

ANNUAL CORPORATE GOVERNANCE REPORT

		COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities				
PRINCIPLE 1: The company should be headed by a competent, working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.				
Recommendation 1.1				
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector	compliant	Provide information or link/ reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	Director's Profile	
2. Board has an appropriate mix of competence and expertise.	compliant		Director's Profile	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	compliant		Corporate Governance Manual - page 7-8 Qualification of Trustees	
Recommendation 1.2				
1. Board is composed of a majority of non-executive directors	compliant	Identify or provide link/reference to a document identifying the directors and the type of their directorships.	In writing the Board of Trustees are as follows: President: Carmen D. Rodriguez, Treasurer: Eleanor P. Ilagan Director: Crisanto S. Frianeza Two (2) Independent Directors: Shiela A. Sabayle and Maricar G. Villapando	
Recommendation 1.3				
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors	compliant	Provide link or reference to the company's Board Charter or Manual on Corporate Governance relating to its policy on training of directors	Corporate Governance Manual Page 15 Policy on Trainings	

2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	compliant	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.	Trustees Orientation and Programs
3. Company has relevant annual continuing training for all directors	compliant		Continuous training of Trustees Orientation and Programs
Recommendation 1.4			
1. Board has policy on board diversity	compliant	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.	Corporate Governance Manual - Page 3 The Board of Trustees does not have any policy on gender composition
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualification, duties and functions.	Corporate Secretary Profile - Duties and Responsibilities Corporate Governance Manual - Page 16
2. Corporate Secretary is a separate individual from the Compliance Officer.	compliant		
3. Corporate Secretary is not a member of the Board of Directors.	compliant		Corporate secretary is not a member of the Board of Trustees
4. Corporate Secretary attends training/s on corporate governance.	compliant	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.	Appointment of Corporate Secretary Corporate Governance Training by year 2023

Recommendation 1.6			
1. Board if assisted by a Compliance Officer.	compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, qualification, duties and functions.	Profile of Compliance Officer Corporate Governance Manual page-14
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	compliant		Insurance Commission has approved the appointment of the Compliance Officer
3. Compliance Officer is not a member of the board.	compliant		
4. Compliance Officer attends training/s on corporate governance annually.	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.	Compliance Officer Trainings Attended
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Provide information or link/reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of the meeting)	Board of Trustees Minutes of Meeting and Board Resolutions
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Provide information or link/reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of the meeting)	The Board of Trustees Annual General Meeting year 2023
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength.	Compliant	Indicate frequency of review of business objective and strategy	Annual Report 2022- Page 31 Frequency of review of business objective and strategy

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications	The Chair person /President profile
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	compliant	Disclose and provide information or link/reference to a document containing information on the company's succession planning and retirement policies and programs, and its implementation	Code on Employees Conduct and Ethics - Page 11
2. Board adopts a policy on the retirement for directors and key officers.	compliant		Code on Employees Conduct and Ethics - Page 11
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	compliant	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.	Code of Business Conduct and Ethics - Page 9
2. Board aligns the remuneration of key officers and board members with long term interests of the company.	compliant		The remuneration of key officers and employees will be based on work performance
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	compliant		The Board of Trustees do not receive compensation or remuneration

Recommendation 2.6			
1. Board has formal and transparent board nomination and election policy.	Compliant	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how encourages nomination from shareholders. Provide proof if minority shareholders have a right to nominate candidates to the board. Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Gemba's By-Laws Article III Section 1
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		Corporate Governance Manual - Page 3
3. Board nomination and election policy includes how the company accepts nomination from minority shareholders	Compliant		Corporate Governance Manual - Page 19 and 21
4. Board nomination and election policy includes how the board reviews nominated candidates.	Compliant		Corporate Governance Manual - Page 3
5. Board nomination and election policy includes an assesment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant		Corpoarte Governance Manual - Page 3
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		Code of Business Conduct and Ethics -Page 6
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Provide information on or reference to a document containing the company's policy on related party transaction, including polciy on review and approval of significant RPTs Identify transactions that were approved pursuant to the policy.	Annual Report 2022- Page 25-28
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		Financial Statement 2022- Page 30-32
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		Financial Statement 2022- Page 30-32

Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management. Identify the Management team appointed.	Corporate Governance Manual - Page 4 - 7 Annual Report 2021 Page - 38
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of the management. Provide information on the assessment process and indicate frequency of assessment of performance.	For the year 2022-3 Audit Committee Meetings For the year 2022-2 Risk Management Committee Meetings For the year 2023 - 2 Nomination Committee
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	Compliant	Provide information on or link/reference to a document containing the Board's performance management, framework for management and personnel.	Corporate Governance Manual - Page 16-20 Board Performance
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		Code on Employees Conduct & Ethics - Page 9

Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	Corporate Governance Manual - Page 6
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		Code of Business Conduct and Ethics Page - 4 & 5
3. Board approves the Internal Audit Charter	Compliant	Provide reference or link to the company's Internal Audit Charter	Corporate Governance Manual - Page 10
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.	Annual Report 2022- Page 60-61
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		Provide proof of effectiveness of risk management strategies. If any.
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties	Compliant	Provide link to the company's website where the Board Charter is disclosed.	www.gemba.org.ph Corporate Governance Manual Page 3-7
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		www.gemba.org.ph Corporate Governance Manual Page 16
3. Board Charter is publicly available and posted on the company's website.	Compliant		www.gemba.org.ph Corporate Governance Manual Page 3-7

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in publicly available Committee Charter.

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Provide information or link/reference to a document containing information on all the board committees established by the company.	Corporate Governance Manual - Page 8 & 15
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.	Corporate Governance Manual - Page 10-11 Corporate Governance Manual - Page 10-11
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	compliant	Provide information or link/reference to a document containing information on the members of Audit Committee, including their qualifications and type of directorship.	Audit Committee Membe's Profile - Qualification and Non-Executive Directors
3. All the members of the committee have relevant background , knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	compliant	Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.	Same as above
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Audit Committee.	Appointment Letter of Chairman of Audit Committee

Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.	Corporate Governance Manual Page 8 Yes
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent director.	compliant	Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.	Corporate Governance Committee Members are as follows: Carmen D. Rodriguez, Sabayle, Sheila , and Analyn B. Manuel
3. Chairman of the Corporate Governance Committee is an independent directors.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee	Insurance Commission Approval of Ms Carmen D. Rodriguez (President) as Chairman of Corporate Governance Committee
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions	Corporate Governance Manual - Page 11-13
2. BROC is composed of atleast three members, the majority of whom should be independent directors, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type os directorship	BROC Committee Members are as follows: Villapando, Maricar G., Rodriguez, Carmen D. ,and Sabayle, Sheila Qualifications and Appointment
3. The Chairman of the BROC is not the Chairman of the Board or any other committee.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the BROC	Appointment Letter of Chairman - Board Risk Oversight Committee (BROC) BROC CHAIR PROFILE

4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	Profile of BROC Chair & Members
Recommendation 3.5			
1. The board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company	Compliant	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	Annual General Meeting 2023- Page3 Corporate Governance Manual - Page 12
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	Appointment of Members of the Related Party Transaction Committee
Recommendation 3.6			
1. All established committees have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	Provide information or link/reference to a to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	Corporate Governance Manual Page 8-14
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		Corporate Governance Manual - Page 20 Board Committees Evaluation
3. Committee Charters were fully disclosed on Company's website.		Provide link to company's website where the Committee Charters are disclosed.	www.gemba.org.ph Corporate Governance Manual Page-8-14
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			

Recommendation 4.1			
1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	compliant	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board/ or committee meetings. Provide information or link/ reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meeting.	Notice of Annual General Meeting 2023 Annual Report 2022- Page 31
2. The directors review meeting materials for all Board and Committee meetings	compliant		Corporate Governance Manual - Page 6
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	compliant	Provide information link/reference to a document containing information on any questions raised or clarification/ explanation sought by directors	Annual General Meeting (AGM) 2023
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (IRCEs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long term strategy of the company.	compliant	Disclose if the company has a policy setting limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.	Corporate Governance Manual - Page 2
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.	There is none

Principle 5: The board should endeavor to exercise an objective and independent judgement on all corporate affairs.

Recommendation 5.1

1. The Board is composed of at least twenty percent (20%) independent directors.	Compliant	Provide information or link/reference to a document conatining information on the number of independent directors in the board.	Yes
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Recommendation 5.2

1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position	Compliant	Provide information or link/reference to a document containing information on the qualifications of the independent directors.	Yes
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Recommendation 5.3

<p>1. The independent directors serve for a maxmum cumulative term of nine years.</p> <p>As far as the Insurance Copanies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.</p> <p>For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this term</p>	compliant	Provide infromation or link/reference to a document showing the years IDs have served as such.	Independent Directors Appointment
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	compliant	Provide infromation or link/reference to a document containing information on the company's policy on term limits for its independent director.	Corporate Governance Manual - Page 15

3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	compliant	Provide proof of submission of a formal written justification to the Insurance Commission and proof of shareholders' approval during the annual shareholders' meeting.	There is none
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	compliant	Identify the company's Chairman of the Board and Chief Executive Officer.	The Association has President / CEO held by one person President's Profile
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities	compliant	Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the Relationship of Chairman and CEO.	Corporate Governance Manual -Page 16
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Compliant	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairman is independent.	The Board of Trustees will implement and designate a Lead Director among Independent Director by the last quarter of year 2023
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	Compliant	Provide proof of abstention, if this was the case.	It is imperative upon all Directors not to have material interest in any transaction of the Association

Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risks functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of the meetings.	Meeting of External Auditor and Head of Internal Audit
2. The meetings are chaired by the lead independent director.	compliant		Meeting External Auditor and Internal Audit Committee chaired by the Independent Director
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. The Board conducts an annual assessment of the performance as a whole.	compliant	Provide proof of assessments conducted by the whole board, the individual members, the Chairman and the Committees.	Annual Report 2022 Board Annual Assessment Reports
2. The performance of the Chairman is assessed annually by the board.	compliant		
3. The performance of the individual member of the Board is assessed annually by the Board.	compliant		
4. The performance of each committee is assessed annually by the Board.	compliant		
5. Every three years, the assessments are supported by the external facilitator.	compliant	Identify the external facilitator and provide proof of use of an external facilitator.	The required external facilitator will be implemented towards last quarter of year 2023

Recommendation 6.2			
1. Board has in place a system that provides, at the maximum, criteria and process to determine the performance of the Board, Individual directors and committees.	compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders.	Corporate Governance Manual -Page 16-20
2. The systems allows for a feedback mechanism from the shareholders.	compliant		The association will create a System that allows for a feedback mechanism from the shareholder/ member(s) will be implemented by last quarter of the year 2023

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1			
1. The Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behaviour, as well as articulate acceptable and unacceptable conduct and practises in internal and external dealings of the company	Compliant	Provide information or link/reference to the company's Code of Business Conduct and Ethics.	www.gemba.org.ph Code of Business Conduct and Ethics
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Provide information on or discuss how the company disseminated the Code to the Board, senior management and employees.	Code of Business Conduct and Ethics- Page 7
3. The Code disclosed and made available to the public through company website.	compliant	Provide a link to the company's website where the code of Business Conduct and Ethics is posted/disclosed.	www.gemba.org.ph Code of Business Conduct and Ethics

Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	Code of Business Conduct and Ethics- Page 7 Code of Business Conduct Ethics -Page 12
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	compliant	Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings of non-compliance.	The Association, Officers and Employees complied with the Code of Business Conduct and Ethics
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operation.	Compliant	Provide information or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders.	Corporate Governance Manual Page-7
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualification, and assess any potential conflicts of interest that might affect their judgement.	Compliant	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Board of Trustees - Profile and Academic Qualifications

2. Board fully discloses all relevant material information on key executives to evaluate their experience and qualification, and assess any potential conflicts of interest that might affect their judgement.	Compliant	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Key Officers- Profile and Academic Qualifications
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in Annual Corporate Governance Report consistent with (ACGS) and the Revised Corporation Code.	compliant	Disclose or provide link/reference to the company policy and practice for setting board remuneration.	Corporate Governance Manual - Page 8
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in Annual Corporate Governance Report consistent with (ACGS) and the Revised Corporation Code.	compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration.	Code on Employees Conduct and Ethics- Page 9
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.		Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	Code on Employees Conduct and Ethics- Page 9
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPT) and other unusual or infrequently occurring transactions.	compliant	Disclose or provide reference/link to company's RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.	Annual Report 2022 Page 25-28 Code of Business Conduct and Ethics - Page 4- Conflict of Interest

<p>2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.</p>	<p>compliant</p>	<p>Provide information on all RPTs for the previous year or reference to a document containing the following informations on all RPTs:</p> <ol style="list-style-type: none"> 1. Name of the related counterparty; 2. Relationship with the party; 3. Transaction date; 4. Type/nature of transactions; 5. Amount or contract price; 6. Terms of the transaction; 7. Rationale for entering into the transactions; 8. The required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. Other terms and conditions 	<p>Financial Statement - Page 31</p>
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Recommendation 8.7

<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG)</p>	<p>compliant</p>	<p>Provide link to the company's website where the Manual on Corporate Governance is posted.</p>	<p>www.gemba.org.ph Corporate Governance Manual</p>
<p>2. Company's MCG is posted on its Company website.</p>	<p>compliant</p>		<p>www.gemba.org.ph Corporate Governance Manual</p>

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	compliant	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees on the company's external auditor.	Corporate Governance Manual Page 10-11
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	compliant	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	Appointment of External Auditor
3. For removal of the external auditor, the reasons for the removal or change are disclosed to the regulators and the public through the company website and required disclosures.	compliant	Provide information or link/reference to a document containing the company's reason for removal or change of external auditor.	No change of External Auditor
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. Exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	compliant	Provide link/reference to the company's Audit Committee Charter	Corporate Governance Manual- Page 10-11
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	compliant	Provide link/reference to the company's Audit Committee Charter	

Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	compliant	Disclose the nature of non-audit services performed by the external auditor, if any.	The Association does not require any Non-Audit services performed by the external auditor in the Annual Report
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	compliant	Provide link or reference to guidelines or policies on non-audit services.	The Association policy is not to avail of any Non-Audit services
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpines sustainability.	compliant	Disclose or provide link to the company's policies and practices on the disclosure of non-financial information, including EESG issues.	The Association will come up with a policy on disclosure of non-financial information including EESG issues by last quarter of year 2023
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	compliant	provide link to Sustainability Report, if any. Disclose the standards used.	The Association will adopt a globally recognized framework in reporting Sustainability Report for the last quarter of year 2023

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

Recommendation 11.1

1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	compliant	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings/ press conferences, Quarterly reporting, Current Reporting, etc.) Provide links, if any.	The Association's website www.gemba.org.ph
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

1. Company has an adequate and effective internal control system in the conduct of its business.	compliant	List quality service programs for the internal audit functions Indicate frequency of review of the internal control system.	The Association's Code of Business Conduct and Ethics - page 5 There were two (2) meetings held by year 2022
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>compliant</p>	<p>Identify international framework used for Enterprise Risk Management.</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p>Indicate frequency of review of the enterprise risk management framework.</p>	<p>The Association will Identify the International Framework used for ERM and implement for the year 2023 including the reference provided information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks
<p>Recommendation 12.2</p>			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	<p>compliant</p>	<p>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</p>	<p>Internal Audit - In-house</p>
<p>Recommendation 12.3</p>			
<p>1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>compliant</p>	<p>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</p>	<p>Chair of Internal Audit Committee - Qualifications</p>
<p>2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.</p>	<p>compliant</p>		<p>Corporate Governance Manual - Page 10-11</p> <p>The Association does not outsource a third party service provider</p>

3. In case a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity	compliant	Identify qualified independent executive or senior management personnel, if applicable.	The Association does not outsource internal audit activity
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	compliant	Provide information on company's risk management function.	Corporate Governance Manual - Page 11
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	compliant	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	The Association appointed MS. CARMEN D. RODRIGUEZ as the Chief Risk Officer (CRO) and implemented this year 2023 containing duties/qualifications and responsibilities Profile Chief Risk Officer Appointment Letter - Chief Risk Officer
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities	compliant		same as above
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that the basic shareholders rights are disclosed in the Manual on Corporate Governance.	compliant	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	Corporate Governance Manual - Page 21, 22 and 23
2. Board ensures that basic shareholder rights are disclosed on the company's website.	compliant	Provide link to company's website	www.gemba.org.ph Corporate Governance Manual - Page 21, 22 and 23
Recommendation 13.2			

<p>1. Board encourages active shareholder participation by sending Notice of Annual and Special Shareholders Meeting with sufficient and relevant information at least 21 days before the meeting</p>	<p>compliant</p>	<p>Indicate the number of days before the annual stockholders' meeting and special stockholders' meeting when the notice and agenda were sent out</p> <p>Indicate whether shareholder's approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement</p>	<p>Notice of Annual General Meeting of the Members 2023</p>
<p>Recommendation 13.3</p>			
<p>1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day</p>	<p>compliant</p>	<p>Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</p>	<p>Minutes of Annual General Meeting of the Members 2023</p>
<p>2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting</p>	<p>compliant</p>	<p>Provide link to minutes of the meeting in the company website.</p> <p>Indicate voting results for all agenda items, including the approving dissenting and abstaining votes.</p> <p>Indicate also if voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any.</p>	<p>www.gemba.org.ph</p> <p>Minutes of Annual General Meeting of the Members 2023</p>
<p>Recommendation 13.4</p>			

1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.	Corporate Governance Manual Page - 4-5
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	compliant	Provide link/reference to where it is found in the Manual on Corporate Governance.	www.gemba.org.ph Corporate Governance Manual - Page 4-5
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and /or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violations of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	compliant	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.	Code of Business Conduct and Ethics - Page 6
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	compliant	Identify policies and programs for the protection and fair treatment of company's stakeholders.	Code of Business Conduct and Ethics - Page 6
Recommendation 14.3			

1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	compliant	Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violations of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders.	www.gemba.org.ph Contact Us Code on Employees Conduct & Ethics - page 7-8
Principle 15: A mechanism for employee participation should be developed to create a symbolic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	compliant	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	Code on Employees Conduct and Ethics- Page 3
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practises by adopting an anti-corruption policy and program in its Code of Conduct.	compliant	Identify or provide link/reference to the company's policies, programs and practises on anti corruption.	Code of Business Conduct and Ethics- Page 6
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	compliant	Identify how the board disseminated the policy and program to employees across the organization.	Code on Employees Conduct and Ethics Page - 5
Recommendation 15.3			
1. Board established a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	compliant	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes	Code on Employees Conduct & Ethics - Page 7 - 8

2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	compliant	<p>procedures to protect the employees from retaliation.</p> <p>Provide contact details to report any illegal or unethical behavior.</p>	<p>Code on Employees Conduct & Ethics - Page 8</p> <p>www.gemba.org.ph</p> <p>Contact-Us</p>
3. Board supervises and ensures the enforcement of the whistleblowing framework.	compliant	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.	<p>Code on Employees Conduct & Ethics - Page 8</p>

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

Recommendation 16.1

1. Company recognizes and places importance on the independence between business and society, and promotes a mutually beneficial relationship that allows company to grow its business, while contributing to the advancement of the society where it operates.	compliant	Provide information or reference to a document containing information on the company's community involvement and environment-related programs.	<p>Corporate Social Responsibility</p> <p>Annual Report page62-63</p>
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