bank’s Board-level Corporate Governance Committee (CGC), which performs the nomination function previously assigned to a Nomination Committee, are duly disclosed in the Bank’s Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 52</p>	<p>Where justified in terms of the size, structure, sector or level of development of the company as well as the board’s needs and the profile of its members, the use of committees may improve the work of the board and allow for a deeper focus on specific areas. In order to evaluate the merits of board committees, it is important that the market receives a full and clear picture of their mandate, scope, working procedures and composition. Such information is</p>

		particularly important in the many jurisdictions where boards are required to establish independent audit committees with powers to oversee the relationship with the external auditor.
Remuneration Committee / Compensation Committee		
E.2.13	<p>Does the company have a Remuneration Committee?</p> <p>YES. The Bank's Board-level Corporate Governance Committee (CGC) assists the Board in the performance of functions that were previously assigned to a Remuneration Committee having been dissolved and integrated into the Bank's CGC since 2017.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.5 Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives, as well as to disclose their remuneration levels set pursuant to this policy. Such policy statements may specify, especially with respect to executives, the relationship between remuneration and performance with ex ante criteria linked to performance, and include measurable standards that emphasise the long-term interests of the company and the shareholders over short-term considerations. Such measurable standards among others may relate to total shareholder return and appropriate sustainability goals and metrics. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and re-pricing options. In some jurisdictions, policy statements also provide guidance on the payments to be made when hiring and/or terminating the contract of an executive. The board may also monitor the implementation of the policy statement on remuneration.</p>
E.2.14	<p>Is the Remuneration Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?</p> <p>YES. In fact, the Bank's Board-level Corporate Governance Committee (CGC), which performs the function previously assigned to a Remuneration Committee, is composed of three (3) members (including its Chairman) who are all independent directors.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	
E.2.15	<p>Is the chairman of the Remuneration Committee an independent director/commissioner?</p> <p>YES. In fact, the Bank's Board-level Corporate Governance Committee (CGC), which performs the function previously assigned to a Remuneration Committee, is composed of three (3) members (including its Chairman) who are all independent directors.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	

		<p>Many jurisdictions recommend or require that remuneration policy and contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors and excluding executives that serve on each other's remuneration committees, which could lead to conflicts of interest. The introduction of malus and claw-back provisions is considered good practice. They grant the company the right to withhold and recover compensation from executives in cases of managerial fraud and other circumstances, for example when the company is required to restate its financial statements due to material noncompliance with financial reporting requirements.</p>
E.2.16	<p>Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?</p> <p>YES. The Bank's Board-level Corporate Governance Committee (CGC), which performs the function previously assigned to a Remuneration Committee, has a Board-approved Charter which is also posted in the Bank's website.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p> <p>V. The responsibilities of the board</p> <p>V.E. The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>V.E.2. Boards should consider setting up specialised committees to support the full board in performing its functions, in particular the audit committee – or equivalent body – for overseeing disclosure, internal controls and audit-related matters. Other committees, such as remuneration, nomination or risk management, may provide support to the board depending upon the company's size, structure, complexity and risk profile. Their mandate, composition and working procedures should be well defined and disclosed by the board which retains full responsibility for the decisions taken.</p>
E.2.17	<p>Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?</p> <p>YES. The monthly meeting attendance records of the members of the Bank's Board-level Corporate Governance Committee (CGC), which performs the function previously assigned to a Remuneration Committee, are duly disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Corporate Governance Committee, Page 52</p>	<p>Where justified in terms of the size and structure of the company and its board, as well as the company's sector or level of development, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards are required to establish independent audit committees with powers to oversee the relationship with the external auditor. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system.</p>
<p><i>Audit Committee</i></p>		

E.2.18	<p>Does the company have an Audit Committee?</p> <p>YES. The Bank has a Board-level Audit Committee.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Audit Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. V.E.1 Boards should consider assigning a sufficient number of independent board members capable of exercising independent judgement to tasks where there is a potential for conflicts of interest. Examples of such key responsibilities are ensuring the integrity of financial and other corporate reporting, the review of related party transactions, and nomination and remuneration of board members and key executives.</p>
E.2.19	<p>Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?</p> <p>YES. In fact, the Bank’s Board-level Audit Committee is currently composed of three (3) non-executive directors, all of whom are independent, including the committee chairperson, who is not the chairman of the Board of Directors or of any other Board-level committee.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Audit Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. V.E.1 Boards should consider assigning a sufficient number of independent board members capable of exercising independent judgement to tasks where there is a potential for conflicts of interest. Examples of such key responsibilities are ensuring the integrity of financial and other corporate reporting, the review of</p>
E.2.20	<p>Is the chairman of the Audit Committee an independent director/commissioner?</p> <p>YES. The Chairman of the Bank’s Board-level Audit Committee is an independent director who is not the chairman of the Board of Directors or of any other Board-level committee.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees - Audit Committee, Page 51 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>related party transactions, and nomination and remuneration of board members and key executives.</p> <p>ICGN (2021) PRINCIPLE 8: Internal and external audit 8.3. Audit committee The board should establish an audit committee comprised entirely of independent non-executive directors. At least one member of the audit committee should have recent and relevant financial expertise and all audit committee members should be financially literate, including a basic understanding of accounting. Audit committees should also have a clear understanding of how sustainability factors can impact the company’s financial statements. The terms of reference for the committee should be publicly disclosed and include...</p>
E.2.21	<p>Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?</p> <p>YES. The Bank’s Board-level Audit Committee has a Board-approved Charter which is also posted in the Bank’s website.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>ICGN (2021) PRINCIPLE 8: Internal and external audit 8.3. Audit committee The board should establish an audit committee comprised entirely of independent non-executive directors. At least one member of the audit committee should have recent and relevant financial expertise and all audit committee members should be financially literate, including a basic understanding of accounting. Audit committees should also have a clear understanding of how sustainability factors</p>
E.2.22	<p>Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?</p> <p>YES. Independent Director and Audit Committee Chairman Mr. Eduardo A. Sahagun has an accounting expertise/experience.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors - Profiles, Page 23</p>	<p>ICGN (2021) PRINCIPLE 8: Internal and external audit 8.3. Audit committee The board should establish an audit committee comprised entirely of independent non-executive directors. At least one member of the audit committee should have recent and relevant financial expertise and all audit committee members should be financially literate, including a basic understanding of accounting. Audit committees should also have a clear understanding of how sustainability factors</p>

E.2.23	<p>Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?</p> <p>YES. The monthly meeting attendance records of the members of the Bank's Board-level Audit Committee are duly disclosed in the Bank's Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees – Audit Committee, Page 52</p>	<p>can impact the company's financial statements. The terms of reference for the committee should be publicly disclosed and include...</p>
E.2.24	<p>Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?</p> <p>YES. This responsibility regarding the appointment, and removal of the external auditor is duly provided for in the Board-approved Audit Committee Charter.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>ICGN (2021) PRINCIPLE 8: Internal and external audit 8.3 Audit committee</p> <p>The board should establish an audit committee comprised entirely of independent non-executive directors. At least one member of the audit committee should have recent and relevant financial expertise and all audit committee members should be financially literate, including a basic understanding of accounting. Audit committees should also have a clear understanding of how sustainability factors can impact the company's financial statements. The terms of reference for the committee should be publicly disclosed and include:</p> <p>(f) recommending the appointment, reappointment and, if necessary, the removal of the external auditor, as well as the approving audit fees. Any non-audit fees should normally be less than the audit fee and, if not, there should be a clear explanation as to why it was necessary for the auditor to provide these services and how the independence and objectivity of the audit was assured;</p>

E.3	Board Processes	Guiding Reference
<i>Board meetings and attendance</i>		
E.3.1	<p>Are the board of directors meeting scheduled before the start of financial year?</p> <p>YES. The Bank's regular Board meetings are scheduled in advance as normally set every third Thursday of the month.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Oversight, Page 50</p>	<p>Scheduling board meetings before or at the beginning of the year would allow directors to plan ahead to attend such meetings, thereby helping to maximise participation, especially as non-executive directors often have other commitments. Additional ad hoc meetings can always be scheduled if and when necessary. It is common practice for boards in developed markets to schedule meetings in this way.</p>

E.3.2	<p>Does the board of directors/commissioners meet at least six times during the year?</p> <p>YES. The Bank's regular Board meetings are held on a monthly basis as scheduled in advance every third Thursday of the month. In 2023, our Board had 12 regular monthly meetings, in addition to the annual stockholders' meeting (ASM) and organizational meeting. Our directors logged a 98% overall attendance rate. The total number of board meetings held and directors' attendance records are summarized in our Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Meetings, Page 53</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.E.3 Board members should be able to commit themselves effectively to their responsibilities. "... Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration."</p> <p>ICGN (2021) PRINCIPLE 1: Board role and responsibilities 1.5 Commitment The board should meet regularly to discharge its duties and directors should commit adequate time to board meeting preparation and attendance.</p>
E.3.3	<p>Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?</p> <p>YES. In 2023, our Board had 12 regular monthly meetings, in addition to the annual stockholders' meeting (ASM) and organizational meeting. Our directors logged a 98% overall attendance rate. The total number of board meetings held and directors' attendance records are summarized in our Annual Report which shows that each of our directors has attended more than 75% of such board meetings held in 2023.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Meetings, Page 53</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. V.E.3 Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards or committees can interfere with the performance of board members. Some jurisdictions have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Disclosure about other board and committee memberships and chair responsibilities to shareholders is therefore a key instrument to improve board and committee nominations. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.</p>
E.3.4	<p>Does the company require a minimum quorum of at least 2/3 for board decisions?</p> <p>NO. The Bank's By-laws still require the presence of a majority of its Board of Directors in order to constitute a meeting quorum and a majority of such quorum shall decide every question or matter submitted to the Board at any such meeting.</p>	

E.3.5	<p>Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?</p> <p>YES. As required in our Corporate Governance Manual: <i>"Non-executive board members shall meet regularly on an annual basis, other than in meetings of the Audit, Risk Oversight, Corporate Governance, and Related Party Transactions Committees, in the absence of Senior Management, with the external auditor and heads of the internal audit, compliance and risk management functions. The Chief Compliance Officer (CCO) or his designated officer shall serve as Secretary to this session and shall therefore coordinate with the Chief Risk Officer (CRO) and the Chief Audit Executive (CAE) for the agenda/items for discussion and record such dialogues in minutes of meeting. This session aims to scrutinize Management's performance, particularly in meeting the Bank's goals and objectives and to determine the integrity of the Bank's internal control and effectiveness of risk management systems."</i></p> <p>In 2023, this meeting was held on October 19, 2023.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Pages 11-12</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. "... Independent board members can contribute significantly to the decision making of the board. They can bring an objective view to the evaluation of the performance of the board and management. In addition, they can play an important role in areas where the interests of management, the company and its shareholders may diverge such as executive remuneration, succession planning, changes of corporate control, take-over defences, large acquisitions and the audit function. In order for them to play this key role, it is desirable that boards declare who they consider to be independent and the criterion for this judgement. Some jurisdictions also require separate meetings of independent directors on a periodic basis."</p> <p>ICGN (2021) PRINCIPLE 2: Leadership and independence 2.7. Independent meetings The chair should regularly hold meetings with the non-executive directors without executive directors present. In addition, the non-executive directors (led by the LID) should meet at least annually, without the chair present, to appraise the chair's performance or as appropriate.</p>
<i>Access to information</i>		
E.3.6	<p>Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?</p> <p>NO. Our Board materials are usually provided at least two (2) business days prior to the Board meetings.</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.F. In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information. Board members require relevant information on a timely basis in order to support their decision-making. Non-executive board members do not typically have the same access to information as key managers within the company. The contributions of non-executive board members to the company can be enhanced by providing access to certain key managers within the company such as, for example, the company secretary, the internal auditor, and the head of risk management or chief risk officer, and recourse to independent external advice at the expense of the company.</p> <p>In order to fulfil their responsibilities, board members should have access to and ensure that they obtain accurate, relevant and timely information. In cases when a publicly traded company is a part of a group, the regulatory framework should also ensure board members' access to key information about the activities of its</p>

		<p>subsidiaries to manage group-wide risks and implement group-wide objectives. At the same time, the regulatory framework should maintain safeguards to ensure that insiders will not use such information for their personal gain or of others. Where companies rely on complex risk management models, board members should be made aware of the possible shortcomings of such models.</p>
<p>E.3.7</p>	<p>Does the company secretary play a significant role in supporting the board in discharging its responsibilities?</p> <p>YES. Our Board has access to our Corporate Secretary who manages the flow of information to the Board prior to the meetings. The Office of the Corporate Secretary plays a significant role in supporting the Board in discharging its responsibilities as it administers, attends, and prepares the agenda and minutes of Board meetings, and ensures that notices required under the By-Laws and/or applicable rules are given to all directors and stockholders. Regular Board meetings are also scheduled in advance which are normally set every third Thursday of the month.</p> <p>Our Corporate Secretary & Senior Vice President Perfecto Ramon Z. Dimayuga, Jr. has already retired on Dec. 31, 2023 and was replaced by Senior Vice President & Finance Group Head Leah M. Zamora effective Jan. 1, 2024.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Corporate Secretary, Pages 47-48</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.F. In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information. Board members require relevant information on a timely basis in order to support their decision-making. Non-executive board members do not typically have the same access to information as key managers within the company. The contributions of non-executive board members to the company can be enhanced by providing access to certain key managers within the company such as, for example, the company secretary, the internal auditor, and the head of risk management or chief risk officer, and recourse to independent external advice at the expense of the company.</p> <p>ICGN (2021) PRINCIPLE 1: Board role and responsibilities 1.8. Advice The board should have adequate resources to fulfil its responsibilities efficiently and effectively under relevant law and regulation. The board should have access to advice from a company secretary (or general counsel) and/or independent advice as appropriate at the company’s expense.</p>
<p>E.3.8</p>	<p>Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?</p> <p>YES. Our Corporate Secretary, SVP Leah M. Zamora, is a Certified Public Accountant (CPA) and is also the head of our Finance Group. Together with our principal officers and directors, she also attends annual refresher programs such as on Corporate Governance pursuant to SEC Memorandum Circular No. 20 s2013 which was last conducted in October 2023 by the Center for Global Best Practices (CGBP), a SEC-accredited training provider. Topics covered are Governance of Data Privacy Management, Executive Briefing on Cybersecurity for Board and Management, Updates on Anti-Money Laundering Laws and Regulations and the Corporate Board's Roadmap to ESG-Driven Sustainability Strategy and Reporting.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Corporate Secretary, Page 47 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Corporate Governance-Board Oversight, Page 50-51</p>	

<p>E.3.9</p>	<p>Does the company disclose the criteria used in selecting new directors/commissioners?</p> <p>YES. Our Corporate Governance Committee assists the Board in the performance of functions that were previously assigned to a Nomination Committee.</p> <p>Our Nomination Procedures for purposes of electing a director is disclosed in our Corporate Governance Manual, Amended By-Laws and Corporate Governance Charter. This process includes the review and evaluation of their qualifications (including the determination of any grounds for disqualification) and whether the candidates (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the Bank's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Election of Directors – Nomination Procedures, Election and Confirmation, Pages 30-31 Corporate Website: About PSBank>2010 Amended Articles of Incorporation and By-Laws, Page 5 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): II. The rights and equitable treatment of shareholders and key ownership functions II.C.5 Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known, including through votes at shareholder meetings, on the remuneration of board members and/or key executives, as applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.</p> <p>Electing the members of the board is a basic shareholder right. For the election process to be effective, shareholders should be able to participate in the nomination of board members and vote on individual nominees or on different lists of them. To this end, shareholders have access in a number of countries to the company's voting materials which are made available to shareholders, subject to conditions to prevent abuse. With respect to nomination of candidates, boards in many companies have established nomination committees to ensure proper compliance and transparency with established nomination procedures and to facilitate and co-ordinate the search for a balanced, diverse and qualified board. It is regarded as good practice for independent board members to have a key role on this committee. To further improve the selection process, the Principles also call for full and timely disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate. It is required or considered good practice in some jurisdictions to also disclose information about any other board positions that nominees hold, and in some jurisdictions also positions that they are nominated for.</p>
<p>E.3.10</p>	<p>Did the company describe the process followed in appointing new directors/commissioners?</p> <p>YES. The Bank's Corporation Governance Committee screens all persons nominated to the Board prior to the submission of the Definitive Information Statement (DIS) and in coming up with a Final List of Candidates. Our Nomination Procedures for purposes of electing a director is disclosed in our Corporate Governance Manual, Amended By-Laws and Corporate Governance Charter. This process includes the review and evaluation of their qualifications (including the determination of any grounds for disqualification) and whether the candidates (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the Bank's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as director.</p> <p>The election of directors of the Bank, including the President/CEO, shall be subject to confirmation by the Monetary Board (MB), provided, that the Bank shall report to the BSP, any succeeding resignation, retirement, or replacement of directors within 20 banking days after such resignation/retirement/replacement.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Election of Directors – Nomination Procedures, Election and Confirmation, Pages 30-31 Corporate Website: About PSBank>2010 Amended Articles of Incorporation and By-Laws, Page 5 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.6 Ensuring a formal and transparent board nomination and election process.</p> <p>The Principles promote an active role for shareholders in the nomination and election of board members. The board, with the support of a nomination committee if established, has an essential role to play in ensuring that the nomination and election processes are respected. First, while actual procedures for nomination may differ among countries, the board has the responsibility to make sure that established procedures are transparent and respected. Second, the board has a key role in defining the general or individual profile of board members that the company may need</p>

		<p>at any given time, considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board. Third, the board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders. The board's engagement and dialogue with shareholders is considered good practice in this process, provided that the board ensures transparency, equal treatment and that inside and business sensitive information is not disclosed. It is considered good practice to conduct open search processes extending to a broad range of backgrounds to respond to diversity objectives and the evolving nature of risks.</p>
<p>E.3.11</p>	<p>Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years² each?</p> <p>2 The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011</p> <p>YES. In fact, the election of new directors and re-election of incumbent directors is done more often every year during the Bank's Annual Stockholders' Meeting.</p>	<p>ICGS (2021) PRINCIPLE 3: Composition and appointment 3.7 Director election process</p> <p>Directors should be elected to the board preferably on an annual basis, or stand for election once every three years, and be accountable to shareholders by approval of a majority of shares voted in favour on each resolution.</p>
Remuneration Matters		
<p>E.3.12</p>	<p>Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?</p> <p>YES. Our annually updated Board-approved Corporate Governance Manual sets forth a Remuneration Policy that the Bank's directors and officers shall be provided with an industry competitive compensation package to attract, motivate, and retain highly qualified people. The salary scales of its officers shall be generally based on the nature of their jobs, positions, and ranks. These shall be reviewed yearly vis-à-vis annual performance scorecards so structured to achieve business objectives. Consistent with the philosophy of meritocracy, the Bank's compensation and rewards programs shall be geared towards providing incentives to employees who have contributed to the success of the Bank. The Board of Directors, through its Corporate Governance Committee, shall ensure that this remuneration strategy is regularly reviewed to ensure that the policy is commensurate with corporate and individual performance, aligned with the Bank's operating and risk culture, long-term interests, compliant with labor laws & regulations, and benchmarked against our industry peers and other market considerations, while also maintaining internal equity. Except for the President/Chief Executive Officer, each director shall receive a monthly professional fee for attending Board and committee meetings. This is also in consideration of their valuable contributions in the formulation of the Bank's overall strategy.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Page 11 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Remuneration Policy, Page 64 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Remuneration Policy, Pages 55-56</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfill certain key functions, including: V.D.5. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>ICGN (2021) PRINCIPLE 5: Remuneration</p> <p>Remuneration should be designed to equitably and effectively align the interests of the CEO, executive officers and workforce with a company's strategy and purpose to help ensure long-term sustainable value preservation and creation. Aggregate remuneration should be appropriately balanced with the payment of dividends to shareholders and retention of capital for future investment and the level of quantum should be defensible relative to social considerations relating to income inequality.</p>

	Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Our Remuneration Policy, Pages 50-51	
<p>E.3.13</p>	<p>Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interests of the company, such as claw back provision and deferred bonuses?</p> <p>YES. Our directors and officers are provided with an industry competitive compensation package to attract, motivate, and retain highly qualified people. The salary scales of our officers, including that of our President or Chief Executive Officer (our sole Executive Director), are generally based on the nature of their jobs, positions and ranks. These are reviewed annually vis-à-vis annual performance scorecards so structured to achieve business objectives and adjusted as needed, based on performance. The compensation package for our non-officers/rank-and-file employees is in accordance with labor law requirements and is linked to both performance and our contractual obligation under a collective bargaining agreement which include loyalty bonuses for long-term employees. We also grant fixed bonuses, including a 13th-month pay in accordance with law and performance bonus (non-guaranteed) based on our overall performance, individual performance and market conditions. Our Board sees to it that this remuneration strategy is regularly reviewed to ensure that the policy is commensurate with corporate and individual performance, aligned with our long-term interests, compliant with labor laws and regulations, and benchmarked against our industry peers and other market considerations, while also maintaining internal equity. Except for the President/Chief Executive Officer (our sole Executive Director), each director receives a monthly professional fee for attending Board and committee meetings. This is also in consideration of their valuable contributions in the formulation of our Bank’s overall strategy.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Remuneration Policy, Pages 55-56 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Our Remuneration Policy, Pages 50-51</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.5 Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>Many jurisdictions recommend or require that remuneration policy and contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors and excluding executives that serve on each other’s remuneration committees, which could lead to conflicts of interest. The introduction of malus and claw-back provisions is considered good practice. They grant the company the right to withhold and recover compensation from executives in cases of managerial fraud and other circumstances, for example when the company is required to restate its financial statements due to material noncompliance with financial reporting requirements.</p> <p>ICGN (2021) PRINCIPLE 5: Remuneration 5.4 Malus and clawback Companies should include provisions in their incentive plans that enable the company to withhold the payment of any sum (‘malus’), or recover sums paid (‘clawback’), in the event of serious misconduct or a material misstatement in the company’s financial statements.</p>
<p>Internal Audit</p>		

<p>E.3.14</p>	<p>Does the company have a separate internal audit function?</p> <p>YES. As required in our Corporate Governance Manual, the Bank has an internal audit function which constitutes the third line of defense in its system of internal control. It is an independent, objective assurance and consulting function established to examine, evaluate and improve the effectiveness of internal control, risk management and governance systems and processes, which helps management and the Board of Directors in protecting the Bank and its reputation. It shall both assess and complement operational management, risk management, compliance and other control functions. This function is being served by the Bank's Internal Audit Group (IAG).</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Internal Controls and Independent Assurance, Pages 61-63</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.8. Ensuring the integrity of the corporation's accounting and reporting systems for disclosure, including the independent audit, and that appropriate systems of control are in place, in compliance with the law and relevant standards.</p> <p>The board should demonstrate a leadership role to ensure that an effective means of risk oversight is in place. Ensuring the integrity of the essential reporting and monitoring systems will require that the board sets and enforces clear lines of responsibility and accountability throughout the organisation. The board will also need to ensure that there is appropriate oversight by senior management.</p> <p>Normally, this includes the establishment of an internal audit function. This function can play a critical role in providing ongoing support to the audit committee of the board or an equivalent body of its comprehensive oversight of the internal controls and operations of the company. The role and functions of internal audit vary across jurisdictions, but they can include assessment and evaluation of governance, risk management, and internal control processes.</p>
<p>E.3.15</p>	<p>Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?</p> <p>YES. The Bank's Internal Audit Group (IAG) is headed by Vice President Mr. Sherwin U. Lee as our Chief Audit Executive (CAE). As CAE, he reports functionally to the Board through the Audit Committee and administratively to the President. The CAE oversees and is responsible for the internal audit activities of the Bank, including any portion that may be outsourced to a third party service provider.</p> <p>Currently, the Bank's internal audit activity is not being outsourced. Nonetheless, as stated in our Corporate Governance Manual, in case of a fully outsourced internal audit activity, a qualified independent executive or Senior Management personnel will be assigned the responsibility for managing the fully outsourced internal audit activity.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Internal Audit, Page 55 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Chief Audit Executive, Pages 62-63</p>	<p>Companies often disclose that they have an internal audit but, in practice, it is not uncommon for it to exist more in form than in substance. For example, the in-house internal audit may be assigned to someone with other operational responsibilities. As internal audit is unregulated, unlike external audit, there are firms providing outsourced internal audit services which are not properly qualified to do so. Making the identity of the head of internal audit or the external service provider public would provide some level of safeguard that the internal audit is substantive.</p>

E.3.16	<p>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</p> <p>YES. One of the duties and responsibilities of our Audit Committee as stated in its Audit Committee Charter is to recommend to the Board the appointment, reappointment and dismissal of the Chief Audit Executive (CAE) and key internal auditors (i.e., Audit Division Head and Audit Managers). Senior Management may recommend the appointment, reappointment, and dismissal of the CAE subject to concurrence of the Audit Committee. If the internal auditor resigns or communicates an intention to resign, the Audit Committee should follow up the reasons giving rise to such resignation, and should consider whether it needs to take any action in response to those reasons. In cases when the CAE will be replaced, the Bank shall report the same and the corresponding reason for replacement to the Bangko Sentral ng Pilipinas (BSP) within five (5) days from the time it has been approved by the Board.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Audit Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfill certain key functions, including: V.D.8. Ensuring the integrity of the corporation’s accounting and reporting systems for disclosure, including the independent audit, and that appropriate systems of control are in place, in compliance with the law and relevant standards.</p> <p>It is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board.</p>
<i>Risk Oversight</i>		
E.3.17	<p>Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?</p> <p>YES. The Bank has put in place a sound internal control procedures and risk management framework that are overseen by its three (3) controls functions, namely: Risk Management, Compliance and Internal Audit. The Audit Committee is delegated by the Board of Directors (Board) with the task of providing independent oversight on the Bank’s financial reporting process, corporate governance, risk management, and control processes; internal and external audit functions; and monitoring of compliance with Bank policies and Code of Conduct and applicable laws, rules, and regulations. The Audit Committee Report’s confirmation that the Bank’s risk management and internal control processes are generally established, adequate and are operating properly is contained in our 2023 Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Audit Committee Report, Page 43</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.2. Reviewing and assessing risk management policies and procedures. V.D.8. Ensuring the integrity of the corporation’s accounting and reporting systems for disclosure, including the independent audit, and that appropriate systems of control are in place, in compliance with the law and relevant standards.</p> <p>ICGN (2021) PRINCIPLE 6: Risk oversight The board should proactively oversee the assessment and disclosure of the company’s key risks and approve the approach to risk management and internal controls regularly with any significant business change and satisfy itself that the approach is functioning effectively.</p>
E.3.18	<p>Does the Annual Report/Annual CG Report disclose that the board of directors/commissioners has conducted a review of the company’s material controls (including operational, financial and compliance controls) and risk management systems?</p> <p>YES. The Audit Committee is delegated by the Board of Directors (Board) with the task of providing independent oversight on the Bank’s financial reporting process, corporate governance, risk management, and control processes; internal and external audit functions; and monitoring of compliance with Bank policies and Code of Conduct and applicable laws, rules, and regulations. The Audit Committee Report’s confirmation that the Bank’s risk management and internal control processes are generally established, adequate and are operating properly is contained in our 2023 Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Audit Committee Report, Page 43</p>	<p>ICGN (2021) PRINCIPLE 6: Risk oversight The board should proactively oversee the assessment and disclosure of the company’s key risks and approve the approach to risk management and internal controls regularly with any significant business change and satisfy itself that the approach is functioning effectively.</p>

<p>E.3.19</p>	<p>Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?</p> <p>YES. Good risk management does not imply avoiding all risks at all cost. Rather, it means making well-informed decisions regarding the risks we want to take in pursuit of our goals and the measures to mitigate those risks. We design our risk management policies, not as an isolated add-on process, but as embedded in our strategy design and execution.</p> <p>The Bank's key risks are the following:</p> <ol style="list-style-type: none"> 1. Credit Risk 2. Credit Concentration Risk 3. Market Risk 4. Trading Market Risk 5. Interest Rate Risk 6. Liquidity Risk 7. Operational Risk 8. Technology Risk 9. Legal Risk 10. Regulatory Risk 11. Strategic Risk 12. Reputational Risk 13. Risks Related to Trust Business 14. Environmental and Social Risk <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Risk Management, Page 38</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV: Disclosure and Transparency IV. A Disclosure should include, but not be limited to, material information on: IV.A.8 Foreseeable risk factors Users of financial information and market participants need information on reasonably foreseeable material risks that may include: risks that are specific to the industry or the geographical areas in which the company operates; dependence on commodities and value chains; financial market risks including interest rate or currency risk; risks related to derivatives and off-balance sheet transactions; business conduct risks; digital security risks; and sustainability risks, notably climate-related risks.</p> <p>The Principles envision the disclosure of sufficient and comprehensive information to fully inform investors and other users of the material and foreseeable risks of the company. Disclosure of risk is most effective when it is tailored to the particular company and industry in question. Disclosure about the system for monitoring and managing risk is increasingly regarded as good practice, including the nature and effectiveness of related due diligence processes.</p>
<p>E.3.20</p>	<p>Does the Annual Report/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?</p> <p>YES. The Audit Committee is delegated by the Board of Directors (Board) with the task of providing independent oversight on the Bank's financial reporting process, corporate governance, risk management, and control processes; internal and external audit functions; and monitoring of compliance with Bank policies and Code of Conduct and applicable laws, rules, and regulations. The Audit Committee Report's confirmation that the Bank's risk management and internal control processes are generally established, adequate and are operating properly is contained in our 2023 Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Audit Committee Report, Page 43</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.D. The board should fulfil certain key functions, including: V.D.8 Ensuring the integrity of the corporation's accounting and reporting systems for disclosure, including the independent audit, and that appropriate systems of control are in place, in compliance with the law and relevant standards.</p> <p>It is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a co-ordinated response by the board. Both internal and external audit functions should be clearly articulated so that the board can maximise the quality of assurance it receives. It should also be regarded as good practice for the audit committee, or equivalent body, to review and report to the board the most critical policies which are the basis for financial and other corporate reports. However, the board should retain final responsibility for oversight of the company's risk management system and for ensuring the integrity of the reporting systems. Some jurisdictions have provided for the chair</p>

of the board to report on the internal control process.

E.4	People on the Board	Guiding Reference
<i>Board Chairman</i>		
E.4.1	<p>Do different persons assume the roles of chairman and CEO?</p> <p>YES. The Bank's Chairman of the Board is Mr. Vicente R. Cuna, Jr. while its President/CEO is Mr. Jose Vicente L. Alde.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors, Profiles, Page 23</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p> <p>V. The responsibilities of the board</p> <p>V.E. The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>In jurisdictions with single tier board systems, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and Chair. Separation of the two posts is generally regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability and improve the board's capacity for decision making independent of management. The designation of a lead director who is independent of management is also regarded as a good practice alternative in some jurisdictions if that role is defined with sufficient authority to lead the board in cases where management has clear conflicts. Such mechanisms can also help to ensure high quality governance of the company and the effective functioning of the board. The chair or lead independent director may, in some jurisdictions, be supported by a company secretary.</p>
E.4.2	<p>Is the chairman an independent director/commissioner?</p> <p>NO. The Bank's Chairman of the Board, Mr. Vicente R. Cuna, Jr., is a non-executive director but is not an independent director as defined under existing BSP and SEC rules.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors, Profiles, Page 23</p>	<p>ICGN (2021) PRINCIPLE 2: Leadership and independence</p> <p>2.1 Independent leadership</p> <p>There should be a clear division of responsibilities between the role of the chair of the board and the CEO to avoid unfettered powers of decision-making in any one individual. This is particularly relevant in controlled companies when either the chair or CEO are significant shareholders. The Board should be chaired by an independent director who should be independent on the date of appointment. Should the role of the chair and CEO be combined, the board should explain the reasons why this is in the best interests of the company in the annual report and keep the structure under review. The responsibilities of the chair, CEO, lead independent director and committee chairs should be clearly described and publicly disclosed.</p>

E.4.3	<p>Is any of the directors a former CEO of the company in the past 2 years?</p> <p>NO. None of the Bank's directors is its former President/CEO in the past 2 years.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors, Profiles, Page 23</p>	<p>ICGN (2021) PRINCIPLE 2: Leadership and independence 2.5 CEO succession to Chair</p> <p>The practice of a company's retiring CEO remaining on the board as a director should be discouraged, regardless of any cooling off period, or in the event this practice does take place, the retiring CEO should not serve on board committees that require independent representation. If, exceptionally, the board decides that a retiring CEO should succeed to become chair, the board should consult with shareholders in advance setting out a convincing rationale and provide detailed explanation in the annual report. Unless there are extraordinary circumstances, there should be a break in service between the roles (e.g., a period of two years)</p>
E.4.4	<p>Are the roles and responsibilities of the chairman disclosed?</p> <p>YES. The roles and responsibilities of the Chairman of the Board (and those of the President/CEO) are clearly stated and disclosed as enumerated in our Corporate Governance Manual as well as in the Amended By-Laws.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Chairman of the Board, Vice Chairman, President and the Corporate Secretary, Pages 45</p> <p>Corporate Website: About PSBank>2010 Amended Articles of Incorporation and By-Laws>Amended By-Laws – Powers and Duties of the Officers of the Bank, Page 10</p>	<p>ICGN (2021) PRINCIPLE 2: Leadership and independence 2.3 Role of the Chair</p> <p>The chair should lead the board and ensure its effectiveness while inspiring a shared commitment among directors to the company's purpose and long-term strategy. This includes encouraging a culture of openness to allow a range of views to be expressed and adequate time for discussion of all agenda items. The chair should set the meeting agenda, ensuring that board members have sufficient and timely information to constructively challenge and debate managerial proposal.</p>
<i>Lead Independent Director</i>		
E.4.5	<p>If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?</p> <p>YES. Amongst its four (4) Independent Directors, the Board of Directors has appointed Mr. Eduardo A. Sahagun as its Lead Independent Director (LID).</p> <p>Among others, his functions as LID are as follows:</p> <ul style="list-style-type: none"> ○ Serves as intermediary between the Chairman of the Board and the other directors, when necessary; ○ Convenes and chairs the meetings of the independent/non-executive directors; and ○ Contributes to the performance evaluation of the Chairman of the Board. <p>Secretary's Certificate/Board Resolution dated 23 May 2024</p>	<p>ICGN (2021) PRINCIPLE 2: Leadership and independence 2.4 Lead independent director</p> <p>The Board should appoint a Lead Independent Director (LID) even when the chair is independent. The LID provides shareholders, relevant stakeholders and directors with a valuable channel of communication to discuss matters that may involve a conflict of interest for the board chair which may include significant shareholders if there is a connection between them. The LID should not have directorship tenure in the company that raises questions as to the LID's independence as set out in Guidance 2.6.h. In a two-tier board the LID role could be assumed by a vice chair.</p>
<i>Skills and Competencies</i>		

E.4.6	<p>Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?</p> <p>YES. In fact, five (5) non-executive directors of our nine (9)-seat Board have working experience in banking, namely:</p> <ol style="list-style-type: none"> 1. Chairman Mr. Vicente R. Cuna, Jr. – Director and Senior Executive Vice President of parent-Metrobank; 2. Vice-Chairman Mr. Arthur V. Ty – Chairman of parent-Metrobank; 3. Independent Director Ms. Francisco S. Magsajo, Jr. – Director of Philippine Veterans Bank; 4. Non-executive Director Ms. Ma. Soledad D. S. De Leon – Vice-Chairman of Candelaria Rual Bank; and 5. Non-executive Director Ms. Rosanna F. De Vera – First Vice President of parent-Metrobank. <p>Please note that Ms. De Leon and Ms. De Vera were already replaced, effective April 2024, by Ms. Frances Gail E. Male and Mr. Ferlou I. Evangelista, respectively. Both recently elected/new non-executive directors also have working experience in banking with Ms. Male as an incumbent Senior Vice President of parent-Metrobank and Mr. Evangelista as a recently retired Senior Vice President of parent-Metrobank as well.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors, Profiles, Page 23</p>	<p>ICGN (2021) PRINCIPLE 3: Composition and appointment</p> <p>The Board should comprise a sufficient mix of directors with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making in alignment with the company’s purpose, long-term strategy and relevant stakeholders.</p>
<p>E.5 Board Performance Guiding Reference</p>		
<p><i>Directors Development</i></p>		
E.5.1	<p>Does the company have orientation programmes for new directors/commissioners?</p> <p>YES. Our Corporate Governance Manual provides that:</p> <p><i>“a. Orientation for First-Time Director. It is critical that new directors receive the training they need in order to be an effective member of the Board and help lead the Bank in the right direction. The Bank shall furnish all its first-time directors with a copy of the general responsibility and specific duties and responsibilities of the Board of Directors and of a director. The Bank must keep on file and submit the said Certification under Oath of the directors concerned that they have received copies of such general responsibility and specific duties and responsibilities and that they fully understand and accept the same. Except for those persons exempted from this training requirement under existing BSP rules as well as those who have already attended the same course in other company(ies) of which they also sit as directors, they shall also attend a CG seminar re: Basic/Orientation Program for 1st-time Directors to be conducted by SEC and BSP-accredited training providers in accordance with the BSP-prescribed syllabus on the same, as applicable, which should be held for at least eight (8) hours and conducted not later than twelve (12) months from the date of election. The Bank shall keep on file and submit the certification to the appropriate department of the BSP, together with a copy of the Certificate of Attendance in said Corporate Governance (CG) seminar. Not later than three (3) months from the date of their election and committee membership appointment, newly elected directors shall also be briefed by the respective committee secretariats of their respective committees’ roles/mandates, their duties and responsibilities, the pertinent overarching policies and reporting frameworks and other relevant matters as embodied in the Charters of the Board-level committees of which they were appointed as members, of which copies of such materials shall likewise be provided to them.”</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Orientation for First-Time</p>	<p>ICGN (2021) PRINCIPLE 1: Board role and responsibilities</p> <p>1.5 Commitment</p> <p>The board should meet regularly to discharge its duties and directors should commit adequate time to board meeting preparation and attendance. There should be a formal induction for all new board directors to ensure they have a comprehensive understanding of the company’s purpose, business model and strategy as soon as possible after their appointment.</p>

	Director, Pages 43-44	
E.5.2	<p>Does the company have a policy and actual practice and programs that encourages directors/commissioners to attend on-going or continuous professional education programmes?</p> <p>YES. Aside from an Orientation for First-Time Directors, our Corporate Governance Manual also provides for the following training program for directors:</p> <p><i>“b. Annual Continuing Education Program The Board as a group and as individual directors should have sufficient knowledge relevant to the Bank’s activities to provide effective governance and oversight. They should be continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Bank. The program shall include courses on corporate governance matters relevant to the Bank, including audit, internal controls, risk management, sustainability and strategy. The Corporate Governance Committee (CGC) is mandated, among others, to make recommendations to the Board regarding the continuing education of directors. In this regard, the Chief Compliance Officer (CCO) shall liaise with internal and/or external training providers for the training and seminars of directors. Unless otherwise exempted by existing regulations, all Directors and Key Officers are required to attend for a minimum of four (4) hours of training every year, a program on Corporate Governance conducted by training providers duly accredited by the SEC or through an SEC-approved in-house corporate governance training, covering all the mandated topics including financial reporting and auditing. Key Officers, for purposes of this requirement, refers to all officers with the rank of Senior Vice President (SVP) & up (Principal Officers) and those officers named in the Bank’s By-Laws, the Chief Audit Executive (CAE) and the Chief Compliance Officer (CCO).”</i></p> <p>Together with our principal officers, our directors attended in October 2023 an annual refresher program on Corporate Governance via Zoom webinar pursuant to SEC Memorandum Circular No. 20 s2013 and as conducted by the Center for Global Best Practices (CGBP), a SEC-accredited training provider. Topics covered in said webinar are Governance of Data Privacy Management, Executive Briefing on Cybersecurity for Board and Management, Updates on Anti-Money Laundering Laws and Regulations and the Corporate Board's Roadmap to ESG-Driven Sustainability Strategy and Reporting.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Orientation and Continuing Education, Pages 43-44 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Corporate Governance-Board Oversight, Page 50-51</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The responsibilities of the board V.E. The board should be able to exercise objective independent judgement on corporate affairs. V.E.4 Boards should regularly carry out evaluations to appraise their performance and assess whether they possess the right mix of background and competences, including with respect to gender and other forms of diversity. In order to improve board practices and the performance of its members, an increasing number of jurisdictions now encourage companies to engage in board and committee evaluation and training. Many corporate governance codes recommend an annual evaluation of the board, which may periodically be supported by external facilitators to increase objectivity. Unless certain qualifications are required, such as for financial institutions, this might include that board members acquire appropriate skills upon appointment. Thereafter, board members should remain abreast of relevant new laws, regulations, and changing commercial and other risks.</p>
<i>CEO/Executive Management Appointments and Performance</i>		
E.5.3	<p>Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?</p> <p>YES. Our Corporate Governance Manual provides for the following:</p> <p><i>“Succession Planning for Directors: Any vacancy occurring in the Board of directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, said vacancies must be filled by the stockholders in a regular or special meeting called for that purpose. When the vacancy is due to term</i></p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The Responsibilities of the Board V.D. The board should fulfill certain key functions, including: V.D.4 Selecting, overseeing and monitoring the performance of key executives, and, when necessary, replacing them and overseeing succession planning.</p>

expiration, the election shall be held no later than the day of such expiration at a meeting called for that purpose. When the vacancy arises as a result of removal by the stockholders, the election may be held on the same day of the meeting authorizing the removal and this fact must be so stated in the agenda and notice of said meeting. In all other cases, the election must be held no later than forty-five (45) days from the time the vacancy arose, otherwise, a duly justified Request for Extension for a reasonable period of time within which to fill in the vacant Board seat shall be filed with the Securities and Exchange Commission (SEC)-Corporate Governance and Finance Department (CGFD) together with a duly notarized Undertaking and Certification pursuant to the existing rules and procedures of the SEC. A director elected to fill a vacancy shall be referred to as replacement director and shall serve only for the unexpired term of the predecessor in office. However, when the vacancy prevents the remaining directors from constituting a quorum and emergency action is required to prevent grave, substantial, and irreparable loss or damage to the Bank, the vacancy may be temporarily filled from among the officers of the Bank by unanimous vote of the remaining directors. The action by the designated director shall be limited to the emergency action necessary, and the term shall cease within a reasonable time from the termination of the emergency or upon election of the replacement director, whichever comes earlier. The Bank must notify the SEC within three (3) days from the creation of the emergency Board, stating therein the reason for its creation. A directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose, or in the same meeting authorizing the increase of directors if so stated in the notice of the meeting. At least on an annual basis, the Corporate Governance Committee (CGC) shall review the status of the Board and consider if the criteria set forth (i.e. composition of the Board, qualifications of directors, limits, etc.) are being met. It shall determine if there is reason to believe that one or more director slots shall become vacant within the remaining term and if any, shall report the same including its recommendation(s) to the Board. When searching for candidates to fill in a vacancy(ies) in the Board, the use of professional search firms or external sources may be resorted to. In all elections to fill vacancies, the procedure set forth in Sections 23 and 25 of the Revised Corporation Code shall apply."

Succession Planning for Officers:

The Bank's succession planning program aims to ensure continuity and viability of its business. Under this program, officer positions that are considered critical for business continuity shall be determined and next in-line officers shall be identified and evaluated as "Ready Now" and "Ready Later" replacements, which process shall be reviewed regularly.

Potential successors shall be subjected to Individual Development Plans, which is a combination of classroom training, cross postings, immersions, and developmental assignments. Further, strategic workforce planning shall also be pursued to ensure that critical positions are filled up and that Talent Acquisition is ready to provide external talents if deemed necessary."

Further, our Board –approved Succession Planning Program - Policy Guidelines also specifically provides in the case of the President/CEO as follows: "In the case of the President/CEO, the process of identifying and developing potential successors shall be handled at the majority ownership-parent level being the highest officership position and as a member of the Board of Directors. Considering the criticality of the position to the entire banking group, possible successors for the President/CEO position are available not just at the parent but at the group level as well."

[Corporate Website: About PSBank>2010 Amended Articles of Incorporation and By-Laws>2010 PSBank By-Laws – Section 6.03-Vacancies, Page 6](#)

[Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Vacancies in the Office of Director and Succession Planning, Pages 39-40](#)

[Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Succession Planning for Officers, Page 56](#)

[Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and](#)

	<p>Responsibilities of the Board, Page 12 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Retirement and Succession Policy, Page 56-57</p>	
E.5.4	<p>Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?</p> <p>YES. Annually within the first quarter of each year, our Board, individual Directors, their respective oversight committees, and all other Board-level committees, as well as the President and all Management-level committees conduct annual self-rating exercises on their performance through the use of scorecards. This annual performance rating exercises also include that of the Chairman of the Board, the Chief Risk Officer, the Chief Audit Executive, the Chief Compliance Officer, directors/officers with multiple/interlocking positions and of the entire Bank. This aims to gauge their effectiveness and determine areas of improvement vis-à-vis set performance standards that are consistent with our strategic objectives and business plans designed to continuously create value to all our stakeholders. Items subject to rating are the pertinent standards, as well as their duties and responsibilities, under a 3-point rating scale, to wit: “3”-Meets Standards (MS), “2”-Needs Improvement (NI), and “1”-Not Observed (NO), with an enjoiner to provide suggestions on how to address the deficiencies/improve performance on items rated either “1” or “2”. The scorecard results are reviewed by our Corporate Governance Committee, reported to our Board of Directors and, thereafter, regularly tracked in terms of the status of addressing the areas needing improvement. In the case of the President/CEO, the annual performance assessment is to be conducted by the Bank’s Board-level Corporate Governance Committee (CGC).</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Page 11 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Part IV. Performance Evaluation, Pages 72-74 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Governance Evaluation, Page 57</p>	<p>V.D. The board should fulfil certain key functions, including:</p> <p>V.D.3 Monitoring the effectiveness of the company’s governance practices and making changes as needed.</p> <p>Monitoring of governance by the board includes continuous review of the internal structure of the company to ensure that there are clear lines of accountability for management throughout the organisation. Such monitoring should also include whether the company’s governance framework remains appropriate in light of material changes to the company’s size, complexity, business strategy, markets, and regulatory requirements. In addition to requiring the monitoring and disclosure of corporate governance practices on a regular basis, at least in summary form, many jurisdictions have moved to recommend, or indeed mandate, assessment by boards of their performance and of the performance of their committees, individual board members, the chair and the CEO.</p>
<i>Board Appraisal</i>		
E.5.5	<p>Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?</p> <p>YES. Annually within the first quarter of each year, our Board, individual Directors, their respective oversight committees, and all other Board-level committees, as well as the President and all Management-level committees conduct annual self-rating exercises on their performance through the use of scorecards. This annual performance rating exercises also include that of the Chairman of the Board, the Chief Risk Officer, the Chief Audit Executive, the Chief Compliance Officer, directors/officers with multiple/interlocking positions and of the entire Bank. This aims to gauge their effectiveness and determine areas of improvement vis-à-vis set performance standards that are consistent with our strategic objectives and business plans designed to continuously create value to all our stakeholders. Items subject to rating are the pertinent standards, as well as their duties and responsibilities, under a 3-point rating scale, to wit: “3”-Meets Standards (MS), “2”-Needs Improvement (NI), and “1”-Not Observed (NO), with an enjoiner to provide suggestions on how to address the deficiencies/improve performance on items rated either “1” or “2”. The scorecard results are reviewed by our Corporate Governance Committee, reported to our Board of Directors and, thereafter, regularly tracked in terms of the status of addressing the areas needing improvement. In the case of the Board of Directors as a body, the annual performance</p>	<p>G20/OECD Principles of Corporate Governance (2023):</p> <p>V: The Responsibilities of the Board V.D. The board should fulfil certain key functions, including: V.D.3 Monitoring the effectiveness of the company’s governance practices and making changes as needed.</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment 3.3 Evaluation Board evaluation should be conducted annually to review composition in alignment with the company’s long- term strategy, succession planning and policy on diversity, equity and inclusion. The board should undertake a rigorous review of its performance (as a collective body), the company secretary (where such a</p>

	<p>assessment is to be conducted by the Bank's Board-level Corporate Governance Committee (CGC).</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Page 11</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Part IV. Performance Evaluation, Pages 72-74</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Governance Evaluation, Page 57</p>	<p>position exists), the board's committees and individual directors prior to being proposed for election. The board should periodically (preferably every three years) engage an independent outside consultant to undertake an external evaluation. The Lead Independent</p> <p>Director and Nomination Committee should be responsible for performance evaluation of the chair. The board should disclose the process for evaluation and, as far as reasonably possible, any material issues of relevance arising from the conclusions and/or actions taken as a consequence.</p>
<i>Director Appraisal</i>		
E.5.6	<p>Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?</p> <p>YES. Annually within the first quarter of each year, our Board, <u>individual Directors</u>, their respective oversight committees, and all other Board-level committees, as well as the President and all Management-level committees conduct annual self-rating exercises on their performance through the use of scorecards. This annual performance rating exercises also include that of the Chairman of the Board, the Chief Risk Officer, the Chief Audit Executive, the Chief Compliance Officer, directors/officers with multiple/interlocking positions and of the entire Bank. This aims to gauge their effectiveness and determine areas of improvement vis-à-vis set performance standards that are consistent with our strategic objectives and business plans designed to continuously create value to all our stakeholders. Items subject to rating are the pertinent standards, as well as their duties and responsibilities, under a 3-point rating scale, to wit: "3"-Meets Standards (MS), "2"-Needs Improvement (NI), and "1"-Not Observed (NO), with an enjoiner to provide suggestions on how to address the deficiencies/improve performance on items rated either "1" or "2". The scorecard results are reviewed by our Corporate Governance Committee, reported to our Board of Directors and, thereafter, regularly tracked in terms of the status of addressing the areas needing improvement. In the case of the <u>individual directors</u>, the annual performance assessment is to be conducted via self-rating by the individual directors themselves.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Page 11</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Part IV. Performance Evaluation, Pages 72-74</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Governance Evaluation, Page 57</p>	<p>G20/OECD Principles of Corporate Governance (2023): V: The Responsibilities of the Board V.D. The board should fulfil certain key functions, including: V.D.3 Monitoring the effectiveness of the company's governance practices and making changes as needed.</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment 3.3 Evaluation Board evaluation should be conducted annually to review composition in alignment with the company's long- term strategy, succession planning and policy on diversity, equity and inclusion. The board should undertake a rigorous review of its performance (as a collective body), the company secretary (where such a position exists), the board's committees and individual directors prior to being proposed for election. The board should periodically (preferably every three years) engage an independent outside consultant to undertake an external evaluation. The Lead Independent</p> <p>Director and Nomination Committee should be responsible for performance evaluation of the chair. The board should disclose the process for evaluation and, as far as reasonably possible, any material issues of relevance arising from the conclusions and/or actions taken as a consequence.</p>
<i>Committee Appraisal</i>		

<p>E.5.7</p>	<p>Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?</p> <p>YES. Annually within the first quarter of each year, our Board, individual Directors, their respective <u>oversight committees, and all other Board-level committees</u>, as well as the President and all Management-level committees conduct annual self-rating exercises on their performance through the use of scorecards. This annual performance rating exercises also include that of the Chairman of the Board, the Chief Risk Officer, the Chief Audit Executive, the Chief Compliance Officer, directors/officers with multiple/interlocking positions and of the entire Bank. This aims to gauge their effectiveness and determine areas of improvement vis-à-vis set performance standards that are consistent with our strategic objectives and business plans designed to continuously create value to all our stakeholders. Items subject to rating are the pertinent standards, as well as their duties and responsibilities, under a 3-point rating scale, to wit: “3”-Meets Standards (MS), “2”-Needs Improvement (NI), and “1”-Not Observed (NO), with an enjoinder to provide suggestions on how to address the deficiencies/improve performance on items rated either “1” or “2”. The scorecard results are reviewed by our Corporate Governance Committee, reported to our Board of Directors and, thereafter, regularly tracked in terms of the status of addressing the areas needing improvement. In the case of the <u>Board committees</u>, the annual performance assessment is to be conducted via self-rating by their individual committee members themselves.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Specific Duties and Responsibilities of the Board, Page 11 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Part IV. Performance Evaluation, Pages 72-74 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Our Governance Evaluation, Page 57</p>	<p>G20/OECD Principles of Corporate Governance (2023): V. The Responsibilities of the Board V.D. The board should fulfil certain key functions, including: V.D.3 Monitoring the effectiveness of the company’s governance practices and making changes as needed.</p> <p>ICGN (2021) PRINCIPLE 3: Composition and appointment 3.3 Evaluation Board evaluation should be conducted annually to review composition in alignment with the company’s long- term strategy, succession planning and policy on diversity, equity and inclusion. The board should undertake a rigorous review of its performance (as a collective body), the company secretary (where such a position exists), the board’s committees and individual directors prior to being proposed for election. The board should periodically (preferably every three years) engage an independent outside consultant to undertake an external evaluation. The Lead Independent Director and Nomination Committee should be responsible for performance evaluation of the chair. The board should disclose the process for evaluation and, as far as reasonably possible, any material issues of relevance arising from the conclusions and/or actions taken as a consequence.</p>
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Level 2 BONUS ITEMS

(B)A.	Rights of shareholders	
(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	Guiding Reference
(B)A.1.1	<p>Does the company practice real time secure electronic voting in absentia at general meetings of shareholders?</p> <p>YES. Secure electronic voting in absentia at the Annual Stockholders’ Meeting has been practiced since 2020, as triggered by the COVID-19 pandemic for safety reasons protocols via a virtual meeting platform. Stockholders of record as of a certain date set are entitled to vote at the said meeting. Stockholders who intend to participate or be represented shall first submit the pertinent documentary requirements (e.g. Letter of Intent to participate, copy of proof of identity and duly accomplished proxy instrument in case of representative, as applicable) to the Bank’s designated e-mail address on or before a specified deadline subject to the Bank’s validation procedures in order to gain access to the secure online meeting link. Once validated, a confirmation along with access credentials to the secure online meeting link shall be sent to the stockholder’s e-mail.</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.6. The objective of facilitating shareholder participation suggests that jurisdictions and/or companies promote the enlarged use of information technology in voting, including secure electronic voting in all listed companies. The principles recommend that voting by proxy be generally accepted. Indeed, it is important to the promotion and protection of shareholders rights that investors can place reliance upon directed proxy voting.</p>

(B)B.	Equitable treatment of shareholders	
(B)B.1	Notice of AGM	Guiding Reference
(B)B.1.1	<p>Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?</p> <p>YES. The Bank observes the sending of Notice of Annual Stockholders' Meeting (ASM) at least 28 days prior to the date of the actual meeting. For our last ASM held on April 25, 2024, we submitted the Notice of the ASM and Agenda Items to the PSE and SEC via our Preliminary and Definitive Information Statements on March 18, 2024 and March 25, 2024, respectively, as also posted on our corporate website on the same dates.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>2024>PSBank ASM and Record Date 2024</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Notice of Annual Stockholders' Meeting, Page 4</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM –Explanation and Rationale of Agenda Items, Page 5</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.C.1. Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.</p> <p>II.C.5 Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p>ICGN (2021) PRINCIPLE 10: 10.3 Meeting Notice The board should ensure that the meeting agenda is posted on the company's website at least one month prior to the meeting taking place.</p>
(B)C.	Sustainability and Resilience	Guiding Reference
(B)C.1		
(B).C.1.1	<p>Does the company disclose how it manages climate-related risks and opportunities?</p> <p>YES. The Bank's management of climate-related risks and opportunities is thoroughly discussed and disclosed in its Annual Sustainability Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.A.4. If a company publicly sets a sustainability-related goal or target, the disclosure framework should ensure that verifiable metrics are disclosed to allow investors to assess the credibility and progress toward meeting the announced goal or target.</p> <p>ICGN (2021) PRINCIPLE 7: 7.5 Climate change The board should assess the impact of climate change on the company business model and how it will be adapted to meet the needs of a net zero economy as part of a long-term strategy. This includes setting and disclosing targets to reduce carbon emissions and a period for achievement. Where climate change risks, whether physical or transitional, are identified as material and relevant, reporting should include discussion of the diligence process, strategy, metrics, targets and initiatives used to manage the risks.</p> <p>TCFD, Metrics and Targets a. Disclose the metrics used by the organisation to assess</p>

		<p>climate-related risks and opportunities in line with strategy and risk management process</p> <p>b. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions and related risks</p> <p>c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets</p>
(B).C.1.2	<p>Does the company disclose that its Sustainability Report / Sustainability Reporting is externally assured?</p> <p>NO. Currently, the Bank's Sustainability Report is not yet externally assured. Nonetheless, we will consider such an external assurance moving forward.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report</p>	<p>G20/OECD Principles of Corporate Governance (2023) VI.A.5. Phasing in of requirements should be considered for annual assurance attestations by an independent, competent and qualified assurance service provider in accordance with high quality international assurance standards in order to provide an external and objective assessment of a company's sustainability-related disclosure.</p> <p>ICGN (2021) PRINCIPLE 7: 7.4 Sustainability reports The board should provide sustainability reporting to reflect the complexities inherent in a contemporary business by blending financial, human and natural capital considerations in the context of a company's current and future strategic direction. Such disclosures should: f. be strengthened where possible by audit or independent assurance that is carried out annually having regard to established disclosure standards.</p> <p>GRI 2-5 External assurance The organization shall: describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved; If the organization's sustainability reporting has been externally assured: i. provide a link or reference to the external assurance report(s) or assurance statement(s); ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; iii. describe the relationship between the organization and the assurance provider.</p>

(B).C.1.3	<p>Does the company disclose the engagement channel with stakeholder groups and how the company responds to stakeholders' ESG concerns?</p> <p>YES. These are duly discussed and disclosed in the Bank's Annual Sustainability Report.</p> <p>For internal stakeholders, the concerns are responded via e-mail, InfoChannel and Workplace. On the other hand for external stakeholders, the Bank's feedback on sustainability issues are responded via email, Customer Experience Hotlines and Live Chat and/or through our branches, PSBank Social Media channels or Consumer Assistance Department, Bank's website, various advisories, PSBank Online/Mobile, and regulatory agencies as applicable.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report - Stakeholder Management, Pages 37-38</p>	<p>G20/OECD Principles of Corporate Governance (2023) VI.B. Corporate governance frameworks should allow for dialogue between a company, its shareholders and stakeholders to exchange views on sustainability matters as relevant for the company's business strategy and its assessment of what matters ought to be considered material.</p> <p>GRI 2-29 Approach to stakeholder engagement The organization shall describe its approach to engaging with stakeholders, including:</p> <ol style="list-style-type: none"> i. the categories of stakeholders it engages with, and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organization seeks to ensure meaningful engagement with stakeholders
(B).C.1.4	<p>Does the company have a unit / division / committee who is specifically responsible to manage the sustainability matters?</p> <p>YES. The Bank's Senior Management, through its Board-designated <u>Chief Risk and Sustainability Officer (CRSO) of its Risk Management Office (RMO)</u>, is responsible in managing sustainability matters.</p> <p>The CRSO's appointment in March 2021 reinforced the Bank's dedication to navigating its sustainable finance journey. Together with the Senior Management, the sustainability principles were integrated into its day-to-day business operations and strategic objectives. In September 2021, the Board approved the Bank's Sustainable Finance Framework which delineated its guiding principles on environmental sustainability, social sustainability, and good governance.</p> <p>In July 2022, its Board approved the Sustainable Finance Framework's supplement, the Environmental and Social Risk Management (ESRM) Policy Manual. It provides the guidelines for addressing environmental and social risks in its operations and credit business. The ESRM system adopts a five-point cycle that includes Risk Identification & Assessment, Risk Measurement, Risk Mitigation & Control, Monitoring and Reporting of E&S risks. These points enable robust policies, processes, and controls to meet the Bank's low appetite for E&S risks and strengthen its capability to withstand disruptions, quickly resume operations, and continue to provide financial services to its clients.</p> <p>Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report- Introduction, Page 4</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.C. The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks.</p> <p>When fulfilling their key functions, boards are increasingly ensuring that material sustainability matters are also considered. For instance, boards may assess if and how sustainability matters affect companies' risk profiles. Such assessments may also relate to key executive remuneration and nomination (e.g. whether targets integrated into executives' compensation plans would be quantifiable, linked to financially material risks and incentivise a long-term view) or whether a board committee on sustainability would be useful.</p> <p>ICGN (2021) PRINCIPLE 1: 1.1 Responsibilities e. accountability for the governance of sustainability ensuring the integration of human capital (particularly the workforce) and natural capital management in strategy, innovation and risk;</p>

<p>(B).C.1.5</p>	<p>Does the company disclose board of directors/commissioners' oversight of sustainability-related risks and opportunities?</p> <p>YES. As disclosed in the Bank's Annual Report and Annual Sustainability Report, our Board of Directors approved a Transition Plan in October 2020, marking a pivotal step towards integrating sustainability into our corporate principles. This comprehensive plan delineated the roadmap for adopting a Sustainable Finance Framework, with emphasis on incorporation of environmental and social (E&S) risk considerations into our governance and risk management frameworks. The sustainability principles and roles were embedded in our Corporate Governance Committee, Audit Committee, and Risk Oversight Committee Charters in December 2020 to align our strategic objectives with sustainability imperatives. The Board's appointment of the Chief Risk and Sustainability Officer (CRSO) in March 2021 reinforced our dedication in navigating PSBank's sustainable finance journey. Together with the Senior Management, the sustainability principles are integrated into our day-to-day business operations and strategic objectives. Subsequently, in September 2021, the Board approved the Bank's Sustainable Finance Framework which delineated our guiding principles on environmental sustainability, social sustainability, and good governance. In July 2022, the Board approved the framework's supplement, the Environmental and Social Risk Management (ESRM) Policy Manual. It provides the guidelines in addressing environmental and social risks in our operations and credit business. As of May 2023, the Bank successfully served and delivered on its Board-approved Transition Plan to comply with the BSP Circular 1085 on Sustainable Finance Framework.</p> <p>As specifically stated in their respective committee charters, the Board through its Risk Oversight Committee (ROC) and Corporate Governance Committee (CGC) provide oversight on sustainability-related risk and opportunities.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Embracing Sustainability, Page 32 Corporate Website: About PSBank>Financial Reports>Annual Reports>2023 Sustainability Report- Introduction, Page 4 Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Risk Oversight Committee Charter Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Corporate Governance Committee Charter</p>	<p>G20/OECD Principles of Corporate Governance (2023) VI.C. The corporate governance framework should ensure that boards adequately consider material sustainability risks and opportunities when fulfilling their key functions in reviewing, monitoring and guiding governance practices, disclosure, strategy, risk management and internal control systems, including with respect to climate-related physical and transition risks.</p> <p>ICGN (2021) PRINCIPLE 1: 1.1 Responsibilities f. overseeing the company's risk assessment and management (including relevant systemic risks such as climate change, ecological degradation, social inequality and digital transformation) that affect sustainable value creation and preservation and reviewing policies annually, or with any significant business change;</p> <p>TCFD, Governance. a. Describe the board's oversight of climate-related risks and opportunities.</p>
<p>(B).C.1.6</p>	<p>Does the company disclose the linkage between executive directors and senior management remuneration and sustainability performance for the previous year?</p> <p>NO. For now, the linkage between executive directors and senior management remuneration and sustainability performance for the previous year is not yet clearly disclosed in the Bank's Annual Report and/or Annual Sustainability Report. We will consider this moving forward.</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.C. When fulfilling their key functions, boards are increasingly ensuring that material sustainability matters are also considered. For instance, boards may assess if and how sustainability matters affect companies' risk profiles. Such assessments may also relate to key executive remuneration and nomination (e.g. whether targets integrated into executives' compensation plans would be quantifiable, linked to financially material risks and incentivise a long-term view) or how sustainability is approached by the board and its committees</p> <p>ICGN (2021) PRINCIPLE 5: 5.3 Performance measures In addition to financial performance metrics, quantifiable indicators that are material to the company's sustainable value creation and preservation, such as human capital and natural capital should be considered. Metrics guiding performance grants should be based on audited financial data, and, where possible, assured sustainability indicators.</p>

		GRI 2-19 Remuneration Policies The organization shall describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.
(B).C.1.7	<p>Is the company's Whistle Blowing System managed by independent parties / institutions?</p> <p>YES. The Bank's Whistle Blowing policy and system is managed by the Internal Audit Group (IAG) and Fraud Management Group (FMG) who are independent of the Bank's business and operating units and are directly reporting to the Bank's Board-level Audit Committee. Its whistle-blowing hotlines are iag-expose@psbank.com.ph and fire@psbank.com.ph which can only be accessed by the IAG Head and by the FMG Head, respectively.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Whistleblowing, Page 47</p>	<p>ICGN (2021) PRINCIPLE 4: Corporate culture 4.2 Whistleblowing The board should ensure that the company has in place an independent, confidential mechanism whereby a worker, supplier, shareholder, or relevant stakeholder can (without fear of retribution) raise issues of particular concern with regard to potential or suspected breaches of a company's code of ethics or local law.</p>

(B)D.	Disclosure and transparency	
(B)D.1	Quality of Annual Report	Guiding Reference
(B)D.1.1	<p>Are the audited annual financial report /statement released within 60 days from the financial year end?</p> <p>YES. The Bank's 2023 Audited Financial Statements (AFS) were approved for issuance/release by the Board of Directors on February 22, 2024.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements – Notes to Financial Statements #35, Page 118</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A. IV.A.1. The financial and operating results of the company. Audited financial statements showing the financial performance and the financial situation of the company (most typically including the balance sheet, the profit and loss statement, the cash flow statement and notes to the financial statements) are the most widely used source of information on companies.</p>

(B)E.	Responsibilities of the Board	In this section, independent directors / commissioners, who have served for more than nine years or two terms of five years each (whichever is higher) in the same capacity, from their date of first appointment, will not be considered independent even if they are deemed to be as such in their respective jurisdictions.
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(B)E.1	Board Competencies and Diversity	
(B)E.1.1	<p>Does the company have at least one female independent director/commissioner?</p> <p>NO. All of the Bank's four (4) independent directors are male in gender.</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.E. V.E.4. Jurisdictions and companies should also consider additional and complementary measures to strengthen the female talent pipeline throughout the company and reinforce other policy measures aimed at enhancing board and management diversity.</p>
(B)E.1.2	<p>Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?</p> <p>YES. Our Corporate Governance Manual provides as follows:</p> <p><i>"As a Board Diversity Policy, no director or candidate for directorship shall be discriminated upon by reason of gender, age, sexual orientation, disability, ethnicity, skills/knowledge/competence, nationality, or political, religious or cultural backgrounds. This aims to avoid groupthink and ensure that optimal decision-making is achieved."</i></p> <p>Further, as part of our CG practices and to implement our board diversity policy, we have since maintained female Director(s) in the Board.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Board Diversity Policy, Page 8 Corporate Website: About PSBank> Principal Officers Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors, Pages 20-23 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Item No. 5 Directors and Executive Officers, Pages 10-15</p>	
(B)E.2	Board Structure	Guiding Reference
(B)E.2.1	<p>Is the Nominating Committee comprise entirely of independent directors/commissioners?</p> <p>YES. The Bank's Corporate Governance Committee (CGC), which performs the nomination functions previously assigned to a Nomination Committee having been dissolved and integrated into the Bank's CGC since 2017, is entirely composed of independent directors, as follows:</p> <ol style="list-style-type: none"> 1. Mr. Francisco S. Magsajo, Jr. – CGC Chairman & Independent Director; 2. Mr. Eduardo A. Sahagun – CGC Member & Independent Director; and 3. Mr. Rufino Luis T. Manotok – CGC Member & Independent Director. <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Members Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees, Pages 51-52</p>	<p>ICGN (2021) PRINCIPLE 2: 2.2 Independence levels</p> <p>The board should comprise a majority of independent non-executive directors as a general standard. This should be regarded as best practice not only for companies with widely-held share ownership, but also for companies with concentrated share ownership and subsidiary companies. At a minimum, controlled companies should seek to link board independence levels to the economic stake held by minority shareholders.</p>

(B)E.2.2	<p>Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?</p> <p>YES. As the committee tasked by the Board to perform the nomination functions previously assigned to a Nomination Committee having been dissolved and integrated into the Bank's CGC since 2017, the Bank's Corporate Governance Committee (CGC) screens all persons nominated to the Board prior to the submission of the Definitive Information Statement (DIS) and in coming up with a Final List of Candidates. This process includes the review and evaluation of their qualifications (including the determination of any grounds for disqualification) and whether the candidates (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the Bank's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as director. Our Nomination Procedures, for purposes of electing a director is disclosed in our Corporate Governance Manual, Amended By-Laws and Corporate Governance Charter.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Election of Directors – Nomination Procedures, Page 30 Corporate Website: About PSBank>2010 Amended Articles of Incorporation and By-Laws, Page 5 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Corporate Governance- Board Oversight, Pages 50-51 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Nomination Procedures, Page 21</p>	<p>G20/OECD Principles of Corporate Governance (2023) V.D.6. Ensuring a formal and transparent board nomination and election process. The board, with the support of a nomination committee if established, has an essential role to play in ensuring that the nomination and election processes are respected. First, while actual procedures for nomination differ among jurisdictions, the board has the responsibility to make sure that established procedures are transparent and respected. Second, the board has a key role in defining the collective or individual profile of board members that the company may need at any given time, considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board. Third, the board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders.</p>
(B)E.3 Board Appointments and Re-Election		Guiding Reference
(B)E.3.1	<p>Does the company use 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/commissioners?</p> <p>YES. As provided in our Corporate Governance Manual, the Bank may use professional search firms such as the Institute of Corporate Directors (ICD) as well as recommendations from shareholders and existing directors when searching for possible candidates as directors.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Composition of the Board, Page 8 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Election of Directors – Nomination Procedures, Page 30</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.D.6. The board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders.</p>
(B)E.4 Board Structure & Composition		Guiding Reference
(B)E.4.1	<p>Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?</p> <p>NO. Of the Bank's nine (9) directors, only four (4) or 44% of them are independent directors. Please note as well that the Bank's Chairman is not an independent director.</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.E.1. Boards should consider assigning a sufficient number of independent board members capable of exercising independent judgement to tasks where there is a potential for conflicts of interest. Examples of such key responsibilities are ensuring the integrity of financial and other corporate reporting, the review of related party transactions, and nomination and remuneration of board members and key executives.</p>
(B)E.5 Risk Oversight		Guiding Reference

(B)E.5.1	<p>Does the company disclose that its Board identified key risk in relation to information technology including disruption, cyber security, and disaster recovery, to ensure that such risks are managed and integrated into the overall risk management framework?</p> <p>YES. Technology Risk, covering disruption, security and disaster recovery, is identified and disclosed in the Bank's Annual Report as a key risk and an Information Technology Governance Framework thereof is posted in its corporate website.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Risk Management – Technology Risk, Page 41 Corporate Website: About PSBank>Corporate Governance>Company's Policies> Information Technology (IT) Governance Framework</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.D.2. When fulfilling these key functions, the board should ensure that material sustainability matters are considered. With a view to increasing resilience, boards should also ensure that they have adequate processes in place within their risk management frameworks to deal with significant external company relevant risks, such as health crises, supply chain disruptions and geopolitical tensions. These frameworks should work ex ante (as companies should foster their resilience in the event of a crisis) and ex post (as companies should be able to set up crisis management processes at the onset of a sudden negative event). Of notable importance is the management of digital security risks, which are dynamic and can change rapidly. Risks may relate, among other matters, to data security and privacy, the handling of cloud solutions, authentication methods, and security safeguards for remote personnel working on external networks. As with other risks, these risks should be integrated more broadly within the overall cyclical company risk management framework.</p>
(B)E.6	Board Performance	Guiding Reference
(B)E.6.1	<p>Does the company have a separate board level Risk Committee?</p> <p>YES. The Bank has a separate Board-level Risk Oversight Committee (ROC) which is responsible for the development and oversight of the Bank and its trust unit's Risk Management Program. It oversees a system of limits to discretionary authority that the Board delegates to management, ensures that the system remains effective, the limits are observed and immediate corrective actions are taken whenever limits are breached. This is the Board-level committee reporting line of the Bank's Risk Management Office (RMO) headed by the Chief Risk Officer and Sustainability Officer (CRSO).</p> <p>Its membership composition, standing/authority, specific duties and responsibilities are embodied in the ROC Charter that is being maintained by the Bank's Risk Management Office (RMO).</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Charters>Risk Oversight Committee Charter Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees, Pages 51-52</p>	<p>ICGN (2021) PRINCIPLE 6: 6.5 Risk Committee</p> <p>While ultimate responsibility for a company's risk management approach rests with the full board, having a risk committee can be an effective mechanism to bring the transparency, focus and independent judgement needed to oversee the company's approach to risk management and internal controls. A risk committee, and the board more generally, should be informed through the company's enterprise-wide internal control and risk management system.</p>

Level 2 PENALTY

(P)A. Rights of shareholders	
(P)A.1 Basic shareholder rights	Guiding Reference
<p>(P)A.1.1 Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?</p> <p>NO. The Bank treats all its shareholders equally and without discrimination as required in its Corporate Governance Manual.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders’ Rights and Protection of Minority Stockholders’ Interests, Pages 22-26</p>	G20/OECD Principles of Corporate Governance (2023): II.A.
(P)A.2 Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.	Guiding Reference
<p>(P)A.2.1 Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?</p> <p>NO. As required in the Bank’s Corporate Governance Manual:</p> <p><i>“c. The Board shall promote the rights of the shareholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights. They shall encourage the exercise of shareholders’ voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.”</i></p> <p>There are no such “barriers that prevent shareholders from communicating or consulting with other shareholders”.</p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders’ Rights and Protection of Minority Stockholders’ Interests, Page 25</p>	G20/OECD Principles of Corporate Governance (2023): II.D. Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.
(P)A.3 Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	Guiding Reference
<p>(P)A.3.1 Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?</p> <p>NO. All agenda items in the Bank’s Annual Stockholders’ Meetings (ASMs) were duly announced/declared beforehand in its Preliminary Information Statement (PIS) and Definitive Information Statement (DIS) filings with the PSE and SEC.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)</p>	G20/OECD Principles of Corporate Governance (2023): II.C.2
<p>(P)A.3.2 Was the Chairman of the Board and the Chairmen of all Board Committees and the CEO absent from the most recent General Meeting?</p> <p>NO. All (100%) of the Bank’s nine (9) directors, including the Chairman of the Board, chairmen of the Board-level committees and the President/CEO, attended the Bank’s most recent Annual Stockholders’ Meeting (ASM) that was held on April 25, 2024.</p>	G20/OECD Principles of Corporate Governance (2023): II.C.

	Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 17-C (Current Reports)>PSBank ASM Results 2024	
(P)A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	Guiding Reference
Did the company fail to disclose the existence of:		
(P)A.4.1	Shareholders agreement? NO. The Bank has no such shareholders agreement.	G20/OECD Principles of Corporate Governance (2023): II.D.
(P)A.4.2	Voting cap? NO. As stated in the Bank's By-Laws, Corporate Governance Manual, Notice of Annual Stockholders' Meeting and Definitive Information Statement. Under Sec. 5.05 of the Amended Code of By-Laws, at any stockholders' meeting, voting shall be by shares of stock and not "per capita" unless the law provides otherwise. Cumulative voting shall be used in the election of the members of the Board of Directors and in ratifying corporate acts. Our voting procedures are laid down in our Corporate Governance Manual. Corporate Website: About PSBank>Articles of Incorporation and By-laws>2010 Amended Articles of Incorporation and By-Laws – Section 5.05 Voting, Page 3 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests – Voting Procedures, Pages 22 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Item 4. Voting Securities and Principal Holders Thereof, Page 9 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Item 10. Voting Procedures, Page 30	
(P)A.4.3	Multiple voting rights? NO. As stated in the Bank's By-Laws, Corporate Governance Manual, Notice of Annual Stockholders' Meeting and Definitive Information Statement. Under Sec. 5.05 of the Amended Code of By-Laws, at any stockholders' meeting, voting shall be by shares of stock and not "per capita" unless the law provides otherwise. Cumulative voting shall be used in the election of the members of the Board of Directors and in ratifying corporate acts. Our voting procedures are laid down in our Corporate Governance Manual. Corporate Website: About PSBank>Articles of Incorporation and By-laws>2010 Amended Articles of Incorporation and By-Laws – Section 5.05 Voting, Page 3 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests – Voting Procedures, Pages 22 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Item 4. Voting Securities and Principal Holders Thereof, Page 9 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement)>2024>PSBank Definitive Information Statement for April 25, 2024 ASM – Item 10. Voting Procedures, Page 30	

(P)A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	Guiding Reference
(P)A.5.1	<p>Is a pyramid ownership structure and/ or cross holding structure apparent?</p> <p>NO. There is no such pyramid and/or cross holding ownership structure. The Bank's ownership structure is simple with only two (2) stockholders owning more than 5% of its capital stock, as follows:</p> <ol style="list-style-type: none"> 1. Metropolitan Bank and Trust Company (MBTC) – 88.38% 2. Ms. Ma. Soledad D.S. De Leon – 6.32% <p>There is no person holding more than 5% of the Bank's capital stock lodged under PCD Nominee Corporation.</p> <p>Corporate Website: About PSBank>Shareholdings Structure</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.A.3. Some capital structures such as pyramid structures, cross-shareholdings and shares with limited or multiple voting rights allow shareholders to exercise a degree of control over the corporation disproportionate to their equity ownership in the company.</p> <p>Company groups are often complex structures that involve several layers of subsidiaries, including across different sectors and jurisdictions. These structures may limit the ability of non-controlling shareholders of the parent and subsidiary companies to influence corporate policies and understand the risks involved, and may allow controlling shareholders to extract private benefits from group companies</p> <p>Given the potential of these mechanisms to redistribute the influence of shareholders on company policy, and also its relevance for the enforcement of takeover regulation, the disclosure of such capital structures, group structures and their control arrangements should be required. Disclosure about such schemes also allows shareholders, debtholders and potential investors to make better informed decisions.</p>
(P)B.	Equitable treatment of shareholders	
(P)B.1	Insider trading and abusive self-dealing should be prohibited.	Guiding Reference
(P)B.1.1	<p>Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years?</p> <p>NO. There was no such conviction of insider trading involving directors/commissioners, management and employees in the past three (3) years.</p>	<p>G20/OECD Principles of Corporate Governance (2023): III.E. Institutional investors, stock markets, and other intermediaries III.E.3. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN (2021) PRINCIPLE 4: 4.4 Employee share dealing The board should develop clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p>
(P)B.2	Protecting minority shareholders from abusive action	Guiding Reference

(P)B.2.1	<p>Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?</p> <p>NO. There were no such cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three (3) years.</p>	<p>G20/OECD Principles of Corporate Governance (2023): III. Institutional investors, stock markets, and other intermediaries III.E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN (2021) PRINCIPLE 9: 9.3 Conflicts of interest The board should ensure that policies and procedures on conflicts of interest are established, understood and implemented by directors, management, workers and other relevant parties, including members of related business groups. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence</p> <p>9.4 Related party transactions The board should develop, adopt and disclose a related party transactions (RPT) Policy and have a robust process for approving, reviewing and monitoring RPTs and any inherent conflicts of interest. This includes establishing a committee of independent directors, either as a separate committee, or an existing committee comprised of independent directors, for example the audit committee.</p>
(P)B.2.2	<p>Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?</p> <p>NO. There were no such RPTs that can be classified as financial assistance (i.e. not conducted at arms-length) to other entities.</p>	<p>G20/OECD Principles of Corporate Governance (2023): II.G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self- dealing should be prohibited.</p>

(P)C.	Role of stakeholders	
(P)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	Guiding Reference
(P)C.1.1	<p>Have there been any violations of any laws pertaining to labour/employment/ consumer/insolvency/ commercial/competition or environmental issues?</p> <p>NO. There were no such violations of any laws pertaining to labour/employment/ consumer/insolvency/ commercial/competition or environmental issues.</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.D. The rights of stakeholders that are established by law or through mutual agreements are to be respected.</p> <p>(8) Companies are also well advised to establish and ensure the effectiveness of internal controls, ethics, and compliance programmes or measures to comply with applicable laws, regulations and standards, including statutes criminalising the bribery of foreign public officials, as required under the OECD Anti-Bribery Convention, and other forms of bribery and corruption. Moreover, compliance must also relate to other laws and regulations such as those covering securities, taxation, competition, and work and safety conditions.</p>

(P)C.2	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.	Guiding Reference
(P)C.2.1	<p>Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?</p> <p>NO. The Bank did not face any sanctions by regulators for failure to make announcements within the requisite time period for material events</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV.D.4. Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.</p>
(P)C.2.2	<p>Is there any evidence that the company is engaging in greenwashing activities?</p> <p>NO. The Bank is not involved/engaging in any green-washing activities.</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.C. Boards should ensure that companies' lobbying activities are coherent with their sustainability-related goals and targets.</p> <p>Boards should effectively oversee the lobbying activities management conducts and finances on behalf of the company, in order to ensure that management gives due regard to the long-term strategy for sustainability adopted by the board. For instance, lobbying against any carbon pricing policy may be expected to increase a company's short-term profits but not be in line with the company's goal to make an orderly transition to a low carbon economy.</p>

(P)D.	Disclosure and transparency	
(P)D.1	Sanctions from regulator on financial reports	
	Guiding Reference	
(P)D.1.1	<p>Did the company receive a "qualified opinion" in its external audit report?</p> <p>NO. The Bank's external auditor, SGV & Co., rendered an unqualified/clean opinion on its Audited Financial Statements.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements – Independent Auditor's Report, Page 14</p>	<p>G20/OECD Principles of Corporate Governance (2023): IV: Disclosure and Transparency</p> <p>IV.B. Information should be prepared and disclosed in accordance with internationally recognised accounting and disclosure standards.</p> <p>IV.C. An annual external audit should be conducted by an independent, competent and qualified auditor in accordance with internationally recognised auditing, ethical and independence standards in order to provide reasonable assurance to the board and shareholders on whether the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework.</p>
(P)D.1.2	<p>Did the company receive an "adverse opinion" in its external audit report?</p> <p>NO. The Bank's external auditor, SGV & Co., rendered an unqualified/clean opinion on its Audited Financial Statements.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements – Independent Auditor's Report, Page 14</p>	<p>IV.D. External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit in the public interest.</p>
(P)D.1.3	<p>Did the company receive a "disclaimer opinion" in its external audit report?</p> <p>NO. The Bank's external auditor, SGV & Co., rendered an unqualified/clean opinion on its Audited Financial Statements.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements – Independent Auditor's Report, Page 14</p>	<p>ICGN (2021) PRINCIPLE 8: 8.2 External audit</p> <p>The board should establish formal procedures to ensure an effective and independent external audit of the</p>

(P)D.1.4	<p>Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?</p> <p>NO. The Bank did not revise its financial statements in the past year for reasons other than changes in accounting policies.</p> <p>The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective as at January 1, 2023. The Bank has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Bank.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Audited Financial Statements – Notes to Financial Statements – Changes in Accounting Policies and Disclosures, Page 28</p>	<p>company’s financial statements to provide assurance to shareholders and relevant stakeholders around a company’s financial position, performance and prospects. The external auditor’s direct reporting relationship and accountability should be to the independent audit committee.</p>
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(P)E.	Responsibilities of the Board	
(P)E.1	Compliance with listing rules, regulations and applicable laws	Guiding Reference
(P)E.1.1	<p>Is there any evidence that the company has not complied with any listing rules and regulations apart from disclosure rules over the past year?</p> <p>NO. The Bank has been and is compliant with listing rules and regulations apart from disclosure rules over the past year.</p>	<p>G20/OECD Principles of Corporate Governance (2023): VI.D.8. Ensuring the integrity of the corporation’s accounting and reporting systems for disclosure, including the independent external audit, and that appropriate control systems are in place, in compliance with the law and relevant standards.</p> <p>Companies are also well advised to establish and ensure the effectiveness of internal controls, ethics, and compliance programmes or measures to comply with applicable laws, regulations and standards, including statutes criminalising the bribery of foreign public officials, as required under the OECD Anti-Bribery Convention, and other forms of bribery and corruption. Moreover, compliance must also relate to other laws and regulations such as those covering securities, taxation, competition, and work and safety conditions. Other laws that may be applicable include those relating to human rights, the environment, fraud and money laundering. Such compliance programmes will also underpin the company’s code of ethics.</p>
(P)E.1.2	<p>Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?</p> <p>NO. The resignations of independent director Mr. Higinio O. Macadaeg, Jr. effective 17 July 2023 and of non-executive director Ms. Ma. Soledad D.S. De Leon effective 31 January 2024 were for personal reasons rather than due to disagreement with any Board policies and practices. They did not raise any issues of governance-related concerns.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission 17-C (Current Reports)>2023>Resignation of PSBank Independent Director Higinio O. Macadaeg, Jr. Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission 17-C (Current Reports)>2024>Resignation of PSBank Director Ma. Soledad D.S. De Leon</p>	<p>UK CODE (JULY 2018)</p> <p>Provision 8. Where directors have concerns about the operation of the board or the management of the company that cannot be resolved, their concerns should be recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the chair, for circulation to the board, if they have any such concerns.</p>

(P)E.2	Board structure	Guiding Reference
(P)E.2.1	<p>Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity?</p> <p>1 The five years term must be required by legislation which pre-existed before the introduction of the ASEAN Corporate Governance Scorecard in 2011</p> <p>NO. All four (4) incumbent independent directors of the Bank are still serving within their nine (9)-year term limit, to wit:</p> <ol style="list-style-type: none"> 1. Mr. Eduardo A. Sahagun – Independent Director since April 2017; 2. Mr. Francisco S. Magsajo, Jr. - Independent Director since April 2021; 3. Mr. Rufino Luis T. Manotok - Independent Director since April 2023; and 4. Mr. Ronald Luis S. Goseco - Independent Director since September 2023. <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board of Directors Profiles, Page 23</p>	<p>ICGN (2021) PRINCIPLE 3: 3.4 Tenure</p> <p>Independent non-executive directors should serve for an appropriate length of time to ensure they contribute an impartial perspective to board discussion and decision-making. Term limits, where they exist, and the identity of directors who have exceeded such limits (and thus no longer deemed independent) should be disclosed. Director tenure should be reviewed by the Nomination Committee annually and director re- election contingent on a satisfactory evaluation of his or her contribution to the board.</p>
(P)E.2.2	<p>Did the company fail to correctly identify the description of all their directors as independent, non-executive, and executive?</p> <p>NO. All nine (9) directors of the Bank have been correctly identified as either independent, non-executive and executive as disclosed in the Bank’s corporate website and Annual Report.</p> <p>Corporate Website: About PSBank>Corporate Governance>Board Committee Members Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees, Pages 52-53</p>	<p>ICGN (2021) PRINCIPLE 2: 2.6 Independence criteria</p> <p>The board should identify in the annual report the names of the directors considered by the board to be independent and who are able to exercise independent judgment free from any external influence.</p>
(P)E.2.3	<p>Does the company have any independent directors/non- executive/commissioners who serve on a total of more than five boards of publicly-listed companies?</p> <p>NO. None of the Bank’s four (4) independent directors and four (4) non-executive directors are serving a total of more than five (5) boards in publicly-listed companies.</p> <p>Corporate Website : About PSBank>Corporate Governance>Corporate Governance Manual – Limits for Independent and Non-Executive Directors, Page 29 Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Item 5. Directors and Executive Officers, Pages 10-15 and 21-22</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.E.3. Board members should be able to commit themselves effectively to their responsibilities.</p> <p>Service on too many boards or committees can interfere with the performance of board members. Some jurisdictions have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders</p>
(P)E.3	External Audit	Guiding Reference

<p>(P)E.3.1</p>	<p>Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?</p> <p>NO. None of the Bank's directors or senior management is a former employee or partner of its current external auditor- SGV & Co. in the past 2 years.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Item 5. Directors and Executive Officers, Pages 10-22</p>	<p>G20/OECD Principles of Corporate Governance (2023) IV.C. An annual external audit should be conducted by an independent, competent and qualified auditor in accordance with internationally recognised auditing, ethical and independence standards in order to provide reasonable assurance to the board and shareholders on whether the financial statements are prepared, in all material respects, in accordance with an applicable financial reporting framework.</p> <p>Provision of non-audit services by the external auditor to a company can impair their independence and might involve them auditing their own work or present other threats to independence. To deal with such potential threats, some jurisdictions require the disclosure of payments to external auditors for non- audit services. Examples of other provisions designed to promote external auditor independence include a ban or severe limitation on the nature of non-audit work which can be undertaken by an auditor for their audit client; periodic communications to the audit committee discussing the nature, timing and fees of the non-audit work (including the approval of such work) as well as relationships that may threaten auditor independence; mandatory rotation of auditors (either partners or in some cases the audit company); a fixed tenure for auditors; joint audits; a temporary ban on the employment of an ex- auditor by the audited company; and prohibiting auditors or their dependents from having a financial stake or management role in the companies they audit. Some jurisdictions take a more direct regulatory approach and limit the percentage of non-audit income that the auditor can receive from a particular client or limit the total percentage of auditor income that can come from one client.</p>
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<p>(P)E.4</p>	<p>Board structure and composition</p>	<p>Guiding Reference</p>
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(P)E.4.1	<p>Has the chairman been the company CEO in the last three years?</p> <p>NO. The Bank's incumbent Chairman, Mr. Vicente R. Cuna, Jr., did not serve as its President/CEO during the last three (3) years. He held such a position way back in 2013-2018.</p> <p>Corporate Website: About PSBank>Company Disclosures>Securities and Exchange Commission Form 20-IS (Information Statement>2024>PSBank Definitive Information Statement for April 25, 2024 ASM, Item 5. Directors and Executive Officers, Page 10</p>	<p>G20/OECD Principles of Corporate Governance (2023): V.E. The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>In jurisdictions with single tier board systems, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and chair. Separation of the two posts is regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability and improve the board's capacity for decision-making independent of management. The designation of a lead director who is independent of management is also regarded as a good practice alternative in some jurisdictions if that role is defined with sufficient authority to lead the board in cases where management has clear conflicts</p> <p>ICGN (2021) PRINCIPLE 2: 2.5 CEO succession to Chair</p> <p>The practice of a company's retiring CEO remaining on the board as a director should be discouraged, regardless of any cooling off period, or in the event this practice does take place, the retiring CEO should not serve on board committees that require independent representation. If, exceptionally, the board decides that a retiring CEO should succeed to become chair, the board should consult with shareholders in advance setting out a convincing rationale and provide detailed explanation in the annual report. Unless there are extraordinary circumstances, there should be a break in service between the roles (e.g., a period of two years).</p>
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<p>(P)E.4.2</p>	<p>Do non-executive directors/commissioners receive options, performance shares or bonuses?</p> <p>NO. The Bank's non-executive directors do not receive options, performance-based shares or bonuses.</p>	<p>UK CODE (JULY 2018) Provision 34. Levels of remuneration for the chair and all non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for all non-executive directors should not include share options or other performance-related elements.</p> <p>ASX CODE (FEB 2019) Box 8.2: Suggested guidelines for Non-executive director remuneration</p> <p>Composition: non-executive directors should be remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity).</p> <p>Fixed remuneration: levels of fixed remuneration for non-executive directors should reflect the time commitment and responsibilities of the role.</p> <p>Performance-based remuneration: nonexecutive directors should not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity</p> <p>Equity-based remuneration: it is generally acceptable for non-executive directors to receive securities as part of their remuneration to align their interests with the interests of other security holders.⁸⁰ However, nonexecutive directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity</p> <p>Termination payments: non-executive directors should not be provided with retirement benefits other than superannuation.</p>
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APPENDIX

Do shareholders have the right to participate in:		
A.2.1	<p>Amendments to the company's constitution?</p> <p>YES. <u>Amendments to the Bank's Articles of Incorporation and By-Laws require at least a majority vote of its Board of Directors and the shareholders comprising of at least 2/3 of its outstanding capital stock.</u> Further, the Bank's Corporate Governance Manual (CGM) also provides that:</p> <p><i>"b. Xxx. Shareholders are also encouraged to participate when given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and ByLaws of the Bank; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that, in effect, results in the sale of the company."</i></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 25</u></p>	<p>G20/OECD (2015) Principle II (B) Shareholders should be sufficiently informed about, and have the right to approve or participate in, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.</p>
A.2.2	<p>The authorisation of additional shares?</p> <p>YES. <u>Amendments to the Bank's Articles of Incorporation, which includes the increase in authorized capital stock, require at least a majority vote of its Board of Directors and the shareholders comprising of at least 2/3 of its outstanding capital stock.</u> Further, the Bank's Corporate Governance Manual (CGM) also provides that:</p> <p><i>"b. Xxx. Shareholders are also encouraged to participate when given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and ByLaws of the Bank; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that, in effect, results in the sale of the company."</i></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 25</u></p>	<p>G20/OECD (2015) Principle II (B): (2) the authorisation of additional shares.</p>
A.2.3	<p>The transfer of all or substantially all assets, which in effect results in the sale of the company?</p> <p>YES. The Bank's Corporate Governance Manual (CGM) provides that:</p> <p><i>"b. Xxx. Shareholders are also encouraged to participate when given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and ByLaws of the Bank; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that, in effect, results in the sale of the company."</i></p> <p><u>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 25</u></p>	<p>G20/OECD (2015) Principle II (B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company</p>

<p>B.1.1</p>	<p>Does the company's ordinary or common shares have one vote for one share?</p> <p>YES. As provided in the Bank's Corporate Governance Manual:</p> <p><i>"Voting Procedures: Every shareholder entitled to vote on a particular question or matter involved shall be <u>entitled to one (1) vote for each share of stock in his name</u>. Cumulative voting is allowed provided that the total votes cast by a shareholder shall not exceed the number of shares registered in his name as of the record date multiplied by the number of directors to be elected. Matters submitted to shareholders for the ratification shall be decided by the required vote of shareholders present in person or by proxy."</i></p> <p>Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual – Shareholders' Rights and Protection of Minority Stockholders' Interests, Page 22</p>	<p>OECD Principle II</p> <p>E. All shareholders of the same series of a class should be treated equally. Capital structures and arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership should be disclosed.</p> <p>1. Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>ICGN Principle 9.1 Share classes</p> <p>Sufficient information about the material attributes of all of the company's classes and series of shares should be disclosed on a timely basis. Ordinary or common shares should feature one vote for each share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power disproportionate to their economic interests should be disclosed and explained. Dual class share structures should be kept under review and should be accompanied by commensurate extra protections for minority shareholders, particularly in the event of a takeover bid.</p>
<p>B.3.1</p>	<p>Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?</p> <p>YES. The Bank has a Policy Against Insider Trading which prohibits directors and employees to benefit from knowledge which is not generally available to the market. Under the said policy, reporting insiders are required to disclose their and their associates' initial beneficial ownership in PSBank shares and any changes thereof on the next trading day after their election/appointment and from the date of changes thereof, respectively. They are likewise prohibited from selling or buying PSBank shares during "blackout periods," i.e., upon obtaining material non-public information up to two trading days after such information is disclosed. The Bank did not have any trading transactions with reporting insiders and/or their associates in 2023.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company's Policies>Policy on Insider Trading PSBank 2023 Annual Report – Insider Trading, Page 47</p>	<p>OECD Principle III</p> <p>E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN Principle 4. Corporate Culture</p> <p>4.5 Employee share dealing</p> <p>There should be clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p>

<p>B.4.1</p>	<p>Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?</p> <p>YES. Our RPT policy also requires our directors and officers with personal interest in our transaction (e.g., they themselves or any of their close family members act as our counterparty) to inhibit or abstain from the discussion, approval, and management of such a transaction, <u>except to provide material information to the Board-level Related Party Transactions Committee (RPTC) or Board about the transaction.</u> Provisions against conflict of interest situations are also stipulated in our Board approved “Code of Conduct” such as the prohibition of self-dealing transactions and in our Corporate Governance Manual.</p> <p>Corporate Website: About PSBank>Corporate Governance>Company’s Policies>Related Party Transactions Policy Corporate Website: About PSBank>Corporate Governance>Company’s Policies>Conflict of Interest Policy Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual>Interlocking Directorships and/or Officerships and Multiple Board Seats, Pages 40-42 Corporate Website: About PSBank>Corporate Governance>Corporate Governance Manual>Specific Duties and Responsibilities of a Director, Page 42 Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Fairness, Page 44</p>	<p>OECD Principle II F. Related-party transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protects the interest of the company and its shareholders.</p> <ol style="list-style-type: none"> Conflicts of interest inherent in related-party transactions should be addressed. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation. <p>ICGN Principle 9.3 Conflicts of interest Policies and procedures on conflicts of interest should be established, understood and implemented by directors, management, employees and other relevant parties. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence.</p> <p>9.4 Related party transactions The process for reviewing and monitoring related party transactions should be disclosed. For significant transactions, a committee of independent directors should be established to vet and approve the transaction</p>
<p>D.2.6</p>	<p>Attendance details of each director/commissioner in all directors/commissioners meetings held during the year</p> <p>YES. The attendance details/records of each of the Bank’s directors in all Board and Board-level committee meetings held during the year are duly disclosed in the Bank’s Annual Report.</p> <p>Corporate Website: About PSBank>Financial Reports>Our Annual Reports>2023 Annual Report – Board Committees and Board Meetings, Pages 52-53</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs.</p> <ol style="list-style-type: none"> Board members should be able to commit themselves effectively to their responsibilities. <p>Service on too many boards can interfere with the performance of board members. Some countries have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders.</p> <p>Disclosure about other board memberships to shareholders is therefore a key instrument to improve board nominations. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.</p>