



30 May 2025

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **ATTY. JOHANNE DANIEL M. NEGRE**
Officer-in-Charge, Disclosure Department

PHILIPPINE DEALING AND EXCHANGE CORP.

29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **ATTY. SUZY CLAIRE R. SELLEZA**
Head - Issuer Compliance and Disclosure Department

Gentlemen:

In compliance with the Commission's requirements under SEC Memorandum Circular No. 15 Series of 2017, we are submitting herewith Union Bank of the Philippines' Integrated Annual Corporate Governance Report for 2024.

We trust that you find all the foregoing in order.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Isagani A. Cortes', written over a horizontal line.

ISAGANI A. CORTES
Chief Compliance and Corporate Governance Officer



30 May 2025

SECURITIES AND EXCHANGE COMMISSION

SEC Headquarters, 7907 Makati Avenue
Salcedo Village, Brgy. Bel-Air, Makati City 1209

Attention: **ATTY. RACHEL ESTHER J. GUMANTANG-REMALANTE**
Director, Corporate Governance and Finance Department

Re: **Integrated Annual Corporate Governance Report**

Dear Atty. Remalante,

In compliance with the Commission's requirements under SEC Memorandum Circular No. 15 Series of 2017, we are submitting herewith Union Bank of the Philippines' Integrated Annual Corporate Governance Report for 2024.

We trust that you find all the foregoing in order.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Isagani A. Cortes', written over a horizontal line.

ISAGANI A. CORTES
Chief Compliance and Corporate Governance Officer



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 2024
2. SEC Identification Number 36073
3. BIR Tax Identification No. 000-508-271-000
4. Exact name of issuer as specified in its charter Union Bank of the Philippines
5. Metro Manila, Philippines
6. (SEC Use Only)
- Province, Country or other jurisdiction of
incorporation or organization
- Industry Classification Code:
7. Unionbank Plaza, Meralco Avenue corner Onyx and Sapphire Streets, Ortigas Center, Pasig City ,1605
- Address of principal office
- Postal Code
8. (632) 8667-6388
- Issuer's telephone number, including area code
9. Not Applicable
- Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT / NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience, or expertise that is relevant to the company's industry/sector.	COMPLIANT	Our 15-member Board is composed of directors who bring a wide range of skills and deep industry experience to our Boardroom. Our directors are elected at the annual meeting of stockholders, each of whom holds office for a term of one year, or until his successor has been chosen and qualified. Collectively, the competencies, skills, experience, and qualifications of our individual directors span different industries and sectors, including banking and financial services, utilities, construction, manufacturing, power, infrastructure, pharmaceutical, food and beverage, and real estate. Website (under Board Governance microsite)	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	Annual Report (Board composition, Page 74) (Board diversity, skills, and competencies, Page 74-75) (Profile of the Board of Directors, Pages 98-102)	
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		
Recommendation 1.2			

1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p><i>Identify or provide link/reference to a document identifying the directors and the type of their directorships</i></p> <p>Our 15-member Board is composed of two (2) executive directors, five (5) independent directors, and eight (8) non-executive directors.</p> <p>Website (under Board Governance microsite)</p> <p>Annual Report (Board composition, Page 74) (Board diversity, skills, and competencies, Page 74-75) (Profile of the Board of Directors, Pages 98-102)</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p>Upon joining the Board, new directors are properly oriented and briefed on matters pertaining to the organization's structure, business, strategies, and governance. Incumbent directors also attend continuing training programs and courses on specific regulations and corporate governance matters relevant to the organization, including audit, internal controls, risk management, financial technology, sustainability, and strategy.</p> <p>Manual on Good Corporate Governance (Continuing Learning Program for the Board, Pages 31-32)</p> <p>Website (under Board Governance microsite)</p> <p>Annual Report (Board induction, training, and continuing education, Pages 78-80)</p>	
2. Company has an orientation program for first time directors.	COMPLIANT	<p><i>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.</i></p> <p>Upon joining the Board, new directors are properly oriented and briefed on matters pertaining to the organization's structure, business, strategies, and governance.</p> <p>The Corporate Governance Committee ensures effective implementation of policy for onboarding/orientation program for first time directors. For this purpose, the orientation program</p>	

		<p>for first time directors shall be for at least eight (8) hours, and the training programs should cover topics relevant in carrying out their duties and responsibilities as directors.</p> <p>Manual on Good Corporate Governance (Continuing Learning Program for the Board, Pages 31-32)</p> <p>Website (under Board Governance microsite)</p> <p>Annual Report (Board induction, training, and continuing education, Pages 78–80)</p>	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	<p>Incumbent directors attend continuing training programs and courses on specific regulations and corporate governance matters relevant to the organization, including audit, internal controls, risk management, financial technology, sustainability, and strategy.</p> <p>In 2024, our directors attended a series of learning sessions organized by Aboitiz Equity Ventures (AEV), conducted by renowned experts across the globe on areas such as geopolitics, artificial intelligence, sustainability and stakeholder management, and corporate culture and talent management. Directors have the option to attend UBP's Risk Governance and Compliance Summit Series, AEV's learning sessions, and other trainings from BSP accredited service providers, provided they fulfill the mandatory 4-hour corporate governance training. The programs and continuing training for all directors aim to promote effective board performance and in carrying out their duties and responsibilities. We make sure to regularly assess the needs of our directors to determine the appropriate scope and coverage of these programs.</p> <p>Manual on Good Corporate Governance (Continuing Learning Program for the Board, Pages 31-32)</p> <p>Website (under Board Governance microsite)</p> <p>Annual Report (Board induction, training, and continuing education, Pages 78–80)</p>	
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<i>Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.</i>	
2. Company has a policy on and discloses measurable objectives		Over the last few years, the makeup of our Board has changed dramatically to align with the diversity of the customers and markets we serve. We are ramping up our efforts to attract diverse talents and	

<p>for implementing its board diversity and reports on progress in achieving its objectives.</p>		<p>leaders into our organization, which allow us to think differently, solve problems more creatively, raise challenging questions, and make more accurate decisions.</p> <p>We believe that achieving diversity in the Boardroom is a step towards better governance. As a matter of transparency, we have identified the following measurable objectives for implementing our Board Diversity Policy and the progress in achieving these objectives, in compliance with the standards espoused by the ASEAN Corporate Governance Scorecard:</p> <ul style="list-style-type: none"> • At least two (2) female directors • At least five (5) independent directors • At least two (2) directors with knowledge and expertise on information technology (IT), cybersecurity, and technology governance • At least fifty percent (50%) of Board members with background or experience in banking and financial services <p>At the time of writing, our Board has achieved the above-mentioned diversity targets. Collectively, the competencies, skills, experience, and qualifications of our individual directors span different industries and sectors, including banking and financial services, utilities, marketing management, construction, manufacturing, power, infrastructure, pharmaceutical, food and beverage, and real estate.</p> <p>In terms of gender diversity, we have two (2) female directors in the Board. We have five (5) out of nine (9) Board committees with female representation.</p> <p>In terms of the type of directorships, we have two (2) executive directors, while the remaining Board members are non-executive and/or independent.</p> <p>Our Board is also composed of directors with a mix of age and tenure, with new and younger directors bringing fresh ideas and perspectives into the table, while more senior and longer serving directors contributing institutional knowledge and insights about the business, operations, and history of the organization.</p> <p>Our Board is satisfied that its current demographics, collective expertise, and core competencies are sufficiently diverse to meet the needs of the organization.</p> <p>Website (under Board Governance microsite)</p>	
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		Annual Report (Board diversity, skills, and competencies, Page 74-75) (Profile of the Board of Directors, Pages 98-102)	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</i></p> <p>Our Corporate Secretary assists the Board and the board committees in the conduct of their meetings. He also preserves the integrity of all documents, records, and other information essential to the conduct of his duties and responsibilities to the organization.</p> <p>Atty. Joselito V. Banaag holds the position of Senior Vice President, Corporate Secretary, and General Counsel of UnionBank. He was the former Head of the Legal and Compliance Division and Corporate Governance of GT Capital Holdings, Inc., a publicly listed company, from 2012 to 2015. He also previously worked at the Philippine Stock Exchange (PSE), a publicly listed company, as the General Counsel and concurrently, as Chief Legal Counsel of the Securities Clearing Corporation of the Philippines (SCCP). He was also Officer-in-Charge of the Exchange's Issuer Regulation Division. Prior to that, he held various positions in SGV & Co., Cayetano Sebastian Ata Dado & Cruz Law Offices, PNOC Exploration Corporation, and Padilla Jimenez Kintanar & Asuncion Law Offices.</p> <p>He earned his Bachelor of Arts in Political Science minoring in Japanese Studies from the Ateneo de Manila University and his Bachelor of Laws from the University of the Philippines.</p> <p>The Corporate Secretary is not the Chief Compliance Officer. He is not a member of the Board of Directors.</p> <p>Annual Report (Profile of the Corporate Secretary, Page 104)</p> <p>Manual on Good Corporate Governance (The Corporate Secretary, Pages 26-27)</p> <p>Website (under Board Governance microsite, i.e., The Corporate Secretary)</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p>	

		<p>The Corporate Secretary attended the two-hour Seminar on Corporate Governance conducted by Union Bank of the Philippines on March 11, 2024.</p> <p>Please refer to Annex A for the certificate of attendance.</p>	
Optional: Recommendation 1.5			
1. Corporate Secretary distribute materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	<p><i>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</i></p> <p>The agenda of the meetings, meeting materials, and supporting documents are uploaded to the Diligent Board, a secure board portal, at least five working days in advance, to give ample time for the directors to study the materials and prepare for the meeting.</p> <p>Website (under Board Governance microsite)</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p>	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i></p> <p>The Board has appointed the Chief Compliance and Corporate Governance Officer with the rank of Senior Vice President (SVP) to reinforce adequate stature and authority of compliance in the organization. She oversees the overall design and effective implementation of the compliance risk management system and supervises our compliance function. She serves on a full-time basis and functionally reports to the Corporate Governance Committee.</p> <p>Joselynn B. Torres holds the position of Senior Vice President and Chief Compliance and Corporate Governance Officer of UnionBank. With over thirty years of experience in the financial and compliance services industries, working in the areas of business development and mergers and acquisitions, audit, compliance and quality assurance, most of which were spent in the banking sector. She was the Business Development Head of City Savings Bank, Inc. (a UnionBank subsidiary), heading the product development function and assisted in the microfinance business acquisitions. As Senior Vice President, she previously handled Business Development, in charge of mergers & acquisitions, for Philippine Bank of Communications (PBCOM), a publicly listed company; and</p>	

		<p>Compliance and Audit responsibilities for Citibank N.A. Philippines and ABN AMRO, responsible for the promotion of control and compliance awareness among the employees of the organization.</p> <p><u>Annual Report</u> (Profile of the Chief Compliance and Corporate Governance Officer, Page 103) (Our Compliance Framework, Pages 88-90)</p> <p><u>Manual on Good Corporate Governance</u> (Compliance Officer, Pages 27-28)</p>	
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.</i></p> <p>The Chief Compliance and Corporate Governance Officer attended a total of eight-hour Seminar on Corporate Governance conducted by Union Bank of the Philippines and the Institute of Corporate Directors on March 11, March 28, July 29 and September 9, 2024.</p> <p>Please refer to Annex B, Annex C, Annex D and Annex E for the certificate of attendance.</p>	

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

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	<p><i>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</i></p> <p>The Board devotes sufficient time and attention to discuss and deliberate on important matters and issues at hand. Regular meetings of the Board are held monthly, the schedule of which is set before the start of the calendar year. Special meetings may be called if needed.</p> <p>The meetings are convened and presided over by the Chairman of the Board. Board members engage in healthy debate, ask questions, and seek clarifications on the proposals presented.</p> <p>In 2024, the Board held a total of eighteen (18) regular and special meetings. All directors have complied with (a) the fifty</p>	
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		<p>percent (50%) minimum attendance requirement to be eligible for re-election, (b) the seventy-five percent (75%) attendance rate recommended by the parameters of the ACGS, and (c) the twenty-five percent (25%) physical attendance requirement of the MORB.</p> <p>Past actions of the Board, its committees, and including the actions of the Management of the Bank are ratified by the stockholders' during the annual stockholders' meeting. These pertain to all contracts, investments, and resolutions issued, and all other acts and proceedings made by the Board, its Committees, and the Management of the Bank in the general exercise of their duties for the year 2023, together with the material Related Party Transactions disclosed in the Notes to Financial Statements, Note 32, pages 145-151, of the Audited Financial Statements which was attached to the Definitive Information Statement in accordance with the Revised Corporation Code and enumerated under Item 5 of the Information Statement, as well as the summary of RPTs in 2023.</p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Ratification of Past Actions of the Board of Directors, Board Committees and Management, Page 10)</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting) Indicate frequency of review of business objectives and strategy</i></p> <p>Our Board of Directors serves as the governing body elected by the stockholders that exercises the corporate powers of the organization and has the fiduciary responsibility to protect UnionBank and all its shareholders.</p> <p>The Board approves and oversees the company's vision, mission, and strategic priorities, as well as monitors the implementation of our corporate governance framework.</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	<p>Past actions of the Board, its committees, and including the actions of the Management of the Bank are ratified by the stockholders' during the annual stockholders' meeting. These pertain to all contracts, investments, and resolutions issued, and all other acts and proceedings made by the Board, its Committees, and the Management of the Bank in the general exercise of their duties for the year 2023, together with the material Related Party Transactions disclosed in the Notes to Financial Statements, Note 32, pages 145-151, of the Audited Financial Statements which was attached to the Definitive Information Statement in accordance with the Revised Corporation Code and enumerated under Item 5 of the Information Statement, as well as the summary of RPTs in 2023.</p>	

		<p>The details of the implementation of the company's business objectives and strategy can be found in the Chairman's Message and President & CEO's Report under the Annual Report.</p> <p><u>Minutes of the Annual Stockholders' Meeting held on April 26, 2024</u> (Ratification of Past Actions of the Board of Directors, Board Committees and Management, Page 10) <u>Annual Report</u> (Chairman's Message, Pages 11-13) (President & CEO's Report, Pages 14-17)</p>	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	<p><i>Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values.</i></p> <p>Vision To become one of the top three universal banks in the Philippines by building a bank of enduring greatness</p> <p>Purpose To co-create innovations for a better world</p> <p>Values I earn the trust of my stakeholders through Integrity, Magis and Ubuntu.</p> <p>INTEGRITY I do the right thing at all times. I am trustworthy, transparent & authentic. I treat everyone with respect. I am fair, honest and accountable for any actions.</p> <p>MAGIS I am obsessed with the customer. I continuously innovate. I learn fast to build capabilities. I achieve great results with an agile mindset. I collaborate.</p>	

		<p>UBUNTU I seek to understand through courageous conversations. I give feedback, real-time and on demand. I communicate clearly & openly.</p> <p>Annual Report (Vision, Purpose, and Values, Page 5)</p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	COMPLIANT	<p><i>Provide information on or link/reference to a document containing information on the strategy execution process.</i></p> <p>UnionBank's journey towards building a Bank of Enduring Greatness was one defined by relentless innovation, digital evolution, and an unwavering dedication to customer-centricity. This transformation has been powered by two game-changing shifts:</p> <p>1. Investing in Digital as the Future of Banking – Digital channels were geared towards delivering the best customer experiences, while core systems were aimed to sustain a low cost-to-serve model. Our robust technology infrastructure and innovative digital platforms were instrumental for us to have been able to successfully integrate the acquired consumer business from Citi.</p> <p>2. Building a More Predictable Earnings Base – We strengthened our recurring income streams with our focus on Retail Banking, maximizing the exponential growth of our retail customers from our digitally acquired deposit customers and the addition of the migrated ex-Citi consumer business. This has provided us with more stable sources of balance sheet growth that drives recurring net interest income and fees. 2024 can be considered a milestone year for the Bank as we ended the year with record-high topline revenues. We now have the fastest-growing retail customer base since 2019 with over 17 million customers. Our position as a major player in consumer banking has been reinforced by the expansion of our customer transactions, as well as enhanced risk and operating model. The UnionBank brand is stronger than ever due to reputation, customer loyalty, and market position.</p> <p>As we move forward, our customers will remain at the forefront of our strategy. We will continue to provide exceptional banking experiences by upholding security, efficiency, and innovation in every interaction. We will keep on delivering new and exciting product and service innovations which are designed and built around our customers' needs and goals</p>	

		<p>The seamless integration of Citi’s consumer business highlights UnionBank’s ability to execute complex, large-scale transformations with speed and precision. More than just a technical migration, this achievement was about welcoming Citi’s customers into the UnionBank ecosystem while preserving and enhancing the products and services they trust.</p> <p>UnionBank’s strategic digital investments have positioned us as a top choice for consumers, driving our customer base to 17.3 million in 2024—an average annual increase of 2.5 million new retail customers since 2019.</p> <p>With a solid foundation in place, we are ready to propel UnionBank into the future. To take UnionBank to the next level, we must be ready for the next generation of banking—one that goes beyond digitization.</p> <p>Annual Report (Chairman’s Message, Pages 11-13) (President & CEO’s Report, Pages 14-17)</p>	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p><i>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications.</i></p> <p>The Chairman facilitates discussions of key issues by fostering an environment conducive to constructive debate and leveraging on the skills and expertise of individual directors. He also makes certain that the meeting agenda focuses on strategic matters, including key governance concerns.</p> <p>Our Chairman of the Board is Erramon I. Aboitiz. He is the Chairman of the Board of Directors of Endeavor Philippines and UnionBank Investment Management and Trust Corporation. Mr. Aboitiz sits as Director of Aboitiz Equity Ventures, Inc. and Aboitiz Power Corporation. He is the Chairman of the Board of Trustees of the Asian Institute of Management, and a Board Observer of Aboitiz & Company, Inc.</p> <p>Mr. Aboitiz was awarded the Management Association of the Philippines’ Management Man of the Year and Ernst & Young’s Entrepreneur of the Year both in 2011.</p> <p>Mr. Aboitiz earned a Bachelor of Science degree in Business Administration, major in Accounting and Finance, from Gonzaga University in Spokane, U.S.A. He was also conferred an Honorary Doctorate Degree in Management by the Asian Institute of Management. He is not connected with any government agency or instrumentality.</p> <p>Annual Report</p>	

		(Profile of the Chairman of the Board, Page 98)	
		Manual on Good Corporate Governance (The Chairman, Pages 13-14)	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p><i>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its 2. Board adopts a policy on the retirement implementation.</i></p> <p>We recognize that succession is an integral piece in driving our strategies. We conduct regular talent reviews to identify successors for critical positions and ensure leadership continuity. Potential successors are assessed in terms of expertise and performance, leadership capability, culture alignment, and technology adoption. We cast a wider net of leadership pool through the management training program, identification of high-potential talents, leadership development, and external talent mapping.</p> <p>While prevailing governance standards recommend the adoption of mandatory retirement age limits for directors as a means to renew board composition, we believe that this is not always the most viable option, since adopting a fixed limit on director tenure could result in the arbitrary and premature retirement of seasoned directors with valued expertise and in depth knowledge of the organization's business, structure, and history.</p> <p>Our deliberate and systematic effort to ensure leadership continuity covers retirement of eligible employees. Under our Retirement Policy, the normal retirement age is sixty (60) years with a provision for late retirement beyond the age of sixty (60) subject to approval of the Board.</p> <p>For Board members, as an alternative to adopting a fixed retirement age limit, we have established robust procedures on the re-election of incumbent directors, in accordance with the 'fit and proper' rule, to ensure that they remain qualified for the position for the duration of their respective terms. Aptitude and integrity, professional diligence, and independent judgement of individual directors are being evaluated on a yearly basis, as part of the Board's performance assessment, the results of which are being considered for their re-election. For independent directors, we have also adopted a maximum cumulative term limit of nine (9) years. After which, the independent director is perpetually barred from serving as independent director in the Bank, but may continue to serve as regular director.</p> <p>Annual Report (Retirement and term limit, Page 80)</p>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT		

		(Retirement and Succession Management, Page 87)	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p><i>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.</i></p> <p>Our remuneration policy is anchored on attracting, engaging, and retaining talents. We adhere to the philosophy of meritocracy across all employee ranks. Our remuneration structure is designed to ensure there is an appropriate balance of fixed and variable rewards that consider individual, group, and corporate performance.</p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	<p>Eligible employees receive variable pay based on the performance for the preceding year. Eligible senior officers are participants in a deferred employee stock program. Annual salary increases are based on performance and promotion. All teams and their employee team members have defined and measurable performance indicators and targets following the balanced scorecard framework.</p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	<p>Contributions are rewarded based on an appraisal conducted by senior management. Rewards could be withheld if an employee fails to meet performance requirements or if an administrative or disciplinary action is imposed against the employee.</p> <p>In accordance with Section 29 of the Revised Corporation Code, directors do not participate in the determination of their own per diems or compensation.</p> <p>Annual Report (Remuneration, Page 87-88)</p>	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	COMPLIANT	<p><i>Provide proof of board approval.</i></p> <p>The Board, through the Corporate Governance Committee, establishes a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with our corporate culture, strategy, and control environment.</p> <p>Website (Corporate Governance Committee Charter under the Board Governance microsite)</p>	

2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	<p><i>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</i></p> <p>Our remuneration policy is anchored on attracting, engaging, and retaining talents. We adhere to the philosophy of meritocracy across all employee ranks. Our remuneration structure is designed to ensure there is an appropriate balance of fixed and variable rewards that consider individual, group, and corporate performance.</p> <p>Eligible employees receive variable pay based on the performance for the preceding year. Eligible senior officers are participants in a deferred employee stock program. Annual salary increases are based on performance and promotion. All teams and their employee team members have defined and measurable performance indicators and targets following the balanced scorecard framework.</p> <p>Contributions are rewarded based on an appraisal conducted by senior management. Rewards could be withheld if an employee fails to meet performance requirements or if an administrative or disciplinary action is imposed against the employee.</p> <p>In accordance with Section 29 of the Revised Corporation Code, directors do not participate in the determination of their own per diems or compensation.</p> <p>Annual Report (Remuneration, Page 87-88)</p>	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>We have established strict and rigorous vetting and selection procedures, as summarized below, to effectively review the qualifications of nominees.</p> <p>The Compliance and Corporate Governance Office (CCGO), through the Corporate Secretary, accepts the nominations from the shareholders. As a matter of practice, all shareholders, including minority shareholders, can nominate candidates for seats on the Board.</p> <p>CCGO reviews the profile of the nominees against 'fit and proper' standards to ascertain that they possess all the qualifications and none of the disqualifications stipulated under the Manual of Regulations for Banks (MORB) and other applicable requirements under existing laws and BSP regulations.</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3. Board nomination and election policy	COMPLIANT		

includes how the company accepted nominations from minority shareholders.		We consider the following factors and criteria in the conduct of fit and proper test: integrity/probity, competence, relevant education/financial literacy/training, diligence, sufficiency of time to fully carry out responsibilities, and concurrent positions in the Bank and interlocking positions in other entities that may pose a conflict of interest.
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<p>Qualified nominees are requested to complete the nomination questionnaire.. CCGO presents the nominees to the Corporate Governance Committee (CGC).</p> <p>CGC then endorses final list of nominees for Board approval. Once approved by the Board, election of directors will be held at the annual meeting of the shareholders.</p>
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT	<p>We also consider the use of professional search firms, industry databases, or other external sources to search for qualified candidates to the Board</p> <p>Upon election, the CCGO prepares and submits the required certifications and other documentary and reportorial requirements to the BSP, in coordination with the directors concerned, pursuant to the confirmation of their election by the Monetary Board of the Bangko Sentral.</p> <p>Annual Report (Board nomination and election, Pages 75)</p>
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	<p>Manual on Good Corporate Governance (Duties and Responsibilities of the Corporate Governance Committee, Pages 15-17)</p> <p>Website (Board Governance microsite)</p>

Optional: Recommendation to 2.6

1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for	COMPLIANT	<p>We consider the use of professional search firms, industry databases, or other external sources to search for qualified candidates to our Board.</p> <p>Annual Report (Board nomination and election, Pages 75)</p>	
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candidates to the board of directors.			
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	<p><i>Provide information on or reference to a document containing the company policy on related party transaction, including policy on review and approval of significant RPTs Identify transactions that were approved pursuant to the policy.</i></p> <p>We ensure that all our transactions with related parties are undertaken only on an arm's length basis and subjected to appropriate oversight of the Board and relevant committees to protect the Bank from conflicts of interest and abusive related party transactions (RPTs) that may arise.</p> <p>Our RPT Policy, which is approved by the Board, is strictly implemented across all covered transactions. The covered transactions include: (1) on-and-off-balance sheet credit exposures and claims and write-offs; (2) investments and/or subscriptions for debt/equity issuance; (3) consulting, professional, agency and other service arrangements/contracts; (4) purchases and sales of assets, including transfer of technology and intangible items; (5) construction arrangements/contracts; (6) lease arrangements/contracts; (7) trading and derivative transactions; (8) borrowings, commitments, guarantees and fund transfers such as advances to and from related parties; (9) sale, purchase, or supply of any goods or materials; (10) establishment of joint venture entities; (11) interim line extension of corporate & commercial loans; (12) capital infusion on subsidiaries; and (13) other transactions.</p> <p>The guidelines ensure fairness and transparency and the appropriate handling and monitoring of RPTs. The bank strictly complies with regulations on Directors, Officers, Stockholders, and Related Interests (DOSRI) transactions.</p> <p>Annual Report (Related Party Transactions, Pages 90)</p> <p>Website (UnionBank RPT Policy under Good Governance Standards, Governance Policies, microsite)</p>	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and	COMPLIANT	<p><i>Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories.</i></p>	

approval of RPTs and categorizes such transactions according to those that are considered *de minimis* or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.

Covered RPTs are subject to the corresponding materiality thresholds, as determined based on existing credit authority structure for credit exposures and approval matrix.

Materiality Threshold

Transactions	Materiality Thresholds ^a Per Transaction
Loans^b	
Corporate Loans	₱ 100M
Commercial Loans	₱ 100M
SME/Business Line	₱ 20M
Mortgage Loans	₱ 20M
Auto Loans	₱ 5M
Corporate Credit Card	₱ 5M
Individual Credit Card	₱ 5M
Treasury - refer to Appendix 18	P10M
ROPA	
Sale of ROPA RE	₱ 20M
Sale of ROPA Auto	₱ 5M
Technology Services Outsourcing** effective Sept 2024	₱ 12.5M
Others	
Insurance Accreditation	₱ 5M
Outsourcing Agreements ^c	₱ 5M
Joint Venture	₱ 5M
Lease Contracts ^c	₱ 5M

Materiality Threshold and Approval

	RPTRC	RPTC	BOD	Stockholders
1. Bank's DOSRI(regardless of amount)	Review	Endorsement	Approval	Confirmation
2. Subsidiaries/Affiliates - Credit Related Transactions	Review	Endorsement	Approval	
2. Other RP Transactions				
a. Non-Material	Approval	Notation	Confirmation	-
b. Material	Review	Endorsement	Approval	Confirmation

<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>COMPLIANT</p>	<p><i>Provide information on voting system, if any.</i></p> <p>Past actions of the Board, its committees, and including the actions of the Management of the Bank are ratified by the stockholders' during the annual stockholders' meeting. These pertain to all contracts, investments, and resolutions issued, and all other acts and proceedings made by the Board, its Committees, and the Management of the Bank in the general exercise of their duties for the year 2023, together with the material Related Party Transactions disclosed in the Notes to Financial Statements, Note 32, pages 145-151, of the Audited Financial Statements which was attached to the Definitive Information Statement in accordance with the Revised Corporation Code and enumerated under Item 5 of the Information Statement, as well as the summary of RPTs in 2023.</p> <p><u>Minutes of the Annual Stockholders' Meeting held on April 26, 2024</u> (Ratification of Past Actions of the Board of Directors, Board Committees and Management, Page 10)</p>	
<p>Recommendation 2.8</p>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<p><i>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management. Identity the Management team appointed.</i></p> <p>The hiring process for senior officers includes screening by the Management Committee members of the function or position that is being filled. If the nature of the function or position has interaction and/or direct transactions with another Center, the candidate is screened by the concerned Center Heads.</p> <p>All executive hiring requires approval of the Board and disclosure to the SEC and BSP.</p> <p><u>Annual Report</u> (Selection Process for Senior Management, Pages 87)</p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by</p>	<p>COMPLIANT</p>	<p><i>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance.</i></p>	

the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).		<p>The Board oversees the performance of senior management and heads of control functions. The board also regularly meets with the management team to engage in discussions and critically review the reports and information provided by the latter.</p> <p>We conduct regular performance reviews to measure and evaluate the employee's strengths and areas for improvements, offer constructive feedback for skill development in the future, and assist with goal setting.</p> <p>Our performance management system, as integrated into our Balanced Scorecard (BSc) framework, aligns with our strategies in the key areas of financial performance, governance and risk management, operations, people and stakeholder management, and strategy execution.</p> <p>Following a top-down approach, we have established lines of business BScs as a foundation to effectively implement our scorecard both on the unit and individual level.</p> <p>Annual Report (Performance Assessment, Page 87)</p>	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</i></p> <p>The Board oversees the performance of senior management and heads of control functions. The board also regularly meets with the management team to engage in discussions, question, and critically review the reports and information provided by the latter.</p> <p>We conduct regular performance reviews to measure and evaluate the employee's strengths and areas for improvements, offer constructive feedback for skill development in the future, and assist with goal setting.</p> <p>Our performance management system, as integrated into our Balanced Scorecard (BSc) framework, aligns with our strategies in the key areas of financial performance, governance and risk management, operations, people and stakeholder management, and strategy execution.</p> <p>Following a top-down approach, we have established lines of business BScs as a foundation to effectively implement our scorecard both on the unit and individual level.</p> <p>Annual Report (Performance Assessment, Page 87)</p>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set	COMPLIANT		

by the Board and Senior Management.			
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<p><i>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.</i></p> <p>The Board of Directors, through the Audit Committee, ensures the effectiveness and adequacy of our internal control system.</p> <p>The Audit Committee is a board-level committee that plays a key role in monitoring and evaluating the adequacy and effectiveness of the Bank's systems of internal control, risk management and corporate governance. It has an ongoing responsibility of assessing the effectiveness of the control environment, including its interrelation with other internal control components. It serves as the principal agent of the Board of Directors in evaluating the audit processes and ensuring independence of the Bank's external auditors and the internal audit function. It is also responsible for setting up the Internal Audit Group (IAG) and for the appointment of the Chief Audit Executive and the Independent External Auditor who both report to the Audit Committee.</p> <p>The Audit Committee consists of seven (7) members who are knowledgeable in accounting, auditing, and related financial management matters. They are tasked to provide oversight of the Bank's financial reporting process, and of the internal and external audit functions. Among the responsibilities of the Audit Committee are:</p> <ul style="list-style-type: none"> • Oversight of the financial reporting process. The Audit Committee ensures that the Bank has a high-quality reporting process that provides transparent, consistent, and comparable financial statements. In this regard, the Audit Committee works closely with management especially the Office of the Financial Controller, the IAG, and the external auditors, to effectively monitor the financial reporting process and the resolution of any significant financial reporting issues and concerns. • Monitoring and evaluation on the adequacy and effectiveness of the Bank's Internal Control. The Audit Committee, through the IAG, monitors and evaluates the adequacy and effectiveness of the Bank's internal control framework, the integrity of financial reporting, and security of physical assets, and ensures that a pro-active and forward looking approach to evaluation of risks and controls is taken. The Audit Committee ensures that periodic assessment of the internal control system is conducted to identify weaknesses, and 	

		<p>evaluates its robustness considering the risk profile and strategic direction of the Parent Bank. Further, the Audit Committee requires management to maintain a comprehensive Internal Control Framework.</p> <ul style="list-style-type: none"> • Executive sessions with the Board and the Chief Audit Executive. The Audit Committee ensures the review by internal and external auditors of the effectiveness and efficiency of the Bank's internal control system. It reviews internal audit reports and corresponding recommendations to address the weaknesses noted on the areas/units audited, discusses the same with the Chief Audit Executive, and reports significant matters to the Board of Directors. It also requires that IAG report major audit results on a periodic basis to senior management. • Oversight of the audit process. The Audit Committee is knowledgeable on the audit function and the audit process. The Audit Committee maintains supportive, trusting, and inquisitive relationships with both internal and external auditors to enhance its effectiveness. • Oversight of the outsourced internal audit activities. The Audit Committee oversees the performance of the internal audit service provider and ensures that they comply with sound internal auditing standards and other supplemental standards issued by regulatory authorities and government agencies, as well as with relevant codes of ethics. • Oversight of the whistleblowing mechanism. The Audit Committee oversees the establishment of a whistleblowing mechanism in the Bank by which officers and staff shall in confidence raise concerns about possible improprieties or malpractices in matters of financial reporting, internal control, auditing, or other issues, to persons or entities that have the power to take corrective action. It also ensures that arrangements are in place for the independent investigation, appropriate follow-up, action, and subsequent resolution of complaints <p>Website (Audit Committee Charter under Board Governance Microsite)</p> <p>Annual Report (Internal Audit, Pages 90-91)</p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of	COMPLIANT	<p>The members of the Board, stockholders and management are obliged to disclose any financial interest in any transaction or matter affecting the Bank, especially material facts pertaining to the transaction including the terms and conditions of the proposed transaction and deviations, if any. Likewise, Bank officers or employees who are related to the transacting party are required to abstain from the discussion, approval, and management of the transaction.</p>	

the Management, members, and shareholders.		<p>The guidelines ensure fairness and transparency and the appropriate handling and monitoring of RPTs. The bank strictly complies with regulations on Directors, Officers, Stockholders, and Related Interests (DOSRI) transactions.</p> <p>The RPT Committee is responsible for assisting the Board in fulfilling its governance responsibilities on the review and approval of RPTs, as specified in our Policy. The RPT Committee is composed entirely of independent directors, including the Chairman. Our RPT Policy can be viewed on the Good Governance Standards microsite of our company website</p> <p>Annual Report (Related Party Transactions, Page 90)</p> <p>Website (UnionBank RPT Policy under Good Governance Standards microsite)</p>	
3. Board approves the Internal Audit Charter.	COMPLIANT	Our Internal Audit Group (IAG) reviews the Internal Audit Charter on an annual basis. Changes/updates to the Charter are approved by the Board. The Internal Audit Charter was last approved by the Board in December 2024.	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	<p><i>Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any.</i></p> <p>The Bank's risks are managed enterprise-wide by all units of the Bank as it adopted the Three Lines of Defense Model in Enterprise Risk Management (ERM). The risks, processes, systems, and controls are identified by the Business Units (1st line). The risks are measured by ERM to establish the controls and limits to mitigate the risks, likewise other controls identified by the Business Units to mitigate the risks are assessed based on design and effectiveness by ERM, Information Security and Compliance (2nd line). The internally developed risk measurement models used are validated by an independent party while the assessments of controls are validated by Internal Audit (3rd line). Tying all this up is an active oversight function by the Board of Directors. The Bank maintains transparent dealings with both external auditors and regulators in relation to the business, vision, plans, and strategies.</p> <p>Given that banks and financial institutions are in the business of taking risks, UnionBank operates according to its established risk philosophy, where the Board is responsible for approving, reviewing, supervising, and overseeing the Bank's risk strategy, risk policies, risk appetite and risk limits.</p>	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT		

		<p>Following the Board’s instructions, the Bank’s Senior Management and various risk management committees set up independent risk management functions to ensure that risks are properly understood, controlled, and managed, in addition to the risk processes which must be clearly aligned with the Bank’s business strategies</p> <p>UnionBank’s risk appetite is the level of risk that it is prepared to accept in pursuit of its business objectives and strategies. It is consistent with UnionBank’s risk-taking capacity. UnionBank’s risk appetite is set by the Board of Directors. The risk appetite cannot be defined by a single number as it has many dimensions and is a combination of regulatory requirements and internal policy limits. The Bank’s appetite for risk is influenced by a range of factors, including whether a risk is consistent with its core strategy and whether an appropriate return can be achieved from taking that risk. UnionBank has a lower appetite for risks that are not part of its core strategy.</p> <p>A risk appetite framework has been established, which includes the Board approved risk appetite statements and the related risk policies and limits.</p> <p>The risk appetite statements establish the philosophy and high-level boundaries for risktaking activities across UnionBank. The risk policies and limits give more specific guidance for particular risks, providing clarity for management in making day-to-day decisions. The specific appetite for each risk type is implemented and enforced by an extensive set of specific limits, controls, and governance processes.</p> <p>The Bank’s risks are managed enterprise-wide by all units of the Bank as it adopted the Three Lines of Defense Model in Enterprise Risk Management (ERM). The risks, processes, systems, compliance and controls are identified by the Business Units (1st line). The risks are measured by ERM to establish the controls and limits to mitigate the risks, likewise other controls identified by the Business Units to mitigate the risks are assessed based on design and effectiveness by ERM, Information Security and Compliance (2nd line). The internally developed risk measurement models used are validated by an independent party while the assessments of controls are validated by Internal Audit (3rd line). Tying all this up is an active oversight function by the Board of Directors. The Bank maintains transparent dealings with both external auditors and regulators in relation to the business, vision, plans and strategies.</p> <p>The Board of Directors (BOD) exercises oversight of the Bank’s risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Bank has established independent risk management units (RMUs) that objectively review and ensure compliance to the risk parameters set by the BOD. They are responsible for the monitoring and reporting of risks to senior management and the various committees of the Bank. The BOD is primarily responsible for setting the risk</p>	
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	<p>appetite, approving risk parameters, credit policies, and investment guidelines, as well as establishing the overall risk taking capacity of the Bank. To fulfil its responsibilities in risk management, the BOD has established the following Committees, whose functions are described below.</p> <p>a. The Executive Committee (EXCOM), composed of seven members of the BOD, exercises certain functions as delegated by the BOD including, among others, the approval of credit proposals, asset recovery and real and other properties acquired (ROPA) sales within its delegated limits.</p> <p>b. The Risk Management Committee (RMC), composed of seven members of the BOD, shall advise the Board of the Bank's overall current and future risk appetite, oversee Senior Management's adherence to the risk appetite statement, and report on the state of risk culture of the Bank.</p> <p>c. The Market Risk Committee (MRC), composed of nine members of the BOD, majority of whom are independent directors, including the Chairman. The Committee is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.</p> <p>d. The Operational Risk Management Committee (ORMC) is composed of at least seven (7) members of the BOD, all of whom are non-executive, with the Chairman being an independent director. The committee has the principal responsibility to review risk management policies and practices relating to bank-wide operational risk.</p> <p>e. The Audit Committee (AudComm) is composed of at least seven members with at least four Independent Directors. All its members are appointed by the Board of Directors with most members, including the Chairman, preferably with accounting, auditing, or related financial management expertise of experience. The Audit Committee has an ongoing responsibility of assessing the effectiveness of the control environment, including the interrelation of other internal control components. It also serves as principal agent of the BOD in ensuring independence of the Bank's external auditors and the internal audit function, the integrity of management, and the adequacy of disclosures and reporting to stockholders. It also oversees the Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.</p> <p>Annual Report (Risk Management, Pages 70-71)</p>	
Recommendation 2.12		

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	<i>Provide link to the company's website where the Board Charter is disclosed</i> The details of Board's functionalities, power, scope, and responsibilities are provided under the Bank's Manual on Good Corporate Governance which serves as the Board Charter. Each of the board committees has its own committee charter to ensure that the committee's scope of authority, duties, and responsibilities are adequately defined, documented, and clearly communicated. The extent to which authorities are delegated and the corresponding accountabilities are regularly reviewed and approved by the Board. Website (under Board Governance Microsite) Manual on Good Corporate Governance	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	COMPLIANT	<i>Provide information on or link/reference to a document showing company's insider trading policy.</i> As a corporation vested with public interest, we have adopted strict policies governing trades of directors and key officers and those with access to material non-public information. Our Trading Blackout Policy restricts directors, officers, and employees who are privy to insider information to trade the Bank's traded securities during a pre-determined timeframe, which is the blackout period. For structured events, blackout period is imposed beginning five (5) trading days before the date of knowledge or the receipt of the material non-public information, and until two (2) trading days after the submission of the periodic reports to the regulator. For unstructured events, it is the period from date of knowledge or receipt of material non-public information to a period of not less than two (2) trading days after the public disclosure of the event.	

		<p>The Chief Compliance and Corporate Governance Office (CCGO) issues the Trading Blackout notice based on the scheduled and unscheduled disclosures for the year, while the Corporate Secretary ensures compliance with the disclosure notices filed with our regulatory agencies and the stock exchange.</p> <p>Website (Trading in Company Shares under Board Governance microsite)</p> <p>Annual Report (Shareholdings, Pages 80-81)</p>	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	COMPLIANT	<p><i>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</i></p> <p>Our RPT Policy, which is approved by the Board, is strictly implemented across all covered transactions. The covered transactions include: (1) on-and-off-balance sheet credit exposures and claims and write-offs; (2) investments and/or subscriptions for debt/equity issuance; (3) consulting, professional, agency and other service arrangements/contracts; (4) purchases and sales of assets, including transfer of technology and intangible items; (5) construction arrangements/contracts; (6) lease arrangements/contracts; (7) trading and derivative transactions; (8) borrowings, commitments, guarantees and fund transfers such as advances to and from related parties; (9) sale, purchase, or supply of any goods or materials; (10) establishment of joint venture entities; (11) interim line extension of corporate & commercial loans; (12) capital infusion on subsidiaries; and (13) other transactions.</p> <p>The guidelines ensure fairness and transparency and the appropriate handling and monitoring of RPTs. The bank strictly complies with regulations on Directors, Officers, Stockholders, and Related Interests (DOSRI) transactions.</p> <p>These transactions are made and entered into substantially on the same terms and conditions as transactions with other individuals and businesses of comparable risks. Hence, the transactions likewise go through the same vetting and monitoring process applicable to ordinary or unrelated party transactions as set forth in the Bank's internal guidelines or policies.</p> <p>Website (UnionBank RPT Policy under Good Governance Standards microsite)</p> <p>Annual Report (Related Party Transactions, Pages 90)</p>	

3 Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	<p><i>Indicate the types of decision requiring the directors' approval and where there are disclosed.</i></p> <p>Matters requiring board approval include the annual report and financial statements, policies, budgets, contracts, major IT systems, investments, material transactions, dividends, changes in strategic direction and priorities, changes in corporate governance and risk management framework, sustainability matters, to name a few.</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p>	
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p><i>Provide information or link/reference to a document containing information on all the board committees established by the company.</i></p> <p>The Board has established various committees to oversee specific areas of the organization. These committees delve deeper into the details of their respective mandates and areas of expertise, and report back to the Board. The composition, functions, and responsibilities of all committees are properly defined and established in their respective charters.</p> <p>These committees also serve as an avenue to maximize the specific competencies and knowledge of individual board members, and pursue a more specific and defined mandate compared to the Board as whole.</p> <p>Annual Report (Board Committees, Pages 82-86)</p> <p>Website (Board Committees under the Board Governance microsite)</p>	
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal	COMPLIANT	<p><i>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.</i></p> <p>The Audit Committee is a board-level committee that plays a key role in monitoring and evaluating the adequacy and effectiveness of the Bank's systems of internal control, risk management and</p>	
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control system, internal and external audit processes, and compliance with applicable laws and regulations.		<p>corporate governance. It has an ongoing responsibility of assessing the effectiveness of the control environment, including its interrelation with other internal control components.</p> <p>It serves as the principal agent of the Board of Directors in evaluating the audit processes and ensuring independence of the Bank's external auditors and the internal audit function. It is also responsible for setting up the Internal Audit Group (IAG) and for the appointment of the Chief Audit Executive and the Independent External Auditor who both report to the Audit Committee.</p> <p>Annual Report (Audit Committee, Page 82; Audit, Pages 90-91)</p> <p>Website (Committee Charters under the Board Governance microsite)</p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</i></p> <p>Audit Committee is composed of seven (7) regular members, majority of whom are independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Roberto G. Manabat – Chairman / Lead Independent Director 2. Samel A. Aboitiz 3. Nina D. Aguas 4. Robert Joseph M. De Claro / Santiago Dionisio Rodrigo Agdeppa 5. Atty. Francisco Ed. Lim – Independent Director 6. Manuel D. Escueta – Independent Director 7. Josiah L. Go – Independent Director <p>Annual Report (Audit Committee, Page 82)</p> <p>Website (Composition and Structure under the Board Governance microsite)</p>	
3. All the members of the committee have	COMPLIANT	<p><i>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.</i></p>	

relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.		The relevant background, knowledge, skills, and experience of the Audit Committee members can be found in the Profile of the Board of Directors under the Annual Report. Annual Report (Profile of the Board of Directors, Pages 98-102)	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<i>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</i> Mr. Roberto G. Manabat, the Chairman of the Audit Committee, is not the Chairman of the Board or of any other committee. Annual Report (Profile of the Board of Directors, Roberto G. Manabat, Pages 100) Website (Board Committees under the Board Governance microsite)	

Supplement to Recommendation 3.2

1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<i>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</i> The Audit Committee assesses audit services of the external auditors and periodically review the non-audit fees to ensure that non-audit work will not create conflict with his duties and will not pose a threat to his independence. Website (Audit Committee Charter under Board Governance microsite)	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	<i>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</i> Apart from the regular and special meetings of the Board, the non-executive directors also meet twice a year, without any executives present, to have an open discussion and provide an effective check on management on issues that may pertain to audit, risk, compliance, or governance. The topics may include challenges encountered in Management performance vis-a-vis the specific objectives on risk, control, and compliance.	

		<p>The sessions are attended by the members of the Board who do not occupy executive positions and by the Chief Compliance and Corporate Governance Officer, Chief Audit Executive, Chief Risk Officer, and the External Auditor Partner.</p> <p>In 2024, the sessions were held on January 19, July 20, and November 5.</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p>																																					
Optional: Recommendation 3.2																																							
1. Audit Committee meet at least four times during the year.	COMPLIANT	<p><i>Indicate the number of Audit Committee meetings during the year and provide proof</i></p> <p>The Audit Committee met fourteen (14) times in 2024.</p> <table border="1"> <thead> <tr> <th>Name</th><th>No. of meetings attended</th><th>No. of meetings held¹</th><th>% of meetings attended</th></tr> </thead> <tbody> <tr> <td>Roberto G. Manabat²</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Samel A. Aboitiz</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Nina Perpetua D. Aguas</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Robert Joseph M. De Claro³</td><td>13</td><td>13</td><td>100.00</td></tr> <tr> <td>Francisco Ed. Lim</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Manuel D. Escueta</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Josiah L. Go</td><td>14</td><td>14</td><td>100.00</td></tr> <tr> <td>Santiago Dionisio Rodrigo Agdeppa⁴</td><td>1</td><td>1</td><td>100.00</td></tr> </tbody> </table> <p>¹ Represents no. of Audit Committee meetings held in 2024 and during the incumbency of the director, as the case may be. ² Audit Committee is chaired by Roberto G. Manabat, an independent director, in compliance with the ACGS. The Committee is composed entirely of non-executive directors, with independent directors comprising majority of the members. ³ Robert Joseph M. De Claro was a member of the Audit Committee until December 2, 2024. ⁴ Santiago Dionisio Rodrigo Agdeppa joined the Board effective December 2, 2024 and resigned effective February 1, 2025.</p> <p>Annual Report (Audit Committee, Page 82)</p>	Name	No. of meetings attended	No. of meetings held ¹	% of meetings attended	Roberto G. Manabat ²	14	14	100.00	Samel A. Aboitiz	14	14	100.00	Nina Perpetua D. Aguas	14	14	100.00	Robert Joseph M. De Claro ³	13	13	100.00	Francisco Ed. Lim	14	14	100.00	Manuel D. Escueta	14	14	100.00	Josiah L. Go	14	14	100.00	Santiago Dionisio Rodrigo Agdeppa ⁴	1	1	100.00	
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Santiago Dionisio Rodrigo Agdeppa ⁴	1	1	100.00																																				
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	<p><i>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</i></p> <p>The Audit Committee takes charge of the appointment/selection, replacement, or dismissal of the Chief Audit Executive and Deputy Head.</p> <p>Please see PSE letter attached as Annex F on the Board approval of appointment of Mr. Normal C. Gabriel as Chief Audit Executive (“CAE”) of the Bank.</p>																																					

		Website (Audit Committee Charter under Board Governance microsite)	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	<p><i>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.</i></p> <p>The Corporate Governance Committee oversees our compliance and governance framework and ensures the adoption and consistent implementation of regulations and governance policies in form and in substance. The Committee exercises governance oversight on the Bank's subsidiaries and ensures adherence to our Group Governance Policy. In addition, the Committee also assumes the role of the Nomination and Remuneration Committee of the Board.</p> <p>Annual Report (Corporate Governance Committee, Page 82-83)</p> <p>Website (Corporate Governance Committee Charter under Board Governance microsite)</p> <p>Manual on Good Corporate Governance (Corporate Governance Committee, Pages 15-17)</p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	NON-COMPLIANT	<p><i>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.</i></p> <p>As of December 31, 2024, the Corporate Governance Committee is composed of nine (9) members, majority of whom are independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Atty. Francisco Ed Lim – <i>Chairman / Independent Director</i> 2. Dr. Justo A. Ortiz – Non-executive Director 3. Erramon I. Aboitiz – Non-executive Director 4. Nina D. Aguas – Non-executive Director 5. Robert Joseph M. De Claro/Rolando L. Macasaet– Non-executive Director 6. Roberto G. Manabat – Lead Independent Director 7. Manuel D. Escueta – Independent Director 8. Josiah L. Go – Independent Director 	

		<p>9. Honorio G. Poblador IV – Independent Director</p> <p>The existing composition of the Corporate Governance Committee is compliant with Section 133 of the Manual on Regulations for Banks (MORB) that the Committee be composed of at least three (3) members of the board of directors who shall all be non-executive directors, majority of whom shall be independent directors, including the chairperson.</p> <p>Annual Report (Corporate Governance Committee, Page 82-83)</p> <p>Website (Board Committees under Board Governance microsite)</p>	
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</i></p> <p>The Corporate Governance Committee is chaired by Atty. Francisco Ed. Lim, an independent director.</p> <p>Annual Report (Corporate Governance Committee, Page 82-83) (Profile of the Corporate Governance Committee Chairman, Pages 101)</p> <p>Website (Board Committees under Board Governance microsite)</p>	
Optional: Recommendation 3.3			
1. Corporate Governance Committee meet at least twice during the year.	COMPLIANT	<p><i>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</i></p> <p>The Corporate Governance Committee met nineteen (19) times in 2024.</p>	

		<table> <tr> <th>Name</th><th>No. of meetings attended</th><th>No. of meetings held¹</th><th>% of meetings attended</th></tr> <tr> <td>Francisco Ed. Lim²</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Erramon I. Aboitiz</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Justo A. Ortiz</td><td>18</td><td>19</td><td>94.74</td></tr> <tr> <td>Nina Perpetua D. Aguas</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Rolando L. Macasaet³</td><td>4</td><td>8</td><td>50.00</td></tr> <tr> <td>Roberto G. Manabat</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Manuel D. Escueta</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Josiah L. Go</td><td>19</td><td>19</td><td>100.00</td></tr> <tr> <td>Honorio G. Poblador IV</td><td>18</td><td>19</td><td>94.74</td></tr> <tr> <td>Robert Joseph M. De Claro⁴</td><td>11</td><td>11</td><td>100.00</td></tr> </table> <p>¹ Represents no. of Corporate Governance Committee meetings held in 2024 and during the incumbency of the director, as the case may be.</p> <p>² Corporate Governance Committee is chaired by Francisco Ed. Lim, an independent director, in compliance with the ACGS. The Committee is composed entirely of non-executive directors, with independent directors comprising majority of the members.</p> <p>³ Rolando L. Macasaet was appointed as alternative member of the Corporate Governance Committee effective April 26, 2024 and resigned on October 6, 2024.</p> <p>⁴ Robert Joseph M. De Claro was appointed as regular member of the Corporate Governance Committee effective April 26, 2024 and attended four (4) meetings as alternate member in 2024.</p> <p>⁵ Sabin M. Aboitiz serves as alternate member of the Corporate Governance Committee and attended eight (8) meetings in 2024.</p> <p>Annual Report (Corporate Governance Committee, Page 82-83)</p> <p>Website (Board Committees under Board Governance microsite)</p>	Name	No. of meetings attended	No. of meetings held ¹	% of meetings attended	Francisco Ed. Lim ²	19	19	100.00	Erramon I. Aboitiz	19	19	100.00	Justo A. Ortiz	18	19	94.74	Nina Perpetua D. Aguas	19	19	100.00	Rolando L. Macasaet ³	4	8	50.00	Roberto G. Manabat	19	19	100.00	Manuel D. Escueta	19	19	100.00	Josiah L. Go	19	19	100.00	Honorio G. Poblador IV	18	19	94.74	Robert Joseph M. De Claro ⁴	11	11	100.00	
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Recommendation 3.4																																															
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of the Company's Enterprise Risk Management system to ensure its	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions.</i></p> <p>Due to the nature and complexity of transactions, size, and operations of the bank, three (3) risk committees were set up to oversee to specific risk areas:</p> <p>The Risk Management Committee oversees the enterprise risk management framework and ensures that there is periodic review of the effectiveness of risk management systems and recovery plans. The Committee also ensures that the current and emerging risk exposures are consistent with the Bank's strategic direction and overall risk appetite. The Committee</p>																																													

functionality and effectiveness.		<p>approves policies related to risk management, with specific delegation to the Operational Risk Management Committee and Market Risk Committee for matters under their purview</p> <p>The Operational Risk Management Committee (ORMC) develops an operational risk management strategy that is aligned with the Bank's overall business objectives. The Committee reviews risk management policies and practices relating to operational and legal risks. Ensures that operational risk is appropriately considered in the capital adequacy assessment process of the Bank.</p> <p>The Market Risk Committee reviews the risk management policies and practices relating to market risk, interest rate risk in the banking book (IRRBB), and liquidity risk. The Committee reviews the broad business strategies and policies for managing the market risk of the trading book, IRRBB, and liquidity risk including funding strategy and corresponding risk tolerance aligned with the strategic direction of the Bank. The Committee tracks the resolution of breaches in risk limits and actions taken on deviations from policies and procedures.</p> <p>Annual Report (Market Risk Committee, Page 84) (Operational Risk Management Committee, Page 84-85) (Risk Management Committee, Page 86)</p> <p>Website (Committee Charters under Board Governance microsite)</p> <p>Manual on Good Corporate Governance (Risk Management Committee, Pages 17-18) (Market Risk Committee, Pages 21) (Operational Risk Management Committee, Pages 21-22)</p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</i></p> <p>The Risk Management Committee is composed of seven (7) regular members, majority of whom are independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Manuel D. Escueta – <i>Chairman / Independent Director</i> 2. Erramon I. Aboitiz – <i>Non-executive Director</i> 	

		<ol style="list-style-type: none"> 3. Dr. Justo A. Ortiz – Non-executive Director 4. Robert Joseph M. De Claro / Santiago Dionisio Rodrigo Agdeppa– Non-executive Director 5. Roberto G. Manabat – <i>Lead Independent Director</i> 6. Josiah L. Go – <i>Independent Director</i> 7. Honorio G. Poblador IV – <i>Independent Director</i> <p>The Market Risk Committee is composed of nine (9) regular members, majority of whom are independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Honorio G. Poblador IV – Chairman / Independent Director 2. Erramon I. Aboitiz – Non-executive Director 3. Dr. Justo A. Ortiz – Non-executive Director 4. Nina D. Aguas – Non-executive Director 5. Robert Joseph M. De Claro / Santiago Dionisio Rodrigo Agdeppa– Non-executive Director 6. Atty. Francisco Ed. Lim – Independent Director 7. Roberto G. Manabat – Independent Director 8. Manuel D. Escueta – Independent Director 9. Josiah L. Go – Independent Director <p>The Operational Risk Management Committee is composed of seven (7) regular members, majority of whom are independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Josiah L. Go – <i>Chairman / Independent Director</i> 2. Dr. Justo A. Ortiz 3. Samel A. Aboitiz 4. Robert Joseph M. De Claro 5. Atty. Francisco Ed Lim – <i>Independent Director</i> 6. Manuel D. Escueta – <i>Independent Director</i> 7. Roberto G. Manabat – <i>Lead Independent Director</i> 	
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		Annual Report (Market Risk Committee, Page 84) (Operational Risk Management Committee, Page 85) (Risk Management Committee, Page 86) Website (Committee Charters under Board Governance microsite)	
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3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Chairman of the BROC.</i></p> <p>Mr. Manuel D. Escueta, who serves as the Chairman of the Risk Management Committee, is not the Chairman of the Board or of any other board committee.</p> <p>Mr. Josiah L. Go, who serves as the Chairman of the Operational Risk Management Committee, is not the Chairman of the Board or of any other board committee.</p> <p>Mr. Honorio G. Poblador IV, who serves as the Chairman of the Market Risk Committee, is not the Chairman of the Board or of any other board committee.</p> <p>Annual Report (Market Risk Committee, Page 84) (Operational Risk Management Committee, Page 85) (Risk Management Committee, Page 86) (Profile of Manuel D. Escueta, Page 100) (Profile of Josiah L. Go, Page 100-101) (Profile of Honorio G. Poblador, Page 101-102)</p> <p>Website (Committee Charters under Board Governance microsite)</p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</i></p> <p>The competencies, skills, experience, and credentials of the members of the risk committees can be found in our Annual Report.</p>	

		Annual Report (Profile of the Board of Directors, Pages 98-102)	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></p> <p>The Related Party Transactions Committee evaluates all material related party transactions (RPTs) to ensure that these are not undertaken on less favorable economic terms to the Bank (e.g. price, commissions, interest rates, fees, tenor, collateral requirement) compared to similar transactions with non-related parties and that no corporate or business resources of the Bank are misappropriated or misapplied, and determines any potential reputational risk issues that may arise as a result of or in connection with the transactions.</p> <p>The Committee ensures that the appropriate disclosures relating to the bank's RPT exposures and policies on conflict of interests or potential conflict of interests are provided to the regulating and supervising authorities.</p> <p>The Committee assists the Board in ensuring that RPTs are undertaken only on an arm's length basis in compliance with the Bank's RPT Policy and applicable policies and guidelines of the BSP and SEC.</p> <p>Annual Report (Related Party Transactions Committee, Page 85)</p> <p>Website (Related Party Transactions Committee Charter under Board Governance subsite)</p> <p>Manual on Good Corporate Governance (Related Party Transactions Committee, Pages 25)</p>	
2. RPT Committee is composed of at least three nonexecutive directors, two of whom should be independent, including the Chairman.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</i></p> <p>As of December 31, 2024, the RPT Committee is composed of five (5) regular members, who are all independent directors, including the Chairman:</p> <ol style="list-style-type: none"> 1. Atty. Francisco Ed Lim – <i>Chairman / Independent Director</i> 2. Roberto G. Manabat – <i>Lead Independent Director</i> 3. Manuel D. Escueta – <i>Independent Director</i> 	

		<p>4. Josiah L. Go – <i>Independent Director</i></p> <p>5. Honorio G. Poblador IV– <i>Independent Director</i></p> <p>Annual Report (Related Party Transactions Committee, Page 85)</p> <p>Website (Composition and Structure under Board Governance subsite)</p>	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources, and other relevant information.	COMPLIANT	<p><i>Provide information or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation process.</i></p> <p>The composition, functions, and responsibilities of all committees are properly defined and established in their respective charters. The extent to which authorities are delegated and the corresponding accountabilities as indicated in the respective committee charters are regularly reviewed and approved by the Board.</p> <p>Website (Committee Charters under Board Governance subsite)</p> <p>Each year, Board members (including the President and CEO) undertake the assessment of the performance and effectiveness of the Board as a collective body, Board committees of which they are members, and the Chairman of the Board.</p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	<p>The performance of the individual members of the Board is also being assessed, through self-assessment and independent assessment carried out by selected members of management.</p> <p>The questionnaire contains varying statements pertaining to the roles, functions, and responsibilities of the Board, its committees, and individual members, based on leading corporate governance practices. Assessment metrics relate to board structure, leadership function, stakeholder relations, governance, controls, and conduct of meetings and facilities.</p> <p>A five-point Likert scale was used to measure the respondents' agreement or disagreement with the statements provided, and open-ended questions were also incorporated to elicit</p>	

		<p>more detailed responses pertaining to the overall performance of the Board and its committees, and areas to prioritize moving forward.</p> <p>The evaluation results are aggregated, analyzed, and reported by the Compliance and Corporate Governance Office (CCGO) to the respective Board committees and to the Board. To maintain the anonymity and confidentiality of the responses, results are presented with no attribution to the respondents.</p> <p>Key findings are considered by the Board, and concrete action plans are developed and implemented to address the gaps and areas for improvement noted.</p> <p>Each year, Board members undertake the assessment of the performance and effectiveness of the Board, Board committees of which he is a member.</p> <p>Website (Committee Charters and Board Performance Assessment under Board Governance subsite)</p> <p>Annual Report (Board Performance Evaluation, Page 78)</p>	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	<p><i>Provide a link to the company website where the Committee Charters are disclosed.</i></p> <p>Click here to view our Committee Charters which are posted on the Board Governance microsite of our company website.</p>	
<p>Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.</p>			
<p>Recommendation 4.1</p>			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholder's meetings.</i></p> <p>The Board devotes sufficient time and attention to discuss and deliberate on important matters and issues at hand. Regular meetings of the Board are held monthly, the schedule</p>	

<p>conducted in accordance with the rules and regulations of the Commission.</p> <p>2. The directors review meeting materials for all Board and Committee meetings.</p>		<p>of which is set before the start of the calendar year. Special meetings may be called if needed.</p> <p>The agenda of the meetings, meeting materials, and supporting documents are uploaded to the Diligent Board, a secure board portal, at least five working days in advance, to give ample time for the directors to study the materials and prepare for the meeting.</p> <p>Matters requiring decision and approval and matters which are for the Board's information are clearly set out on the agenda of the board meetings. Matters requiring board approval include the annual report and financial statements, policies, budgets, contracts, investments, major IT systems, material transactions, dividends, changes in strategic direction and priorities, changes in corporate governance and risk management framework, sustainability matters, to name a few.</p> <p>The meetings are convened and presided by the Chairman of the Board. Board members engage in healthy debate, ask questions, and seek clarifications on the proposals presented.</p> <p>Board members who cannot physically attend or vote at any meeting can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p> <p>By-laws (Article V on Board of Directors, Pages 6-7)</p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors.</i></p> <p>During board meetings, our directors engage in healthy debate, ask questions, and seek clarifications on the proposals presented.</p> <p>Below is an excerpt from a discussion held by the Corporate Governance Committee members regarding the AML Middle Name Project in November 2024.</p>	

Chairman Lim asked what it meant to be restricted. Ms. Velasquez replied that the accounts of those with still no middle name will be put on Post No Credit (“PNC”) while they are being processed for collection of information one last time prior to closure of account.

Chairman Lim asked whether there is a deadline from the BSP, to which Ms. Velasquez replied that it is an internally set deadline.

Director Robert Joseph M. De Claro asked whether the middle name activity is only driven by customers updating their information or whether the Bank can initiate validation of customer information from other data sources, such as the SSS database where the Bank has a data sharing agreement. He added that this will involve getting consent from the affected data subjects.

Independent Director Josiah L. Go asked what happens if there really is no middle name in the birth certificate. Ms. Velasquez replied that the client must submit an attestation declaring that there is no middle name. For newly opened accounts, the clients can tick “No Middle Name” in the application form or digital platform. Ms. Velasquez added that in case of no middle name, the client will be asked to provide his/her mother’s middle name.

Director Go asked how the Bank will know that the middle name of the mother is correct, to which Ms. Velasquez replied that the client is required to certify that the information he/she provided is true and correct.

Director De Claro cautioned the use of the mother’s name due to legal implications. It is the birth certificate of the client that proves his or her identity.

Chairman Lim asked whether the attestation is under oath, to which Ms. Velasquez answered in the affirmative.

[Annual Report](#) (Board Culture, Meetings, and Attendance, Pages 76-77)

[By-laws](#) (Article V on Board of Directors, Pages 6-7)

Recommendation 4.2

<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views and oversee the long-term strategy of the company.</p>	<p>COMPLIANT</p>	<p><i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.</i></p> <p>We are cognizant that effective sharing of managerial and technical expertise between the Bank and other entities promotes economies of scale and organizational synergies.</p> <p>In this regard, we have established an effective governance process to ensure that the benefits of having directors with interlocking positions in other entities are optimized, in accordance with the principles set out under BSP Circular No. 1129, Series of 2021 on the Amendments to Corporate Governance Guidelines for BSP-Supervised Financial Institutions (BSFIs).</p> <p>As a general rule, interlocking directorships are allowed provided the positions do not pose conflicts of interest. Board members with interlocking positions are reminded to comply with the Manual on Corporate Governance and Code of Conduct, and must avoid circumstances that may appear or could result in conflicts of interest with UnionBank.</p> <p>A non-executive director may concurrently serve as a director in a maximum of five (5) publicly listed companies. In case the maximum is reached, the concerned director should explain how he will be able to devote sufficient time to the Bank and effectively discharge his responsibilities as director despite his numerous concurrent positions in other entities.</p> <p>As of December 31, 2024, we have no director who has breached this limit on interlocking directorship positions held in publicly listed companies.</p> <p>For monitoring and reporting purposes, the Chief Compliance and Corporate Governance Office (CCGO), in coordination with the Human Resource (HR), submits to the BSP an annual report of all interlocking positions of its directors and officers within twenty (20) banking days from the end of each reference year.</p> <p>The interlocking positions of our directors can be found on the Profile of the Board of Directors sub-section of our Annual Report.</p> <p>Annual Report</p>	
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		(Interlocking positions and time commitment, Page 82) (Profile of the Board of Directors, Pages 98-102)	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	<p><i>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</i></p> <p>All nominees to a board seat are required to disclose to the Chief Compliance and Corporate Governance Officer (CCO) or the Corporate Secretary, their current directorships with other companies (listed and non-listed) as soon as he/she becomes aware of his/her nomination or upon the prompting of the CCO. Likewise, all incumbent directors are required to provide notice to the CCO or Corporate Secretary, within a reasonable time, if he/she takes up a new directorship post in another company while fulfilling his responsibilities to the Bank's board.</p> <p>Manual on Good Corporate Governance (Directorships in other companies, Page 5-6)</p>	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT	<p>We have two (2) Executive Directors: Ms. Ana Maria A. Delgado, President and CEO of Union Bank of the Philippines, also serves as a director of Aboitiz Equity Ventures.</p> <p>Mr. Edwin R. Bautista, serves as director of Union Bank of the Philippines and Aboitiz Power Corporation.</p> <p>Annual Report (Profile of Ms. Ana Maria A. Delgado and Mr. Edwin R. Bautista, Pages 98 and 102)</p>	
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	<p>Regular meetings of the Board are held monthly, the schedule of which is set before the start of the calendar year and is released by the Corporate Secretary's Office every December.</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p>	

3. Board of directors meet at least six times during the year.	COMPLIANT	<p><i>Indicate the number of board meetings during the year and provide proof</i></p> <p>In 2024, the Board held a total of eighteen (18) regular and special meetings. All directors have complied with the fifty percent (50%) minimum attendance requirement to be eligible for re-election, and the seventy-five percent (75%) attendance rate recommended by the parameters of the ASEAN Corporate Governance Scorecard.</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p> <p>Website (Board Culture, Meetings, and Attendance under Board Governance microsite)</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	COMPLIANT	<p><i>Indicate the required minimum quorum for board decisions</i></p> <p>In cases where a decision is to be arrived at by the Board, the quorum requirement for each Board meeting shall be at least two-thirds (2/3) of all the members of the Board.</p> <p>Board members who cannot physically attend or vote at any meeting can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p> <p>Manual on Good Corporate Governance (Quorum Requirements, Page 6)</p> <p>Website (Board Culture, Meetings, and Attendance under Board Governance microsite)</p>	

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

Recommendation 5.1

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the number of independent directors in the board.</i></p> <p>Our 15-member Board has five (5) independent directors, namely:</p> <ol style="list-style-type: none"> 1. Robert G. Manabat 2. Manuel D. Escueta 3. Josiah L. Go 	
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		<p>4. Francisco Ed. Lim 5. Honorio G. Poblador IV</p> <p>Annual Report (Board diversity, skills, and competencies, Pages 74-75)</p> <p>Website (Board Governance microsite)</p>	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</i></p> <p>All our independent directors possess all the qualifications and none of the disqualifications for directors stipulated under the Manual of Regulations for Banks (MORB) and other applicable requirements under existing laws. The competencies, skills, experience, and credentials of our directors can be found in our Annual Report.</p> <p>Annual Report (Profile of the Board of Directors, Pages 98-102)</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	<p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></p> <p>The Bank is not aware of any shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	
Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p> <p>2. The company bars an independent director</p>	COMPLIANT	<p><i>Provide information or link/reference to a document showing the years IDs have served as such.</i></p> <p>For independent directors, we have also adopted a maximum cumulative term limit of nine (9) years. After which, the independent director is perpetually barred from serving as independent director in the Bank, but may continue to serve as regular director.</p>	

from serving in such capacity after the term limit of nine years.		<p>As of December 31, 2024, we have no independent director whose tenure has reached this term limit.</p> <table><tr><th>Name</th><th>Date of Appointment</th><th>Tenure¹</th></tr><tr><td>Roberto G. Manabat</td><td>May 25, 2018</td><td>6 years and 7 months</td></tr><tr><td>Manuel D. Escueta</td><td>April 23, 2021</td><td>3 years and 8 months</td></tr><tr><td>Josiah L. Go</td><td>April 23, 2021</td><td>3 years and 8 months</td></tr><tr><td>Francisco Ed. Lim</td><td>May 28, 2021</td><td>3 years and 7 months</td></tr><tr><td>Honorio G. Poblador IV</td><td>April 28, 2023</td><td>1 year and 8 months</td></tr></table> <p>Annual Report (Retirement and term limits, Page 80)</p>	Name	Date of Appointment	Tenure ¹	Roberto G. Manabat	May 25, 2018	6 years and 7 months	Manuel D. Escueta	April 23, 2021	3 years and 8 months	Josiah L. Go	April 23, 2021	3 years and 8 months	Francisco Ed. Lim	May 28, 2021	3 years and 7 months	Honorio G. Poblador IV	April 28, 2023	1 year and 8 months	
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3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	COMPLIANT	<p><i>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</i></p> <p>We strictly comply with the term limit requirement for independent directors as stated above.</p>																			
Recommendation 5.4																					
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	<p><i>Identify the company's Chairman of the Board and Chief Executive Officer.</i></p> <p>The positions of the Chairman of the Board and the President & CEO are held by different individuals to foster an appropriate balance of power, increased accountability, effective decision making, and good governance. The division of the responsibilities and accountabilities between the Chairman and the President & CEO is clearly articulated and delineated in our governance policies.</p> <p>The Chairman facilitates discussions of key issues by fostering an environment conducive to constructive debate and leveraging on the skills and expertise of individual directors. He</p>																			

		<p>also makes certain that the meeting agenda focuses on strategic matters, including key governance concerns. Our Chairman of the Board is Mr. Erramon I. Aboitiz.</p> <p>The President & CEO executes and administers the policies approved by the Board and exercises such powers vested in him by the Board. He is also responsible for the general supervision, administration, and management of the business and affairs of the organization. Our President and CEO is Mr. Edwin R. Bautista.</p> <p>Annual Report (Separation of the roles of the Chairman and CEO, Page 73) (Profile of the Chairman and the President & CEO, Page 98 and 102)</p> <p>Website (Board Leadership under Board Governance microsite)</p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	<p><i>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.</i></p> <p>The duties and responsibilities of the Chairman and the Chief Executive Officer are clearly defined and delineated in our Manual on Good Corporate Governance.</p> <p>Manual on Good Corporate Governance (The Chairman and the Chief Executive Officer, Pages 13-14)</p>	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	COMPLIANT	<p><i>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.</i></p> <p>Our Lead Independent Director performs a more enhanced function over the other independent directors and leads them at Board meetings in raising queries and pursuing matters, including discussion of risk appetites, and key control and governance concerns. Our Lead Independent Director is Mr. Roberto G. Manabat.</p> <p>Annual Report (Lead Independent Director, Page 73) (Profile of the Lead Independent Director, Pages 100)</p>	

		Website (Board Leadership under Board Governance microsite)	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	<p><i>Provide proof of abstention, if this was the case.</i></p> <p>The members of the Board, stockholders and management are obliged to disclose any financial interest in any transaction or matter affecting the Bank, especially material facts pertaining to the transaction including the terms and conditions of the proposed transaction and deviations, if any. Likewise, the Bank officers or employees who are related to the transacting party are required to abstain from the discussion, approval, and management of the transaction.</p> <p>Annual Report (Related Party Transactions, Page 90)</p> <p>Website (RPT Policy under Good Governance Standards microsite)</p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	COMPLIANT	<p><i>Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.</i></p> <p>Apart from the regular and special meetings of the Board, the non-executive directors also meet twice a year, without any executives present, to have an open discussion and provide an effective check on management on issues that may pertain to audit, risk, compliance, or governance. The topics may include challenges encountered in Management performance vis-a-vis the specific objectives on risk, control, and compliance.</p> <p>The sessions are attended by the members of the Board who do not occupy executive positions and by the Chief Compliance and Corporate Governance Officer, Chief Audit Executive, Chief Risk Officer, and the External Auditor Partner.</p> <p>In 2024, the sessions were held on January 19, July 20, and November 5.</p> <p>Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)</p> <p>Website (Board Meetings and Attendance under Board Governance microsite)</p>	

2. The meetings are chaired by the lead independent director.	COMPLIANT	Our Lead Independent Director, Mr. Roberto G. Manabat, serves as the Chairman of the Non-Executive Board. Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77) Website (Board Meetings and Attendance under Board Governance microsite)	
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Optional: Principle 5

1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	<i>Provide name/s of company CEO for the past 2 years.</i> The CEO of Union Bank of the Philippines for the past 2 years is Mr. Edwin R. Bautista.	
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Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	Each year, Board members (including the President and CEO) undertake the assessment of the performance and effectiveness of the Board as a collective body, Board committees of which they are members, and the Chairman of the Board.	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT	The performance of the individual members of the Board is also being assessed, through self-assessment and independent assessment carried out by selected members of management. The questionnaire contains varying statements pertaining to the roles, functions, and responsibilities of the Board, its committees, and individual members, based on leading corporate governance practices. Assessment metrics relate to board structure, leadership function, stakeholder relations, governance, controls, and conduct of meetings and facilities.	
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT	A five-point Likert scale was used to measure the respondents' agreement or disagreement with the statements provided, and open-ended questions were also incorporated to elicit more detailed responses pertaining to the overall performance of the Board and its committees, and areas to prioritize moving forward. The evaluation results are aggregated, analyzed, and reported by the Compliance and Corporate Governance Office (CCGO) to the respective Board committees and to the Board.	

		<p>To maintain the anonymity and confidentiality of the responses, results are presented with no attribution to the respondents.</p> <p>Key findings are considered by the Board, and concrete action plans are developed and implemented to address the gaps and areas for improvement noted.</p> <p>Website (Board Performance Assessment under Board Governance subsite)</p> <p>Annual Report (Board Performance Evaluation, Page 78)</p>	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	<p>The Board may require a third-party assessor to conduct its annual performance assessment on its behalf or subject its existing performance assessment to third-party review. The assessor shall be pre-selected by the Corporate Governance Committee and presented to the Board for approval prior to engagement.</p> <p>Annual Report (Board Performance Evaluation, Page 78)</p>	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	<p><i>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</i></p> <p>Each year, Board members (including the President and CEO) undertake the assessment of the performance and effectiveness of the Board as a collective body, Board committees of which they are members, and the Chairman of the Board.</p> <p>The performance of the individual members of the Board is also being assessed, through self-assessment and independent assessment carried out by selected members of management.</p>	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	<p>The questionnaire contains varying statements pertaining to the roles, functions, and responsibilities of the Board, its committees, and individual members, based on leading corporate governance practices. Assessment metrics relate to board structure, leadership function, stakeholder relations, governance, controls, and conduct of meetings and facilities.</p> <p>A five-point Likert scale was used to measure the respondents' agreement or disagreement with the statements provided, and open-ended questions were also incorporated to elicit</p>	

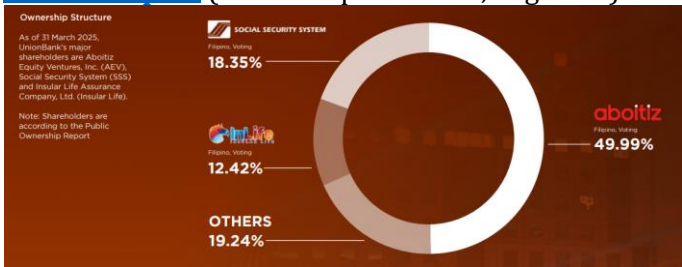
		<p>more detailed responses pertaining to the overall performance of the Board and its committees, and areas to prioritize moving forward.</p> <p>The evaluation results are aggregated, analyzed, and reported by the Compliance and Corporate Governance Office (CCGO) to the respective Board committees and to the Board. To maintain the anonymity and confidentiality of the responses, results are presented with no attribution to the respondents.</p> <p>Key findings are considered by the Board, and concrete action plans are developed and implemented to address the gaps and areas for improvement noted.</p> <p>Website (Board Performance Assessment under Board Governance subsite)</p> <p>Annual Report (Board Performance Evaluation, Page 78)</p>	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	<p><i>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</i></p> <p>Our Code of Conduct supports our unique employee culture. UnionBankers demonstrate the attributes of forward thinking, innovative, open, and agile which are helping UnionBank to power the future of banking.</p> <p>What is unique about UnionBank is how we:</p> <ul style="list-style-type: none"> • Live our Purpose to 'Co-create innovations for a better world'; • Constantly seek opportunities for growth, as an institution and as professionals; • Treat people with respect; • Collaborate with great people working in teams; and are • Committed to a winning culture. <p>We enable the success of our stakeholders – our clients, colleagues, suppliers, shareholders, communities where we serve each other. We always strive to be the best in what we do. Every product, service, or endeavor at the workplace is nurtured by UnionBankers' faithful</p>	

		<p>adherence and dedication to our values, nurtured by our passion to provide competent, effective, and delightful service.</p> <p>Thus, our Code of Conduct embodies the principles for the personal and professional conduct of all UnionBankers, including third parties that the Bank uses in its operations like vendors, partners, and service providers, with practices founded on public trust and confidence. It is founded on the institution's unwavering commitment to the highest standards of responsible and ethical business practice, anchored on our Purpose, Values and our Core Competence of banking.</p> <p>Website (Code of Conduct under Good Governance Standards)</p> <p>Annual Report (Code of Conduct, Page 92)</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p><i>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</i></p> <p>Upon hiring, all employees are required to accomplish training on the Bank's Codes of Conduct and acknowledge that the training was accomplished, and Codes of Conduct were understood.</p> <p>In 2024, we attained 100% code of conduct coverage, written acknowledgement, and training for regular and seconded employees in UnionBank and its subsidiaries.</p> <p>Annual Report (Code of Conduct, Page 92)</p> <p>Sustainability Report (Code of Conduct, Page 120)</p>	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	<p><i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</i></p> <p>Click here to access UnionBank's Code of Conduct under Governance Policies.</p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing	COMPLIANT	<p><i>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery.</i></p>	

company involvement in offering, paying and receiving bribes.		<p>We conduct our business transactions in an ethical and honest manner to support the integrity of the financial system. We take zero-tolerance stance to bribery and corruption and are committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever we operate.</p> <p>Employees are prohibited from offering, paying, receiving, promising, or authorizing any gift or payment to any person directly or indirectly through or to a third party for the purpose of (i.e. in exchange for): (1) causing the person to act or fail to act in violation of a legal duty; (2) causing the person to abuse or misuse their position; (3) securing an improper advantage, contract or concession for the organization or any other party.</p> <p>Furthermore, the bank does not tolerate any form of facilitation payments, extortion, or improper inducements.</p> <p>Annual Report (Anti-bribery and anti-corruption, Page 89)</p>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	<p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non - compliance.</i></p> <p>The Code of Conduct does not only state the standards of behavior Unionbankers are expected to emulate, it also states the related disciplinary action for offenses or when the ethical standards are breached. The administrative penalty is duly determined by the Disciplinary Committee (case to case basis) following the administrative due process to resolve the breaches.</p> <p>The Code of Conduct embodies the principles for the personal and professional conduct of all UnionBankers, including third parties that the Bank uses in its operations like vendors, partners, and service providers, with practices founded on public trust and confidence. It is founded on the institution's unwavering commitment to the highest standards of responsible and ethical business practice, anchored on our Purpose, Values and our Core Competence of banking.</p>	
2. Board ensures the proper and efficient implementation and	COMPLIANT	UnionBank's Whistleblower Policy empowers individuals to report malpractice and ensures full protection for whistleblowers. We treat all concerns seriously, handle them with appropriate action, and maintain the highest level of confidentiality. Reportable	

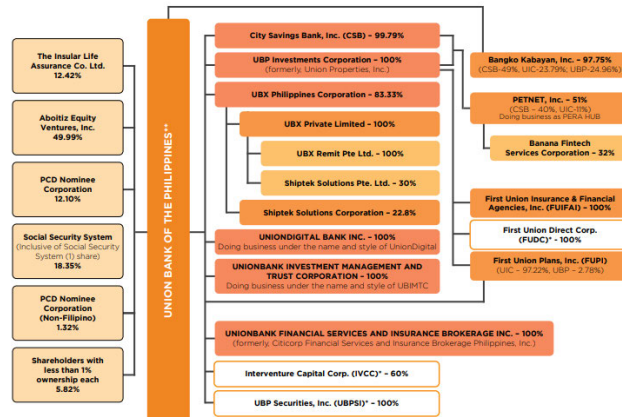
<p>monitoring of compliance with company internal policies.</p>		<p>incidents include unlawful activity, fraud, corruption, and violations of Bank policies, agreements, or the Code of Conduct.</p> <p>“We maintain a dedicated hotline to ensure anonymity and confidentiality. An independent investigating body evaluates each report and, when necessary, escalates it to the Discipline Committee for appropriate resolution.”</p> <p>In 2024, UnionBank ensured that 100% of employees, management, Directors, and business partners received information and training on anti-corruption policies and procedures consistent with updated SEC standards. There were no monetary losses from legal proceedings related to corruption or financial misconduct, and the Bank recorded zero dismissals or contract terminations due to corruption-related offenses. Any reports of bribery or corruption are subject to thorough investigation. Disciplinary action—including administrative measures, termination of contracts, or legal proceedings—is taken as warranted under the Bank’s Code of Conduct and related governance policies.</p> <p>Annual Report (Code of Conduct, Page 92)</p> <p>Sustainability Report (Code of Conduct, Page 120-122)</p> <p>Website (Code of Conduct under Good Governance Standards microsite)</p>	
<p>Disclosure and Transparency</p>			
<p>Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.</p>			
<p>Recommendation 8.1</p>			
<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/ reference to the company’s disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders.</i></p> <p>The Board has established corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.</p>	

other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.		Shareholders are provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Bank's shares dealings, with the company, relationships among directors and key officers, and the aggregate compensation of directors and officers. Shareholders have access to information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes."													
Manual on Good Corporate Governance (Shareholders' Benefit and Reportorial and Disclosure System of the Bank's Corporate Governance Policies, Pages 32-34, 38)															
Supplement to Recommendations 8.1															
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	COMPLIANT	<p><i>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</i></p> <table><tr><td>Cut-off period</td><td>Date of release or publication</td><td>No. of days within which the reports were published from the end of the cut-off period</td></tr><tr><td>as of March 31, 2024</td><td>May 15, 2024</td><td>45 days</td></tr><tr><td>as of June 30, 2024</td><td>August 14, 2024</td><td>45 days</td></tr><tr><td>as of September 30, 2024</td><td>November 14, 2024</td><td>45 days</td></tr></table>	Cut-off period	Date of release or publication	No. of days within which the reports were published from the end of the cut-off period	as of March 31, 2024	May 15, 2024	45 days	as of June 30, 2024	August 14, 2024	45 days	as of September 30, 2024	November 14, 2024	45 days	
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		<div> <div>Annual report as of end 2024</div> <div>April 15, 2025</div> <div>105 days</div> </div> <p>Website (SEC Reports under Disclosures microsite)</p>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	COMPLIANT	<p><i>Provide link or reference to the company's annual report where the following are disclosed: 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall position in the company.</i></p> <p>Annual Report (Ownership Structure, Page 202)</p>  <p>Annual Report (Conglomerate Map, Page 96)</p>	

CONGLOMERATE MAP

As of December 31, 2024



*Dominant
** UBSP Shareholders as of 30 November 2024

Recommendation 8.2

1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.

COMPLIANT

Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.

As a corporation vested with public interest, we have adopted strict policies governing trades of directors and key officers and those with access to material non-public information.

2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.

COMPLIANT

Under the Bank's Trading Blackout Policy, covered persons such as directors and officers are mandated to inform the Stock Transfer Unit and the Human Resources of any transactions of UnionBank listed securities no later than one (1) day after the transaction occurs.

[Annual Report](#) (Shareholdings, Pages 80-81)

Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	COMPLIANT	<p><i>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map.</i></p> <p>Website (Public Ownership Report) A Public Ownership Report is disclosed on a quarterly basis to the PSE Edge and posted on the Bank's website.</p> <p>Annual Report (Shareholdings, Pages 80-81) The summary of trading in company shares by directors can also be found in the Annual Report.</p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	<p><i>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.</i></p> <p>Our 15-member Board is composed of directors who bring a wide range of skills and deep industry experience to our Boardroom. Please refer to our Annual Report to know more details about their qualifications.</p> <p>Annual Report (Profile of the Board of Directors, Pages 98-102)</p>	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and	COMPLIANT	<p><i>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.</i></p> <p>Our Management Committee (MANCOM) is composed of highly qualified leaders and respected practitioners in the fields of business, banking and finance, technology,</p>	

assess any potential conflicts of interest that might affect their judgment.		marketing, and other relevant disciplines. Please refer to our Annual Report to know more details about their qualifications. Annual Report (Profile of Key Officers, Pages 103-107)	
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.	COMPLIANT	<p><i>Disclose or provide link/reference to the company policy and practice for setting board remuneration.</i></p> <p>The Corporate Governance Committee, which assumed the duties and responsibilities of the Compensation and Remuneration Committee, oversees the implementation of the programs covering the salaries and benefits of the Bank's Senior Management and Board Directors. The Directors receive compensation from the Bank in the form of per diem allowance for attendance in meetings, and variable pay or profit-sharing, as prescribed by the Bank's by-laws.</p> <p>Annual Report (Corporate Governance Committee, Page 82) (Board remuneration, Page 77)</p> <p><i>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</i></p> <p>The non-executive directors each receive a per diem of Php 160,000.00 for attendance in each meeting of the Board, except for the Chairman of the Board who receives Php 240,000.00.</p> <p>The executive directors receive a per diem of Php 1,500.00 for attendance at Board meetings and Php 3,000.00 for each committee meeting.</p> <p>The Chairman of each committee receives a per diem of Php 120,000.00 per meeting attended and a committee member receives a per diem of Php 80,000.00.</p>	

		<p>Per diems and bonuses of some directors who represent institutional shareholders are received by said directors for and on behalf of their respective institutions.</p> <p>For 2024, the total annual compensation paid to the directors amounted to Php 383,348,273.99. To avoid security concerns, the Bank decided to disclose the annual compensation on an aggregate basis.</p> <p>The executive officers receive salaries and bonuses which are covered by the Bank's standard employment contract.</p> <p>The total compensation of the CEO and the four most highly compensated officers is also disclosed in the definitive information statement. The report includes the compensation paid or accrued during the last two calendar years and to be paid in the ensuing calendar year.</p> <p>There was no proposal to change the remuneration of directors presented during the annual meeting of shareholders in 2024.</p> <p>Annual Report (Board remuneration, Page 77)</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	COMPLIANT	<p>Performance-based remuneration</p> <p>UnionBank's remuneration policy is anchored on</p> <p>UnionBank's remuneration policy is anchored on attracting, engaging, and retaining talents. We adhere to the philosophy of meritocracy across all employee ranks. Our remuneration structure is designed to ensure there is an appropriate balance of fixed and variable rewards that consider individual, group, and corporate performance. Eligible employees receive variable pay based on the performance for the preceding year. Eligible senior officers are participants in a deferred employee stock program.</p> <p>Annual salary increases are based on performance and promotion. All teams and their employee team members have defined and measurable performance indicators and targets following the balanced scorecard framework. Contributions are rewarded based on an appraisal conducted by senior management. Rewards could be withheld if an employee fails to meet performance requirements or if an administrative or disciplinary action is imposed against the employee.</p>	

		Annual Report (Remuneration, Page 87-88)	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	<p>The non-executive directors each receive a per diem of Php 160,000.00 for attendance in each meeting of the Board, except for the Chairman of the Board who receives Php 240,000.00.</p> <p>The executive directors receive a per diem of Php 1,500.00 for attendance at Board meetings and Php 3,000.00 for each committee meeting.</p> <p>The Chairman of each committee receives a per diem of Php 120,000.00 per meeting attended and a committee member receives a per diem of Php 80,000.00.</p> <p>Per diems and bonuses of some directors who represent institutional shareholders are received by said directors for and on behalf of their respective institutions.</p> <p>For 2024, the total annual compensation paid to the directors amounted to Php 383,348,273.99. To avoid security concerns, the Bank decided to disclose the annual compensation on an aggregate basis.</p> <p>The executive officers receive salaries and bonuses which are covered by the Bank's standard employment contract.</p> <p>The total compensation of the CEO and the four most highly compensated officers is also disclosed in the definitive information statement. The report includes the compensation paid or accrued during the last two calendar years and to be paid in the ensuing calendar year.</p> <p>There was no proposal to change the remuneration of directors presented during the annual meeting of shareholders in 2024.</p> <p>Annual Report (Board remuneration, Page 77)</p>	
Recommendation 8.5			

<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p><i>Disclose or provide reference link to RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</i></p> <p>We ensure that all our transactions with related parties are undertaken only on an arm's length basis and subjected to appropriate oversight of the Board and relevant committees to protect the Bank from conflicts of interest and abusive related party transactions (RPTs) that may arise.</p> <p>Our RPT Policy, which is approved by the Board, is strictly implemented across all covered transactions. The covered transactions include: (1) on-and-off-balance sheet credit exposures and claims and write-offs; (2) investments and/or subscriptions for debt/equity issuance; (3) consulting, professional, agency and other service arrangements/contracts; (4) purchases and sales of assets, including transfer of technology and intangible items; (5) construction arrangements/contracts; (6) lease arrangements/contracts; (7) trading and derivative transactions; (8) borrowings, commitments, guarantees and fund transfers such as advances to and from related parties; (9) sale, purchase, or supply of any goods or materials; (10) establishment of joint venture entities; (11) interim line extension of corporate & commercial loans; (12) capital infusion on subsidiaries; and (13) other transactions.</p> <p>The guidelines ensure fairness and transparency and the appropriate handling and monitoring of RPTs. The bank strictly complies with regulations on Directors, Officers, Stockholders, and Related Interests (DOSRI) transactions.</p> <p>These transactions are made and entered into substantially on the same terms and conditions as transactions with other individuals and businesses of comparable risks. Hence, the transactions likewise go through the same vetting and monitoring process applicable to ordinary or unrelated party transactions as set forth in the Bank's internal guidelines or policies.</p> <p>Our Board members, stockholders, and executive officers are obliged to disclose any financial interest in any transaction or matter affecting the Bank, especially material facts pertaining to the transaction including the terms and conditions of the proposed transaction and deviations, if any. Likewise officers or employees who are related to the</p>	
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		<p>transacting party are required to abstain from the discussion, approval, and management of the transaction.</p> <p>Website (RPT Policy)</p> <p>Annual Report (Related Party Transactions, Page 90)</p>																										
2. Company discloses material or significant RPTs reviewed and approved during the year.	COMPLIANT	<p>The summary of material RPTs in 2024 can be found in the Annual Report. All RPTs were conducted fairly and at arm's length basis.</p> <table><tr><th>Relationship</th><th>Nature</th><th>Terms & Conditions</th><th>Amount Contract Price</th><th>Outstanding Amount</th></tr><tr><td>DOSRI</td><td>Asset Swap/Corporate Credit Card/Credit Facilities/Lease Agreement/ROPA Sale/Others</td><td>Standard terms and conditions.</td><td>15.084 Billion</td><td></td></tr><tr><td>Affiliate</td><td>Purchase of products/ Corporate Credit Card/ Data Science&Consultancy Services/Health Insurance</td><td>Annual renewal; Standard terms and conditions</td><td>.652 Billion</td><td></td></tr><tr><td>Subsidiary</td><td>Technology Services/Capital Infusion/Credit Facilities/ Lease Agreement/Insourcing Services/Cross Selling/Others</td><td>Standard Terms and Conditions</td><td>11.522 Billion</td><td></td></tr><tr><td>Other Related Party</td><td>Asset Swap/Credit Facilities/Lease Agreement/ Outsourcing/ROPA Sale/ Others</td><td>Standard Terms and Conditions</td><td>20.825 Billion</td><td>4.56 Billion</td></tr></table> <p>Annual Report (Related Party Transactions, Page 90)</p>	Relationship	Nature	Terms & Conditions	Amount Contract Price	Outstanding Amount	DOSRI	Asset Swap/Corporate Credit Card/Credit Facilities/Lease Agreement/ROPA Sale/Others	Standard terms and conditions.	15.084 Billion		Affiliate	Purchase of products/ Corporate Credit Card/ Data Science&Consultancy Services/Health Insurance	Annual renewal; Standard terms and conditions	.652 Billion		Subsidiary	Technology Services/Capital Infusion/Credit Facilities/ Lease Agreement/Insourcing Services/Cross Selling/Others	Standard Terms and Conditions	11.522 Billion		Other Related Party	Asset Swap/Credit Facilities/Lease Agreement/ Outsourcing/ROPA Sale/ Others	Standard Terms and Conditions	20.825 Billion	4.56 Billion	
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Supplement to Recommendation 8.5																												
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	<p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p> <p>If an actual or potential conflict of interest arises on the part of a director, officer or employee, he is mandated to fully and immediately disclose the same and should not participate in the decision-making process relating to the transaction.</p> <p>Website (RPT Policy)</p> <p>Manual on Good Corporate Governance (Governance Policy on Conflicts of Interest and Related Party Transactions, Pages 34-36)</p>																										
Optional: Recommendation 8.5																												

<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<p>COMPLIANT</p>	<p>We ensure that all our transactions with related parties are undertaken only on an arm's length basis and subjected to appropriate oversight of the Board and relevant committees to protect the Bank from conflicts of interest and abusive related party transactions (RPTs) that may arise.</p> <p>Our RPT Policy, which is approved by the Board, is strictly implemented across all covered transactions. The covered transactions include: (1) on-and-off-balance sheet credit exposures and claims and write-offs; (2) investments and/or subscriptions for debt/equity issuance; (3) consulting, professional, agency and other service arrangements/contracts; (4) purchases and sales of assets, including transfer of technology and intangible items; (5) construction arrangements/contracts; (6) lease arrangements/contracts; (7) trading and derivative transactions; (8) borrowings, commitments, guarantees and fund transfers such as advances to and from related parties; (9) sale, purchase, or supply of any goods or materials; (10) establishment of joint venture entities; (11) interim line extension of corporate & commercial loans; (12) capital infusion on subsidiaries; and (13) other transactions.</p> <p>The guidelines ensure fairness and transparency and the appropriate handling and monitoring of RPTs. The bank strictly complies with regulations on Directors, Officers, Stockholders, and Related Interests (DOSRI) transactions.</p> <p>These transactions are made and entered into substantially on the same terms and conditions as transactions with other individuals and businesses of comparable risks. Hence, the transactions likewise go through the same vetting and monitoring process applicable to ordinary or unrelated party transactions as set forth in the Bank's internal guidelines or policies.</p> <p>Our Board members, stockholders, and executive officers are obliged to disclose any financial interest in any transaction or matter affecting the Bank, especially material facts pertaining to the transaction including the terms and conditions of the proposed transaction and deviations, if any. Likewise officers or employees who are related to the transacting party are required to abstain from the discussion, approval, and management of the transaction.</p> <p>Website (RPT Policy)</p>	
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		Annual Report (Related Party Transactions, Page 90)	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	COMPLIANT	<p><i>Provide link or reference where this is disclosed.</i></p> <p>Transparency is one of the core principles of our governance framework. To ensure better protection of the rights of our shareholders and other stakeholders, full disclosure of our financial performance, results of operations, governance policies, programs and procedures, and other developments in the organization, is imperative.</p> <p><u>Company website</u></p> <p>Our company website is the primary source of corporate information, financial performance, products and services, contact information, news and advisories, and latest developments pertaining to UnionBank. Our website serves as a venue to disclose in a timely manner a wide range of information including:</p> <ul style="list-style-type: none"> • Financial statements/reports (latest quarterly) • Materials provided in briefings to analysts and media • Downloadable annual report • Notice and minutes of the annual stockholders' meeting • Company's constitution which includes our By-laws and Articles of Incorporation <p><u>Annual Report</u> (Disclosure and Transparency, Page 95)</p> <p>We issue our Annual Report to promote greater disclosure and transparency to the public. Our Annual Report outlines our key achievements over the past year and contains discussion on corporate objectives, financial and non-financial performance indicators, profile of the Board and key officers, corporate governance framework, dividend policy, and statement of management's responsibility for financial statements, to name a few.</p> <p><u>Financial statements</u> (Disclosure and Transparency, Page 95)</p>	

		We also release our annual and quarterly reports to convey our financial performance in a comprehensive and accurate manner. The reports are also being disclosed in compliance with the reporting requirements of the SEC and PSE.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	<p><i>Identify independent party appointed to evaluate the fairness of the transaction price. Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</i></p> <p>As and when necessary, the Bank appoints an external, independent party for acquisitions or disposal of assets.</p> <p>Press Release (Annual Report, Investor Relations, Page 95)</p>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, and such other agreements that may impact on the control, ownership and strategic direction of the company	COMPLIANT	<p><i>Provide link or reference where these are disclosed.</i></p> <p>Agreements that may impact the control, ownership, and strategic decision of the company are appropriately disclosed to the various regulators and the investing public by way of publishing the disclosures on the company website.</p> <p>Website (Other Disclosures to PSE, SEC, and Other Pertinent Agencies)</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	<p><i>Provide link to the company's website that the Manual of Corporate Governance is posted.</i></p> <p>Our actions are guided by the Manual on Corporate Governance, which provides an overview of how we are governed and how we operate.</p> <p>We regularly review and update the provisions of the Manual to address regulatory developments in the industry. We submit the Manual to the SEC whenever there are significant changes or amendments.</p>	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT	<p>Our Manual is posted on the company website for reference of stockholders, regulators, and other stakeholders.</p>	

3. Company's MCG is posted on its company website.	COMPLIANT		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	We regularly review and update the provisions of the Manual to address regulatory developments in the industry. We submit the Manual to the SEC whenever there are significant changes or amendments.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	COMPLIANT	<i>Provide link or reference to the company's Annual Report containing the said information.</i>	
a. Corporate Objectives	COMPLIANT	Annual Report (Vision and Purpose, Page 5)	
b. Financial performance indicators	COMPLIANT	Annual Report (Two-Year and Five-Year Financial Highlights, Pages 8-9)	
c. Non-financial performance indicators	COMPLIANT	Annual Report (Vision and Purpose, Page 5)	
d. Dividend Policy	COMPLIANT	Annual Report (Dividends, Page 102)	
e. Biographical details (at least	COMPLIANT	Annual Report (Profile of the Board of Directors, Pages 98-102)	

age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT	Annual Report (Board Culture, Meetings, and Attendance, Pages 76-77)	
g. Total remuneration of each member of the board of directors	COMPLIANT	Annual Report (Board remuneration, Page 77)	
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is noncompliance, identifies and explains reason for each such issue.	COMPLIANT	<p>Good governance is woven into our corporate fabric and permeates our culture. As we strive to achieve governance excellence in every aspect of our business and operations, we have complied substantially with prevailing standards and best practices in governance in 2024.</p> <p>The details of our compliance with the Code of Corporate Governance for Publicly Listed Companies can be found in our Integrated Annual Corporate Governance Report, published on our company website.</p> <p>Annual Report (Corporate Governance Confirmation Statement, Page 92)</p>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material	COMPLIANT	The Board of Directors (BOD) exercises oversight of the Bank's risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Bank has established independent risk management units (RMUs) that objectively review and ensure compliance to the risk parameters set by the BOD. They are responsible for the monitoring and reporting of risks to senior management and the various	

<p>controls (including operational, financial and compliance controls) and risk management systems.</p>		<p>committees of the Bank. The BOD is primarily responsible for setting the risk appetite, approving risk parameters, credit policies, and investment guidelines, as well as establishing the overall risk taking capacity of the Bank. To fulfil its responsibilities in risk management, the BOD has established the following Committees, whose functions are described below.</p> <p>a. The Executive Committee (EXCOM), composed of seven members of the BOD, exercises certain functions as delegated by the BOD including, among others, the approval of credit proposals, asset recovery and real and other properties acquired (ROPA) sales within its delegated limits.</p> <p>b. The Risk Management Committee (RMC), composed of seven members of the BOD, shall advise the Board of the Bank's overall current and future risk appetite, oversee Senior Management's adherence to the risk appetite statement, and report on the state of risk culture of the Bank.</p> <p>c. The Market Risk Committee (MRC), composed of nine members of the BOD, majority of whom are independent directors, including the Chairman. The Committee is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.</p> <p>d. The Operational Risk Management Committee (ORMC) is composed of at least seven (7) members of the BOD, all of whom are non-executive, with the Chairman being an independent director. The committee has the principal responsibility to review risk management policies and practices relating to bank-wide operational risk.</p> <p>e. The Audit Committee (AudComm) is composed of at least seven members with at least four Independent Directors. All its members are appointed by the Board of Directors with most members, including the Chairman, preferably with accounting, auditing, or related financial management expertise of experience. The Audit Committee has an ongoing responsibility of assessing the effectiveness of the control environment, including the interrelation of other internal control components. It also serves as principal agent of the BOD in ensuring independence of the Bank's external auditors and the internal audit function, the integrity of management, and the adequacy of disclosures and reporting to stockholders. It also oversees the Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.</p>	
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		Annual Report (Risk Management, Pages 70-71)	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	COMPLIANT	<p><i>Provide link or reference to where this is contained in the Annual Report</i></p> <p>The Board of Directors, through the Audit Committee, ensures the effectiveness and adequacy of our internal control system.</p> <p>The Audit Committee is a board-level committee that plays a key role in monitoring and evaluating the adequacy and effectiveness of the Bank's systems of internal control, risk management and corporate governance. It has an ongoing responsibility of assessing the effectiveness of the control environment, including its interrelation with other internal control components. It serves as the principal agent of the Board of Directors in evaluating the audit processes and ensuring independence of the Bank's external auditors and the internal audit function. It is also responsible for setting up the Internal Audit Group (IAG) and for the appointment of the Chief Audit Executive and the Independent External Auditor who both report to the Audit Committee.</p> <p>The Audit Committee consists of seven (7) members who are knowledgeable in accounting, auditing and related financial management matters. They are tasked to provide oversight of the Bank's financial reporting process, and of the internal and external audit functions.</p> <p>Annual Report (Audit, Pages 90-91)</p>	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, and economic).	COMPLIANT	<p><i>Provide link or reference to where these are contained in the Annual Report.</i></p> <p>)</p> <p>The Bank's risks are managed enterprise-wide by all units of the Bank as it adopted the Three Lines of Defense Model in Enterprise Risk Management (ERM). The risks, processes, systems, compliance and controls are identified by the Business Units (1st line). The risks are measured by ERM to establish the controls and limits to mitigate the risks, likewise other controls identified by the Business Units to mitigate the risks are assessed based on design and effectiveness by ERM, Information Security and Compliance (2nd line). The internally developed risk measurement models used are validated by an independent party while the assessments of controls are validated by Internal Audit (3rd line). Tying all this up is an active oversight function by the Board of Directors. The Bank maintains transparent dealings with both external auditors and regulators in relation to the business, vision, plans and strategies.</p>	

	<p>The Board of Directors (BOD) exercises oversight of the Bank’s risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Bank has established independent risk management units (RMUs) that objectively review and ensure compliance to the risk parameters set by the BOD. They are responsible for the monitoring and reporting of risks to senior management and the various committees of the Bank. The BOD is primarily responsible for setting the risk appetite, approving risk parameters, credit policies, and investment guidelines, as well as establishing the overall risk taking capacity of the Bank. To fulfil its responsibilities in risk management, the BOD has established the following Committees, whose functions are described below.</p> <p>a. The Executive Committee (EXCOM), composed of seven members of the BOD, exercises certain functions as delegated by the BOD including, among others, the approval of credit proposals, asset recovery and real and other properties acquired (ROPA) sales within its delegated limits.</p> <p>b. The Risk Management Committee (RMC), composed of seven members of the BOD, shall advise the Board of the Bank’s overall current and future risk appetite, oversee Senior Management’s adherence to the risk appetite statement, and report on the state of risk culture of the Bank.</p> <p>c. The Market Risk Committee (MRC), composed of nine members of the BOD, majority of whom are independent directors, including the Chairman. The Committee is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.</p> <p>d. The Operational Risk Management Committee (ORMC) is composed of at least seven (7) members of the BOD, all of whom are non-executive, with the Chairman being an independent director. The committee has the principal responsibility to review risk management policies and practices relating to bank-wide operational risk.</p> <p>e. The Audit Committee (AudComm) is composed of at least seven members with at least four Independent Directors. All its members are appointed by the Board of Directors with most members, including the Chairman, preferably with accounting, auditing, or related financial management expertise of experience. The Audit Committee has an ongoing responsibility of assessing the effectiveness of the control environment, including the interrelation of other</p>	
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		<p>internal control components. It also serves as principal agent of the BOD in ensuring independence of the Bank's external auditors and the internal audit function, the integrity of management, and the adequacy of disclosures and reporting to stockholders. It also oversees the Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.</p> <p>Annual Report (Risk Management, Pages 70-71)</p> <p>UnionBank's Sustainability Report mapped the emerging Environmental and Social risks across four categories – Credit, Operational, Reputational, and Market risks.</p> <ul style="list-style-type: none"> a. Credit risk: Extreme weather events such as flooding and earthquakes can impact a borrower's financial health, leading to increased loan defaults and a decline in asset quality. b. Operational risk: Climate-related risks can threaten the Bank's operations by disrupting business activities, damaging critical infrastructure, and compromising employee safety across branches, data centers, and supply chains. c. Reputational risk: Public criticism may arise from insufficient support for disaster-affected communities or from minimal investments in environmentally vulnerable or high-risk areas. d. Market risk: Climate-related damage, such as environmental hazards affecting properties, can lead to declining asset values. <p>Annual Report (Types of Emerging E&S risks , Pages 117-118)</p>	
<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.</p>			
<p>Recommendation 9.1</p>			
1. Audit Committee has a robust process for approving and	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.</i></p>	

recommending the appointment, reappointment, removal, and fees of the external auditors.		<p>The Audit Committee reviews the appointment, fees and replacement of external auditor who is duly accredited by the SEC. This includes proposed scope, approach, and fees prior to audit commencement, including coordination of audit effort with internal audit, and ensures that the scope and frequency of audit is appropriate to the risk exposures. The Audit Committee likewise reviews the performance, suitability, effectiveness of the external auditors and endorses for final approval to the Board on the appointment or discharge of the external auditors who shall report directly to the audit committee and not to management.</p> <p>Website (Audit Committee Charter under Board Governance microsite)</p> <p>Manual on Good Corporate Governance (External Auditor, Pages 29-30)</p> <p>Annual Report, (Audit, Pages 90-91)</p>																
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	<p><i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i></p> <p>The table below shows the votes cast for the appointment of the external auditor.</p> <table><tr><th>Vote</th><th>Number of Votes (One Share – One Vote)</th><th>Percentage of Shares Represented</th></tr><tr><td>Yes</td><td>2,585,295,361</td><td>100.00%*</td></tr><tr><td>No</td><td>-</td><td>-</td></tr><tr><td>Abstain</td><td>261</td><td>0.00%</td></tr><tr><td>Total</td><td>2,585,295,622</td><td>100.00%</td></tr></table> <p><small>*Rounded-off to the nearest two (2) decimal point</small></p> <p>Minutes of the Annual Stockholders’ Meeting held on April 26, 2024 (Appointment of External Auditor)</p>	Vote	Number of Votes (One Share – One Vote)	Percentage of Shares Represented	Yes	2,585,295,361	100.00%*	No	-	-	Abstain	261	0.00%	Total	2,585,295,622	100.00%	
Vote	Number of Votes (One Share – One Vote)	Percentage of Shares Represented																
Yes	2,585,295,361	100.00%*																
No	-	-																
Abstain	261	0.00%																
Total	2,585,295,622	100.00%																
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the	COMPLIANT	<p><i>Provide information on or link/reference to a document containing the company’s reason for removal or change of external auditor.</i></p> <p>For 2024, the Bank’s external auditor remains to be SGV – Sycip, Gorres, Velayo & Co.</p>																

public through the company website and required disclosures.		Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Appointment of External Auditor)	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</i></p> <p>The Bank's external auditor shall be rotated, or the handling partner shall be changed every five (5) years or as required by law.</p> <p>Manual on Good Corporate Governance (External Auditor, Page 29-30)</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibilities:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p>	COMPLIANT	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p>The Audit Committee:</p> <ol style="list-style-type: none"> 1. Reviews the appointment, fees and replacement of external auditor who is duly accredited by the SEC. This includes proposed scope, approach, and fees prior to audit commencement, including coordination of audit effort with internal audit, and ensures that the scope and frequency of audit is appropriate to the risk exposures. 2. Reviews the engagement contract and ensures that the scope of audit likewise covers areas specifically prescribed by the Bangko Sentral ng Pilipinas and other regulators. 3. Reviews the performance, suitability, effectiveness of the external auditors and endorses for final approval to the Board on the appointment or discharge of the external auditors who shall report directly to the audit committee and not to management. 4. Reviews and confirms the integrity and independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Bank, including non-audit services, and discussing the relationships with the auditors. 	

iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.		<p>5. Assesses non-audit services of the external auditor and periodically reviews the non-audit fees to ensure that non-audit work will not conflict with his duties and will not pose a threat to his independence.</p> <p>6. Evaluates internal control issues raised by external auditors.</p> <p>7. Evaluates compliance of external auditors with auditing standards.</p> <p>8. Determines completeness and timeliness of management's communication with external auditor as to critical policies, alternative treatments, observations on internal controls, audit adjustments, independence, limitations on the audit work set by the management, and other material issues that affect the audit and financial reporting.</p> <p>Website (Audit Committee Charter under Board Governance microsite)</p>	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability on an annual basis.	COMPLIANT	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p>The Audit Committee reviews the performance, suitability, effectiveness of the external auditors and endorses for final approval to the Board on the appointment or discharge of the external auditors who shall report directly to the audit committee and not to management.</p> <p>Website (Audit Committee Charter under Board Governance microsite)</p>	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and	COMPLIANT	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p>Website (Audit Committee Charter under Board Governance microsite)</p>	

valuations of such transactions.			
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	<p><i>Provide link/reference to the company's Audit Committee Charter.</i></p> <p>Website (Audit Committee Charter under Board Governance microsite)</p>	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	<p><i>Disclose the nature of non-audit services performed by the external auditor, if any.</i></p> <p>Fees for the regular and statutory audits for the years 2024 and 2023 amounted to P25.2 million and P23.0 million, respectively, exclusive of VAT and out of pocket expenses.</p> <p>Fees for other special audit, assurance and related services rendered by SGV in 2024 totaled P3.0 million for review engagements and issuance of comfort letters related to capital raising activities.</p> <p>SEC Form 17-A (Audit and Audit Related Fees, Page 50)</p>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	<p><i>Provide link or reference to guidelines or policies on non-audit services</i></p> <p>The Audit Committee assesses non-audit services of the external auditor and periodically reviews the non-audit fees to ensure that non-audit work will not conflict with his duties and will not pose a threat to his independence.</p> <p>Website (Audit Committee Charter under Board Governance microsite)</p>	
Supplement to Recommendation 9.3			

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	<p><i>Provide information on audit and non-audit fees paid.</i></p> <p>The table below shows the breakdown of the audit and non-audit fees paid to the external auditor in 2024.</p> <table><tr><th>Fees paid in 2024</th><th>Amount (in PHP)</th></tr><tr><td>Audit</td><td>25.2 million</td></tr><tr><td>Non-audit</td><td>3.0 million</td></tr><tr><td>Total</td><td>28.2 million</td></tr></table> <p>SEC Form 17-A (Audit and Audit Related Fees, Page 50)</p>	Fees paid in 2024	Amount (in PHP)	Audit	25.2 million	Non-audit	3.0 million	Total	28.2 million	
Fees paid in 2024	Amount (in PHP)										
Audit	25.2 million										
Non-audit	3.0 million										
Total	28.2 million										

Additional Recommendation to Principle 9

1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p><i>Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm</i></p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).		<p>Name of the audit engagement partner; Janet A. Paraiso</p> <p>2. Accreditation number; (N/A since for 2024 audit, no requirement for SEC accreditation)</p> <p>3. Date Accredited; (N/A since for 2024 audit, no requirement for SEC accreditation)</p> <p>4. Expiry date of accreditation; (N/A since for 2024 audit, no requirement for SEC accreditation)</p> <p>5. Name, address, contact number of the audit firm; SyCip Gorres Velayo & Co (EY Philippines) 6760 Ayala Avenue, Makati City 1226, Philippines 891-03-07</p> <p>6. Date it was subjected to SOAR inspection, if subjected; August 1-12, 2022</p> <p>7. Name of the Audit firm; SyCip Gorres Velayo & Co</p>	

8. Members of the engagement team inspected by the SEC;
The names of the engagement team were provided to the SEC during the SOAR inspection.

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

Recommendation 10.1

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>COMPLIANT</p>	<p><i>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues</i></p> <p><u>Sustainability Report</u> (About this Report, Page 1) (Scope and Materiality: Issues that Matter, Page 114)</p> <p>The Union Bank of the Philippines 2024 Sustainability Report details UnionBank's business performance and sustainability strategy to create a diverse, inclusive, and equitable future for stakeholders. It shows UnionBank's commitment to making meaningful impact extending beyond its primary stakeholders and the banking sector. The report illustrates UnionBank's endeavors to co-create innovations that foster digital transformation and sustained environmental initiatives, and promote inclusion for the greater good.</p> <p>UnionBank's interdepartmental Technical Working Group provided updates on environmental, social, and governance performance as part of the governance and data management process to meet regulatory and stakeholder reportorial requirements.</p> <p>The CSR and Sustainability Unit coordinates the reporting process with a cross-functional Technical Working Group (TWG). This group includes representatives from risk, compliance, corporate governance, treasury, operations, private banking, IT, facilities, and business services. Together, the team contributes data, flags emerging risks and opportunities, and helps determine which topics to prioritize—guided by stakeholder input and aligned with the Bank's strategic direction.</p> <p><u>Sustainability microsite on UnionBank's website</u></p>	
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		Our Sustainability Policy guides our corporate decision-making at all levels and provides a frame of reference on how we contribute to sustainable development, while managing the risks and opportunities of a changing world.	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	<p><i>Provide link to Sustainability Report, if any. Disclose the standards used.</i></p> <p><u>Sustainability Report</u></p> <p>Our sustainability report was prepared in accordance with Global Reporting Initiative (GRI) Standards. It follows the Sustainability Reporting Guidelines of the Securities and Exchange Commission (SEC), and refers to applicable guidance from the World Economic Forum’s Integrated Reporting Document and the United Nations Sustainable Development Goals metrics.</p> <p>Reporting Framework: GRI Standards 2021 Approach to GRI: In accordance Reporting Scope: Parent Bank and subsidiaries City Savings Bank, Bangko Kabayan, UBX and Union Digital Reporting Period: January to December 31, 2024 Reporting Cycle: Annual Previous Report: UnionBank’s 2023 Sustainability Report, “Going Beyond, Going for Gold” published in April 2024.</p>	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts’ briefings as channels of communication to ensure the timely and accurate dissemination of public, material and	COMPLIANT	<p><i>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.</i></p> <p>Transparency is one of the core principles of our governance framework. To ensure better protection of the rights of our shareholders and other stakeholders, full disclosure of our financial performance, results of operations, governance policies, programs and procedures, and other developments in the organization, is imperative.</p>	

relevant information to its shareholders and other investors.		<p>Our company website is the primary source of corporate information, financial performance, products and services, contact information, news and advisories, and latest developments pertaining to UnionBank.</p> <p>We also release our annual and quarterly reports to convey our financial performance in a comprehensive and accurate manner. The reports are also being disclosed in compliance with the reporting requirements of the SEC and PSE.</p> <p>Press releases and media briefings are also being utilized to communicate important news and developments or information about our business.</p> <ol style="list-style-type: none"> 1. Annual Reports 2. SEC Reports 3. Annual Stockholders' Meeting 4. Other Disclosures to PSE, SEC, and other Pertinent Agencies 5. News 6. Corporate Governance 7. Investor Relations 	
1. Company has a website disclosing up-to-date information on the following:	COMPLIANT	<p><i>Provide link to company website</i></p> <p>Click here to visit our website.</p>	
a. Financial statements/reports (latest quarterly)	COMPLIANT	<p>a) SEC Reports</p> <p>b) Other Disclosures to PSE, SEC, and other Pertinent Agencies</p> <p>c) Annual Reports</p>	
b. Materials provided in briefings to analysts and media	COMPLIANT	<p>d) Notice of Annual Stockholders' Meeting</p> <p>e) Minutes of Annual Stockholders' Meeting</p>	
c. Downloadable annual report	COMPLIANT	<p>f) Articles of Incorporation and By-Laws</p>	

d. Notice of ASM and/or SSM	COMPLIANT		
e. Minutes of ASM and/or SSM	COMPLIANT		
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	The Bank complies with the SEC-prescribed website template. Click here to visit our website.	
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	<p>Board Oversight The Board of Directors, through the Audit Committee, ensures the effectiveness and adequacy of our internal control system.</p> <p>The Audit Committee is responsible for assessing the effectiveness of the control environment, including the interrelation of other internal control components. It serves as the principal agent of the Board in evaluating the audit processes and ensuring independence of our external auditors and the internal audit function. It is also responsible for setting up the Internal Audit Group (IAG) and for the appointment of the Chief Audit Executive and the Independent External Auditor who both report to the Audit Committee.</p> <p>Internal Audit The Internal Audit Group is independent of other organizational units of the Bank. It operates under the direct control of the Audit Committee and is given an appropriate standing within the Bank to be free from bias and interference. IAG is tasked to report on how well the Bank's processes, systems, operating units and activities are doing towards</p>	

		<p>the attainment of corporate objectives, primarily by ensuring that established organizational controls are designed appropriately and are operating effectively.</p> <p>IAG conducts assurance and advisory engagements based on a forward-looking audit plan that is consistent with the Bank's strategic plans and priorities.</p> <p>IAG performs risk assessment using an audit universe comprised by entities that represent the complete risk landscape. This includes business units, application systems, processes, and subsidiary entities. In accordance with the Bank's Code of Conduct, IAG conducts investigations in aid of administrative proceedings.</p> <p>The Parent Audit Committee, through the Parent Chief Audit Executive, oversees the internal audit function of the subsidiaries. The Group Internal Audit function was created to support the governance process and to promote quality and consistency across the Group.</p> <p>Annual Report (Audit, Page 91)</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	<p>Given that banks and financial institutions are in the business of taking risks, UnionBank operates according to its established risk philosophy, where the Board is responsible for approving, reviewing, supervising, and overseeing the Bank's risk strategy, risk policies, risk appetite and risk limits.</p> <p>Following the Board's instructions, the Bank's Senior Management and various risk management committees set up independent risk management functions to ensure that risks are properly understood, controlled, and managed, in addition to the risk processes which must be clearly aligned with the Bank's business strategies.</p> <p>A risk appetite framework has been established, which includes the Board approved risk appetite statements and the related risk policies and limits. The risk appetite statements establish the philosophy and high-level boundaries for risktaking activities across UnionBank. The risk policies and limits give more specific guidance for particular risks, providing clarity for management in making day-to-day decisions. The specific appetite for each risk type is implemented and enforced by an extensive set of specific limits, controls, and governance processes.</p>	

		<p>The Bank's risks are managed enterprise-wide by all units of the Bank as it adopted the Three Lines of Defense Model in Enterprise Risk Management (ERM). The risks, processes, systems, compliance and controls are identified by the Business Units (1st line). The risks are measured by ERM to establish the controls and limits to mitigate the risks, likewise other controls identified by the Business Units to mitigate the risks are assessed based on design and effectiveness by ERM, Information Security and Compliance (2nd line). The internally developed risk measurement models used are validated by an independent party while the assessments of controls are validated by Internal Audit (3rd line). Tying all this up is an active oversight function by the Board of Directors. The Bank maintains transparent dealings with both external auditors and regulators in relation to the business, vision, plans and strategies.</p> <p>The Board of Directors (BOD) exercises oversight of the Bank's risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Bank has established independent risk management units (RMUs) that objectively review and ensure compliance to the risk parameters set by the BOD. They are responsible for the monitoring and reporting of risks to senior management and the various committees of the Bank. The BOD is primarily responsible for setting the risk appetite, approving risk parameters, credit policies, and investment guidelines, as well as establishing the overall risk taking capacity of the Bank.</p> <p>Annual Report (Risk Management, Pages 70-71)</p>	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training	COMPLIANT	<p>At UnionBank, we view compliance with regulations not only as an obligation, but as a way of doing business. We have established strong compliance programs and policies designed to specifically identify and mitigate risks that may erode the franchise value of UnionBank such as risks of legal or regulatory sanctions, material financial loss, or loss of reputation. Through our compliance efforts, we seek to do business in a way that engenders trust with our customers, investors, regulators, and the public.</p> <p>Our compliance team, the Compliance and Corporate Governance Office (CCGO), is equipped with deep knowledge and industry expertise to keep pace with the ever-changing regulatory horizon. We have a total of thirty-nine (39) compliance officers in charge of facilitating the effective management of compliance risk and ensures that our businesses and affairs are conducted within the boundaries of laws, rules, and regulations. The Board</p>	

<p>and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>		<p>has appointed the Chief Compliance and Corporate Governance Officer with the rank of Senior Vice President (SVP) to reinforce adequate stature and authority of compliance in the organization. As the lead operating officer in compliance, she oversees the overall design and effective implementation of the compliance risk management system and supervises our compliance function. She serves on a full-time basis and functionally reports to the Corporate Governance Committee.</p> <p>Forging a positive and productive working relationship with our regulators remains a key tenet of our governance agenda. We are aware that our compliance efforts to maintain the safety and soundness of the banking system are amplified when we work together with regulators who share the same goals.</p> <p>We've bolstered our compliance efforts by taking an active role in various industrywide forums, conferences, regular examinations and thematic reviews, consultations, review of exposure drafts, surveys and studies of our regulators including the Bangko Sentral ng Pilipinas (BSP), Securities and Exchange Commission (SEC), and Anti-Money Laundering Council (AMLC), to cement our position as an industry leader in compliance and good governance. We've also been working closely with external partners and industry observers including the Association of Bank Compliance Officers (ABCOMP), Bankers Association of the Philippines (BAP), Bankers Institute of the Philippines (BAIPHIL), Good Governance Advocates and Practitioners of the Philippines (GGAPP), and other organizations of likeminded finance and banking professionals whose mission is to professionalize the compliance system in the banking industry and develop constructive working relationship with regulators.</p> <p>Annual Report (Our Compliance Framework, Pages 88-90)</p>	
Optional: Recommendation 12.1			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed,</p>	<p>COMPLIANT</p>	<p>We have established Information Technology and Cybersecurity Committee to provide oversight on the overall information technology and information security strategy of the Bank and its alignment with the Bank's business strategies and objectives.</p> <p>Given the evolving trends in IT and cybersecurity threats, the Committee also aims to pioneer the advancement of cybersecurity practices in the local banking industry.</p> <p>Annual Report (Information Technology and Cybersecurity Committee, Page 83-84)</p>	

and reported to the board.			
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	<p><i>Disclose if the internal audit is in house or outsourced. If outsourced, identify external firm.</i></p> <p>Our Internal Audit Group is in-house.</p> <p>Annual Report (Internal Audit, Page 91)</p>	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</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>	COMPLIANT	<p><i>Identify the company's Chief Audit Executive CAE and provide information on or reference to a document containing his/her responsibilities.</i></p> <p>Norman C. Gabriel , is Senior Vice President and Chief Audit Executive of UnionBank.</p> <p>He is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA) and also holds certifications in Risk Management Assurance (CRMA) and Controls Self-Assessment (CCSA). He has more than 20 years of audit, operations and financial controllership experience from consumer goods, consumer electronics, banking and other industries. He previously worked as Country Controller for Accenture and Internal Audit Head at Goodyear Tires Asia Pacific and Samsung Electronics Philippines. He spent most of his career in Procter & Gamble, majority of which doing regional and global roles in the Internal Audit function. While at P&G, he also held roles in Credit Risk, Revenue and Trade Fund Management in the Asia HQ in Singapore. His early audit experience includes stints in KPMG, Security Bank Corporation and UnionBank. Mr. Gabriel obtained his Bachelor of Science degree in Accountancy from De La Salle University.</p>	

3. 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.		Annual Report (Profile of the Chief Audit Executive, Page 107)	
4. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	<p><i>Identify qualified independent executive or senior management personnel, if applicable.</i></p> <p>The Bank does not outsource its internal audit activity.</p>	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	<p><i>Provide information on company's risk management function.</i></p> <p>The Board of Directors (BOD) exercises oversight of the Bank's risk management process as a whole and through its various risk committees. For the purpose of day-to-day management of risks, the Bank has established independent risk management units (RMUs) that objectively review and ensure compliance to the risk parameters set by the BOD. They are responsible for the monitoring and reporting of risks to senior management and the various committees of the Bank. The BOD is primarily responsible for setting the risk appetite, approving risk parameters, credit policies, and investment guidelines, as well as establishing the overall risk taking capacity of the Bank. To fulfil its responsibilities in risk</p>	

		<p>management, the BOD has established the following Committees, whose functions are described below.</p> <p>a. The Executive Committee (EXCOM), composed of seven members of the BOD, exercises certain functions as delegated by the BOD including, among others, the approval of credit proposals, asset recovery and real and other properties acquired (ROPA) sales within its delegated limits.</p> <p>b. The Risk Management Committee (RMC), composed of seven members of the BOD, shall advise the Board of the Bank's overall current and future risk appetite, oversee Senior Management's adherence to the risk appetite statement, and report on the state of risk culture of the Bank.</p> <p>c. The Market Risk Committee (MRC), composed of nine members of the BOD, majority of whom are independent directors, including the Chairman. The Committee is primarily responsible for reviewing the risk management policies and practices relating to market risk including interest rate risk in the banking book and liquidity risk.</p> <p>d. The Operational Risk Management Committee (ORMC) is composed of at least seven (7) members of the BOD, all of whom are non-executive, with the Chairman being an independent director. The committee has the principal responsibility to review risk management policies and practices relating to bank-wide operational risk.</p> <p>e. The Audit Committee (AudComm) is composed of at least seven members with at least four Independent Directors. All its members are appointed by the Board of Directors with most members, including the Chairman, preferably with accounting, auditing, or related financial management expertise of experience. The Audit Committee has an ongoing responsibility of assessing the effectiveness of the control environment, including the interrelation of other internal control components. It also serves as principal agent of the BOD in ensuring independence of the Bank's external auditors and the internal audit function, the integrity of management, and the adequacy of disclosures and reporting to stockholders. It also oversees the Bank's financial reporting process on behalf of the BOD. It assists the BOD in fulfilling its fiduciary responsibilities as to accounting policies, reporting practices and the sufficiency of auditing relative thereto, and regulatory compliance.</p>	
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		Annual Report (Risk Management, Pages 70-71)	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	<p><i>Identify source of external technical support, if any.</i></p> <p>Nothing required external technical support in 2024. The ESRMS is published as part of the 2024 Sustainability Report.</p> <p>Sustainability Report (Overview of UnionBank's ESMRS, page 115-118)</p>	
Recommendation 12.5			
<p>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).</p> <p>2. CRO has adequate authority, stature, resources, and support to fulfill his/her responsibilities.</p>	COMPLIANT	<p><i>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</i></p> <p>Erwin Wiriadi is the Chief Risk Officer of UnionBank since 2022. Prior to joining the Bank, he was the Director and Head of Consumer Risk Management of Citibank N.A. Philippines from 2017 to 2022 and was also a TransUnion Philippines Board of Director member representing Citibank. He held various capacities relating to Risk Management in Citibank N.A. Indonesia for over 20 years prior being assigned to the Philippines. He held Senior Credit Officer entitlement since 2005 during his stint in Citibank N.A. Indonesia and had international exposures through risk reviews/audits and short-term assignment. Mr. Wiriadi graduated from The Ohio State University, Columbus, Ohio with a degree in MSc Industrial and Systems Engineering in 1995..</p> <p>Annual Report (Profile of the Chief Risk Officer, Page 107)</p>	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a	COMPLIANT	<p><i>Provide link to CEO and CAE's attestation</i></p> <p>The Board of Directors, through the Audit Committee, ensures the effectiveness and adequacy of our internal control system.</p>	

sound internal audit, control and compliance system is in place and working effectively.		<p>Our governance framework is anchored on competent leadership, strong compliance culture, robust internal controls, and effective reporting mechanisms across the organization. We are continuously pushing the boundaries of what is possible on this front. We achieved the four-golden arrow recognition for the 2023 ASEAN Corporate Governance Scorecard (ACGS) performance which represents our highest ACGS score since the Institute of Corporate Directors (ICD) inaugurated the Golden Arrow Awards in 2018. The ACGS is an assessment tool supported by a rigorous methodology that measures the governance performance of publicly listed companies in six (6) participating ASEAN member countries – Indonesia, Malaysia, Singapore, Thailand, Vietnam, and the Philippines.</p> <p>Annual Report (Audit, Pages 90-91; Paragraph e, Page 71; Page 72)</p>	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	<p><i>Provide link or reference to the Company's Manual on Good Corporate Governance where shareholders' rights are disclosed.</i></p> <p>Our stockholders are the ultimate owners of our business and serves as the highest authority in our governance structure. They enjoy the benefits of strong corporate governance, which we believe is critical not only for the success of the organization but also in advancing the interests of our shareholders.</p> <p>We treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. Shareholders' rights relate to the following, among others: (a) preemptive rights; (b) right to receive dividends; (c) right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting; (d) right to nominate candidates to the Board; (e) voting rights; (f) right to information; and (g) power of inspection.</p> <p>The basic rights of our shareholders are disclosed in the Manual on Corporate Governance which is posted on our company website.</p> <p>Manual on Good Corporate Governance (Article IV on Shareholders' Benefit, Pages 32-34)</p>	

2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	<p><i>Provide link to the company's website</i></p> <p>The basic rights of our shareholders are disclosed in the Manual on Corporate Governance which is posted on our company website.</p> <p><u>Manual on Good Corporate Governance</u> (Article IV on Shareholders' Benefit, Pages 32-34)</p>	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	<p><i>Provide link or reference to the Company's Manual on Good Corporate Governance where shareholders' rights are disclosed.</i></p> <p><u>Manual on Good Corporate Governance</u> (Article IV on Shareholders' Benefit, Pages 32-34)</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	<p>Our stockholders are the ultimate owners of our business and serves as the highest authority in our governance structure. They enjoy the benefits of strong corporate governance, which we believe is critical not only for the success of the organization but also in advancing the interests of our shareholders.</p> <p>We treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. Shareholders' rights relate to the following, among others: (a) preemptive rights; (b) right to receive dividends; (c) right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting; (d) right to nominate candidates to the Board; (e) voting rights; (f) right to information; and (g) power of inspection.</p> <p>The basic rights of our shareholders are disclosed in the Manual on Corporate Governance which is posted on our company website.</p> <p><u>Manual on Good Corporate Governance</u> (Article IV on Shareholders' Benefit, Pages 32-34)</p>	
4. Board has an effective, secure, and efficient voting system.	COMPLIANT	<p><i>Provide information on all classes of shares, including their voting rights if any.</i></p>	

		Definitive Information Statement (Requirements and Procedures for Registration to Participate through Remote Communication and Voting Electronically in Absentia, Annex B, Pages 123-125)	
5. Board has an effective shareholder voting mechanisms such as supermajority or “majority of the minority” requirements protect minority shareholders against actions of controlling shareholders.	COMPLIANT	<p><i>Provide information on shareholder voting mechanisms such as supermajority or “majority of the minority”, if any.</i></p> <p>Definitive Information Statement (Requirements and Procedures for Registration to Participate through Remote Communication and Voting Electronically in Absentia, Pages 123-125)</p>	
6. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	COMPLIANT	<p>The special meeting of the stockholders may be called for any purpose at any time by the Chairman of the Board, by the President, or by the holders of not less than one-third (1/3) of the subscribed capital stock of the corporation.</p> <p>Annual Report (Rights of Shareholders, Pages 94-95)</p> <p>By-laws (Special Meeting, Page 5)</p>	
7. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p><i>Provide information or link/reference to the policies on treatment of minority shareholders</i></p> <p>Manual on Good Corporate Governance (Article IV on Shareholders’ Benefit, Pages 32-34)</p> <p>Annual Report (Rights of Shareholders, Pages 94-95)</p>	
8. Company has a transparent and	COMPLIANT	<i>Provide information on or link/reference to the company’s dividend Policy. Indicate if company declared dividends. If yes, indicate the number of days within which the</i>	

specific

dividend

policy.

dividends were paid after declaration. In case the company has offered dividends, indicate if the company paid the dividends within 60 days from declaration.

Cash Dividends

In accordance with the Bank’s By-Laws, the Board of Directors (BOD) shall determine and declare dividends each year out of prior year’s net income after tax, payable out of the Bank’s available unrestricted retained earnings, subject to prior approval by the relevant authorities as may be required. The following is a summary of the cash dividends declared and distributed by the Bank in 2024, 2023 and 2022:

Date of Declaration	Date of Record	Date of BSP Approval	Date of Payment	Dividend per Share	Outstanding Shares	Total Amount
January 26, 2024	February 13, 2024	N/A	February 20, 2024	Php0.80	2,989,259,518	Php2,391,407,614.40
February 1, 2023	February 15, 2023	N/A	February 27, 2023	2.00	2,353,774,567	4,707,549,134.00
January 28, 2022	February 14, 2022	N/A	March 2, 2022	2.80	1,524,918,059	4,269,770,565.20

On January 31, 2025, the Parent Bank’s BOD approved a cash dividend at Php1.00 per share amounting Php3,316,405,584.00, issued to all stockholders of the Bank and payable from the unrestricted retained earnings of the Bank as of December 31, 2024. The record date for stockholders entitled to the cash dividend was February 17, 2025, and payment was made on February 24, 2025.

In compliance with BSP regulations, the Bank ensures that adequate reserves are in place for future bank expansion requirements. The foregoing cash dividend declarations were made within the BSP’s allowable limit for dividends.

Stock Dividends

On February 24, 2023 and April 28, 2023, the Board of Directors and stockholders of the Bank approved, respectively, the declaration of 27% stock dividends in the amount of Php6,355,191,330.00 equivalent to 635,519,133 common shares with a par value of Php10.00 to comply with the required 25% subscription of the increase in authorized capital stock of the Bank. Fractional shares resulting from the stock dividend declaration were paid in cash based on the closing rate of Php87.50 as of February 27, 2023, the next trading day at the PSE following the date of approval by the Board of Directors of the said declaration and computed up to two (2) decimal places.

		<p>On August 1, 2023 and December 5, 2023, the Parent Bank obtained the BSP and the SEC approvals, respectively, for the increase in the authorized capital stock and for the issuance of common shares to stockholders of record as of December 22, 2023 and payment date on January 4, 2024.</p> <p>On January 4, 2024, the Bank issued 635.5 million common shares at par value of Php10.00 for whole shares and paid Php0.22 million for 2,550.79 fractional shares in relation to the 27% stock dividends</p> <p>Annual Report (Dividends, Page 92)</p>	
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Optional: Recommendation 13.1

1. Company appoints an party to count and/or validate the votes at Shareholders' Meeting.	COMPLIANT	<p><i>Identify the independent party that counted/validated the votes at the ASM, if any.</i></p> <p>We engaged Sycip Gorres Velayo & Co to conduct a third-party validation of the votes for the annual stockholders' meeting.</p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Page 6)</p> <p>Annual Report (Rights of Shareholders, Pages 94-95)</p>	
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Recommendation 13.2

1. Board encourages active shareholder participation by	COMPLIANT	<p><i>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting notice and agenda were sent out. Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the</i></p>	
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<p>sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>		<p><i>meeting. Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS).</i></p> <p>The Corporate Secretary certified that notices of the Annual Stockholders' Meeting and the Definitive Information Statement were duly served by providing the Quick Response (QR) Code to all stockholders of the Bank as of record date of March 8, 2024, by e-mail for those stockholders who have given their e-mail addresses. Furthermore, the electronic copies of the Notice and Definitive Information Statement as well as the Requirements and Procedures for Registration to Participate through Remote Communication and Vote electronically in Absentia were posted on the Bank's website, and disclosed to The Philippine Stock Exchange, Inc.'s EDGE Portal and the Philippine Dealing and Exchange Corporation on March 15, 2024</p> <p>In addition, pursuant to the SEC Notice posted on February 23, 2024, referring to the alternative distribution of the notice of stockholders meeting, Information Statement, and other documents in connection with the holding of Annual Meetings, the Notice of Meeting was published in the business sections of The Philippine Daily Inquirer and The Philippine Star, in print and online format, on March 20 and 21, 2024. The last publication was made thirty (36) days prior to this meeting, in accordance with Article IV Section 1(c) of UnionBank's Amended By-Laws and Section 49 of the Revised Corporation Code. The Definitive Information Statement contained the rationale and explanation for each agenda item which require shareholders' approval, the profile and business experience of the directors and nominees seeking election/re-election and identified the auditor seeking re-appointment. Proxy form was also made available in the document.</p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Page 6)</p> <p>Annual Report (Rights of Shareholders, Pages 94-95)</p> <p>Definitive Information Statement (Notice of Annual Stockholder's Meeting, Page 2)</p>	
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to the company's notice of Annual Shareholders' Meeting.</i></p> <p>Definitive Information Statement (Notice of Annual Stockholder's Meeting, Page 2)</p>	

following information:			
2. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	Definitive Information Statement (Business Experience, Pages 16-22)	
b. Auditors seeking appointment/re-appointment	COMPLIANT	<p>The current external auditor of UnionBank is the accounting firm of Sycip, Gorres, Velayo & Co. (SGV) for the fiscal year 2023. SGV has been engaged as the external auditor of the Bank with Ms. Irene Janet Alvarado-Paraiso, Assurance Partner, as the Engagement Partner for the audited financial statements for the year ended December 31, 2023. The said accounting firm was endorsed for approval of the stockholders at the Annual Stockholders' Meeting held on April 26, 2024.</p> <p>Definitive Information Statement (Independent Public Accountants, Page 44)</p>	
c. Proxy documents	COMPLIANT	Definitive Information Statement (Proxy Document, Page 5)	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<p>A comprehensive agenda which includes an explanation of the agenda items was included in the Notice of Stockholders' Meeting.</p> <p>Definitive Information Statement (Annex A: Explanation on Agenda Items, Pages 3-4)</p>	
Recommendation 13.3			
1. Board encourages active shareholder participation by	COMPLIANT	<i>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.</i>	

making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.		Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Open Forum, Page 9)	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT	<p><i>Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any.</i></p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024</p> <p>Minutes of the most recent Annual Stockholders' Meeting was released on April 26 2024.</p>	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	<p><i>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</i></p> <p>The shareholders were encouraged to express their opinions and raise any questions, either on the agenda or any other questions related to the business and operations of the Bank. During the open forum, the Vice Chairman, upon advice by the meeting moderator that there were a few questions received from stockholders sent via email thru the Office of the Corporate Secretary, answered all the aforementioned questions, all of which were recorded in the Minutes of the meeting.</p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Open Forum, Page 9)</p>	

Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	<p><i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.</i></p> <p>The Bank continues to build harmonious relationships with its stockholders and other parties with whom it may have obligations or contract with.</p> <p>In case of conflict between the parties, the Bank recognizes that the same may be settled through alternative dispute resolution than traditional and tedious court action. The Bank thus adheres to appropriate alternative dispute resolution system for early settlement of conflicts with said parties, the details of which are provided under the Bank's Manual on Good Corporate Governance, which is posted on our company website.</p> <p>Manual on Good Corporate Governance (Article VI on Alternative Dispute Resolution System, Pages 37-38)</p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.			
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	<p><i>Disclose the contact details of the officer/office responsible for investor relations, such as:</i> <i>1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address</i></p> <p>Investor Relations Office Carlo I. Eñanosa 34/F UnionBank Plaza, Meralco Avenue corner Onyx and Sapphire Roads Ortigas Center, Pasig City 1605 M: +63 917 817 0648 L: (02) 8500 3648 Email: investorrelations@unionbankph.com</p>	
2. IRO is present at every shareholders' meeting	COMPLIANT	<p><i>Indicate if the IRO was present during the ASM.</i></p> <p>Mr. Carlo I. Eñanosa attend the 2023 Annual Stockholders' Meeting held on April 26 2024.</p> <p>Minutes of the Annual Stockholders' Meeting held on April 26, 2024 (Attendance, Page 4)</p>	
Supplemental Recommendations to Principle 13			

1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	<p><i>Provide information on how antitakeover measures or similar devices were avoided by the board, if any.</i></p> <p>We adhere to the rules on voting in accordance with the Revised Corporation Code and in accordance with the Bank's By-Laws.</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	COMPLIANT	<p><i>Indicate the company's public float.</i></p> <p>Public Ownership Report As of March 31, 2025, the Bank's public float is 17.21%</p>	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Shareholders' Meeting.	COMPLIANT	<p><i>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.</i></p> <p>Investor Relations and Analysts' Briefings Calendar We engage our shareholders and potential investors through an effective Investor Relations (IR) Program. The investing community is updated of the Bank's performance, strategies, and management actions towards achieving a true and fair valuation of the Bank. As a publicly listed company, IR abides by the disclosure and reporting requirements of the PSE, SEC, other relevant regulations.</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting	Compliant	<p><i>Disclose the process and procedure for secure electronic voting in absentia, if any.</i></p> <p>Stockholders who are unable to attend the meeting may choose to execute a proxy form or vote electronically in absentia using UnionBank's secure Annual Stockholders' Meeting Portal ("ASM Portal") at https://asm.unionbankph.com.</p> <p>A stockholder who participates and votes through remote communication or in absentia shall be deemed present for purposes of quorum. The requirements and procedures for</p>	

		<p>registration to participate through remote communication and vote electronically in absentia are set forth under Annex “B” of the Information Statement.</p> <p>Definitive Information Statement (Voting Procedures, Page 55)</p> <p>Minutes of the Annual Stockholders’ Meeting held on April 26, 2024 (Voting Procedures, Page 6-7)</p>	
Duties to Stakeholders			
<p>Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders’ rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.</p>			
Recommendation 14.1			
1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	<p><i>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.</i></p> <p>We place a high value on stakeholder input, recognizing it as essential to credible and actionable sustainability reporting.</p> <p>Throughout 2024, we engaged with key stakeholder groups—customers, employees, investors, regulators, and communities—to better understand their concerns, expectations, and evolving priorities.</p> <p>This feedback loop informs our policies, operations, and sustainability focus areas. To keep the dialogue open and timely, we use in-person and digital channels, including surveys, virtual forums, and customer service platforms.</p> <p>Sustainability Report (Stakeholder Engagement, Page 112-113)</p>	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	<p><i>Identify policies and programs for the protection and fair treatment of company’s stakeholders.</i></p> <p>Our stockholders are the ultimate owners of our business and serves as the highest authority in our governance structure. They enjoy the benefits of strong corporate governance, which</p>	

		<p>we believe is critical not only for the success of the organization but also in advancing the interests of our shareholders.</p> <p>We treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. Shareholders' rights relate to the following, among others: (a) preemptive rights; (b) right to receive dividends; (c) right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting; (d) right to nominate candidates to the Board; (e) voting rights; (f) right to information; and (g) power of inspection.</p> <p>The basic rights of our shareholders are disclosed in the Manual on Corporate Governance which is posted on our company website.</p> <p>Manual on Good Corporate Governance (Article IV on Shareholders' Benefit, Pages 32-34)</p> <p>At UnionBank, sustainability is a core business strategy. It shapes how we manage risk, allocate capital, design products, and define success. It's how we build long-term value for our stakeholders, communities, and the planet. Sustainability is also a foundation of our Next-Gen Strategy. As we lead digital transformation in banking, we recognize that innovation must be responsible.</p> <p>Sustainability guides how we improve operational efficiency, make future-focused investments, and ensure our growth is inclusive, resilient, and in sync with societal and environmental needs.</p> <p>Being a Next-Gen bank is not just about offering smart, seamless digital experiences. It's about building a future-ready ecosystem—one that balances innovation with long-term responsibility. As we segment our customer base and refine our services, we stay mindful that not all users transition to digital at the same pace. Our goal is to meet people where they are while giving them the tools to thrive in a changing world.</p> <p>Sustainability Report</p>	
Recommendation 14.3			
1. Board adopts a transparent framework and	COMPLIANT	<i>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</i>	

process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.		<p><i>for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders.</i></p> <p><u>Whistleblower Policy</u></p> <p>Our Whistleblower Policy is intended to assist individuals to whistle blow on malpractices which they have discovered and to provide protection to the whistleblower. We ensure that such concerns are treated seriously, appropriately, and with utmost confidentiality.</p> <p>Reportable incidents include unlawful activity, fraud, corruption, violation of policies and agreements including the Bank's Code of Conduct, to name a few.</p> <p>A hotline was set up to warrant the anonymity and confidentiality of the reports whose merits will be evaluated by an investigating body, escalated to the Discipline Committee or the Compliance and Corporate Governance Office, as needed, and accorded the fitting course of action.</p> <p>Who to contact</p> <p>a. Human Resource Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing1@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8255602 • In person during banking hours at the 14th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue; or <p>b. Internal Audit Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing2@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8270248 • In person during banking hours at the 18th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue 	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is	COMPLIANT	<p><i>Provide information on the alternative dispute resolution system established by the company.</i></p> <p>The Bank continues to build harmonious relationships with its stockholders and other parties with whom it may have obligations or contract with.</p>	

settled in a fair and expeditious manner.		<p>In case of conflict between the parties, the Bank recognizes that the same may be settled through alternative dispute resolution than traditional and tedious court action. The Bank thus adheres to appropriate alternative dispute resolution system for early settlement of conflicts with said parties, the details of which are provided under the Bank's Manual on Good Corporate Governance, which is posted on our company website.</p> <p>Manual on Good Corporate Governance (Article VI on Alternative Dispute Resolution System, Pages 37-38)</p>	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	COMPLIANT	<p><i>Disclose any requests for exemption by the company and the reason for the request.</i></p> <p>As of December 31, 2024, we have not requested any exemption from the application of a law, rule or regulation related to corporate governance.</p>	
2. Company respects intellectual property rights.	COMPLIANT	<p><i>Provide specific instances, if any.</i></p> <p>UnionBank is the First Philippine Bank to Trademark the Metaverse</p> <p>UnionBank's innovations shown at Singapore Fintech Festival</p> <p>UnionBank Unveils Country's First Ever Patent Wall</p>	

		<p>Last September 8, 2022, UnionBank unveiled the country's first ever Patent Wall inside the Bank's newly erected Innovation Campus in San Pedro, Laguna.</p> <p>The Patent Wall features the Bank's patents certified by the Bureau of Patents of the Intellectual Property Office of the Philippines (IPOPHL). A total of sixteen (16) patents adorn the installation. All of them were secured through the efforts of MOSVELDTT Law, through a team headed by Darwin P. Angeles of MOSVELDTT's Intellectual Property Department. The firm was engaged by UnionBank during the pandemic to be its legal counsel, in response to the need for intellectual property protection.</p> <p>UnionBank's patents embrace innovative technologies in the banking and financial service sectors. It is composed of blockchain technologies, artificial intelligence, and data analytics to provide the best digital banking experience for its customers. These technologies are known to the public as: UnionBank Mobile App, The Portal – Online Banking Facility, The Ark – Efficient Processing of Banking Transactions, Akin – Identity Verification, XLOG, i2i, PHX stablecoin, Financial Supply Chain, and GC Blockchain.</p> <p>The Patent Wall serves as a memorabilia to the revolutionary efforts of both inventors and innovators of UnionBank. Its launch marked a milestone toward its innovative development and intellectual property protection that aims to shape banking and financial digitalization in the Philippines.</p>	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	COMPLIANT	<p><i>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</i></p> <p>Our Board and Senior Management are responsible for developing our consumer protection strategy and establishing an effective oversight over our consumer protection programs. Our Board is primarily responsible for the approving and overseeing the implementation of our Consumer Protection Risk Management System (CPRMS) while our Senior Management is responsible for ensuring that our practices are aligned with the approved Financial Consumer Protection Policies and CPRMS.</p> <p>Risk assessment strategies are included as part of the Consumer Assistance Procedural Guidelines (CAPG) for control purposes, providing a basis for taking responsible steps to ensure that complaints/requests are handled appropriately.</p>	

		<p>The Customer Experience, Consumer Affairs Group (CX-CAG) is responsible for overseeing and monitoring the bank's complaints management process in compliance with BSP Circular 1160 on Financial Consumer Protection. CX-CAG reports and escalates issues and concerns to Senior Management or the Operational Risk Management Committee monthly.</p> <p>The following procedures are observed for handling complaints:</p> <ul style="list-style-type: none"> • The complaint will be acknowledged at point of contact or within 1-2 days if sent via email. • The appropriate unit of the bank will conduct a thorough review and investigation of the issue. • The client will be notified via email once the concern has been resolved. <p>The Consumer Assistance Officer (CAO) handles and coordinates with internal business units to address and resolve complaints effectively. The CAO identifies weaknesses in internal controls and processes, determines root causes and undertakes appropriate action to prevent recurrence, as applicable to their unit. Meanwhile, the Quality Assurance Officer (QAO) reviews identified weaknesses in internal controls and processes, root causes and monitors the action taken/action plan to ensure non-recurrence, as applicable to their unit</p> <p>Annual Report (Consumer Protection, Page 93)</p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	<p><i>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</i></p> <p>We uphold the principles of truthfulness, fairness, and respect in our dealings with suppliers. We continue to build and maintain good relations by honoring agreements which are entered in conformity with the law and public policy.</p> <p>All purchases of equipment, supplies and services for the Bank are made based on quality, utility and price offered by the vendors. While the Bank may actively negotiate for favorable terms with its suppliers, it does not knowingly mislead them with respect to competitors' price and terms, its plans for future purchases, or other particulars of their transactions. The Bank does not use its vantage position as customer to impose unfair conditions that could not have been obtained by negotiations in good faith or commit acts or omissions that unjustly breach contractual obligations.</p>	

We implement a strict and fair Supplier Accreditation Policy for all suppliers and outsourced service providers where submission of comprehensive information sheets and applicable documentary requirements are mandatory. The suppliers are then subjected to an initial and ongoing assessment based on applicable criteria, including the company's status in its respective industry, liquidity evidenced by its business viability, and free from any major lawsuit or government action, among others.

[Annual Report](#) (Supplier Selection and Accreditation, Page 93)

Procurement Practices

We build relationships the same way we build our business—locally and responsibly. Across UnionBank, we prioritize local enterprises and invest in homegrown supply chains.

We work with vendors that uphold our standards and contribute to our shared growth. CitySavings and Bangko Kabayan follow the same philosophy. Their branches are communitycentered by design, promoting financial inclusion and directly supporting neighborhood suppliers.

Each year, Bangko Kabayan conducts performance reviews of its vendors using a standardized monitoring tool. The review covers reputation, timeliness and responsiveness, quality of services or products, and compliance with government regulatory requirements.

Supplier Corrective and Preventive Action Report

We hold our suppliers and outsourced service providers (OSPs) to high standards of performance and accountability. When service gaps or issues arise, we activate the Supplier Corrective and Preventive Action Report (SCPAR) process to ensure swift, structured resolution.

Requesting units issue an SCPAR for incidents such as:

- Customer complaints
- Breaches of Service Level Agreements (SLA)
- Repeated service issues of a similar nature within a six-month period

		<p>Suppliers are required to submit corrective and preventive actions, which the requesting unit evaluates for adequacy and effectiveness. If controls are in place and working, the incident is closed. If not, further improvements are required.</p> <p>Sustainability Report (Procurement Practices, Pages 120-121)</p>	
<p>Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in governance processes.</p>			
<p>Recommendation 15.1</p>			
<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and its governance.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</i></p> <p>In 2024, 'Great Together,' a unified UnionBank theme, was more than just a statement. Our people drove the Bank's success through innovation and collaborative ideas. We focused on helping our employees grow so they could create amazing experiences for our customers and communities.</p> <p>We supported our team through wellness programs, skill-building opportunities, and clear paths for growth. We also embraced High Reliability Organization (HRO) practices—an approach that helps us spot and prevent problems before they happen— making us stronger and more prepared for challenges.</p> <p>Annual Report (Our People Milestones, Page 60-63)</p> <p>UnionBank's People strategy is deeply intertwined with how the Bank serves its customers and communities in an increasingly digital world. From secure transactions to seamless service, the Bank's digital transformation efforts are designed not just to modernize systems— but to empower the people who use them. Customers, employees, and partners all benefit from technology that prioritizes trust, accessibility, and long-term value.</p> <p>At the heart of this strategy is the belief that digital innovation must serve real human needs. Whether it's through faster onboarding, personalized support, or data-driven protection,</p>	

		<p>UnionBank continues to invest in tools and platforms that strengthen relationships and improve day-to-day experiences across its ecosystem.</p> <p>Sustainability Report (People, Pages 138-153)</p>	
Supplement to Recommendation 15.1			
<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	COMPLIANT	<p><i>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</i></p> <p>UnionBank has an Employee Stock Plan (“ESP”) that allows selected employees of the Bank stock ownership of shares to align the interest of management and shareholders for the long-term success of the Bank. Up to five million (5,000,000) common shares (“ESP Shares”) of the Bank shall be granted once per annum, over a 5-year period, to eligible employees of the ESP with the rank of First Vice President and Up. The ESP is issued in the form of stock certificates and kept under the Bank’s custody for a period of three (3) years. The issue price of the grant is equivalent to the closing price of common shares of UnionBank’s stock on the day the Board of Directors approves the Profit Sharing/ Performance Bonus allocation for the Bank for the year. The last tranche of the ESP was granted on February 6, 2023.</p> <p>Definitive Information Statement (UnionBank Employee Stock Plan, Page 37)</p> <p>Our remuneration policy is anchored on attracting, engaging, and retaining talents. We adhere to the philosophy of meritocracy across all employee ranks. Our remuneration structure is designed to ensure there is an appropriate balance of fixed and variable rewards that consider individual, group, and corporate performance. Eligible employees receive variable pay based on the performance for the preceding year. Eligible senior officers are participants in a deferred employee stock program.</p> <p>Annual salary increases are based on performance and promotion. All teams and their employee team members have defined and measurable performance indicators and targets following the balanced scorecard framework.</p>	

		<p>Contributions are rewarded based on an appraisal conducted by senior management. Rewards could be withheld if an employee fails to meet performance requirements or if an administrative or disciplinary action is imposed against the employee.</p> <p>Annual Report (Remuneration, Pages 87-88)</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	COMPLIANT	<p><i>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</i></p> <p>UnionBank maintains a dedicated Occupational Health and Safety (OHS) Office to fully comply with environmental regulations, Bangko Sentral ng Pilipinas (BSP) requirements, and local government ordinances. The OHS Office coordinates closely with branches across the network to monitor safety conditions, resolve concerns, and implement improvements.</p> <p>Oversight is supported by a bank-wide Committee on Safety and Occupational Health, which includes representatives from the employee union to ensure inclusive and participatory governance. To improve transparency and efficiency, the Bank maintains a web-based tracking and monitoring system, allowing branches to view the status of pending OHS concerns and follow up in real-time.</p> <p>UnionBank promotes a strong safety-first culture supported by proactive initiatives and crisis preparedness. Since 2020, the Bank has maintained a zero-injury workplace.</p> <p>In recognition of this achievement, UnionBank received the Presidential Award for Industrial Safety at the 56th National Industrial Safety Conference hosted by the Safety Organization of the Philippines, Inc. (SOPI). The Bank was honored for reaching over 35 million safe man-hours without lost time, alongside an individual award for Outstanding Safety Consultant.</p> <p>Emergency Preparedness: Fire Evacuation Drills</p> <p>UnionBank conducted building-wide evacuation drills at UB Plaza and UB Square, in coordination with the BFP Pasig City Fire Station, which rated the Bank's drill 9/10 (Outstanding). Branch teams also participated in the quarterly National Evacuation Simulation Drill (NESD). Fire safety orientations and regular inspections ensured frontline readiness and risk awareness.</p>	

		<p>Safety Week 2024</p> <p>Coinciding with the ILO’s World Day for Safety and Health at Work, UnionBank held its second Safety Week from April 22–28 with the theme, “Impact of Climate Change on Occupational Safety and Health.” Activities included a bloodletting drive, eco-market, and themed webinars. Organized by the Occupational Safety and Health Division (OSHD), the event promoted engagement, awareness, and proactive safety culture across the workforce.</p> <p>In 2024, UnionBank reinforced its commitment to employee well-being through a range of programs focused on prevention, mental wellness, and emergency preparedness—anchored in regulatory compliance and a culture of care.</p> <p>Cancer Prevention and Control Policy</p> <p>Launched in March 2024, UnionBank developed a comprehensive cancer policy in compliance with DOLE Labor Advisory No. 20, s.2023. The policy provides a workplace framework for addressing cancer-related challenges and promoting employee health, inclusivity, and support systems.</p> <p>Mental Health and Wellness Celebration</p> <p>In observance of World Mental Health Day, the Bank held Mindful Moments, a weeklong wellness campaign featuring bloodletting drives, expert talks (on anxiety, self-harm, forgiveness, retirement readiness), yoga and Zumba sessions, and wellness-themed film screenings. These activities created safe, open spaces for dialogue and self-care.</p> <p>Sustainability Report (Health, Safety, and Well-being, Page 150-151)</p> <p>Website (Health, Safety, and Well-being under Good Governance Standards microsite)</p>	
3. Company has policies and practices on training and development of its employees.	COMPLIANT	<p><i>Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.</i></p> <p>Our supportive infrastructure, processes, and resources future-proof the Bank and provide opportunities for UnionBankers to collaborate and innovate.</p>	

		<p>We inspire employees to grow beyond their respective departments and adopt a holistic set of skills to gain competence. We operationalize our PeopleTech mission through the following programs:</p> <p>Student Mentoring Program (SMP) is a pre-hire initiative to train and mentor top-notch students from universities and other institutions. Participants benefit from a virtual internship to experience UnionBank's agile and collaborative culture.</p> <p>Leadership Accelerated Development (LEAD) Management Trainee Program launched in 2017, this program for future leaders targets the top 5% of each graduating class. LEAD Management Trainees (LEADS) are assigned to various units to create solutions, build new products, or improve current organizational processes, enabling them to make valuable contributions and attain personal career goals.</p> <p>Provided with the right tools and training to excel in preparation for leadership roles, employees benefit from these programs that democratize learning and allow multispecialization and talent mobility within the organization.</p> <p>UnionBank University continuously grows its library of self-paced or instructor-led learning courses to strengthen employees' core capabilities while giving them opportunities to explore and upskill for a potential career-shift and co-create innovations for immediate communities. At the University, cross-functional teams create products, services, and solutions that are commercialized or institutionalized. Traditional training programs and immersion labs provide.</p> <p>Annual Report (Orientation and Continuing Education, Page 87)</p>	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	<p><i>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption.</i></p> <p>.</p> <p>We conduct our business transactions in an ethical and honest manner to support the integrity of the financial system. We take a zero-tolerance stance to bribery and corruption and are committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever we operate.</p>	

		<p>Employees are prohibited from offering, paying, receiving, promising, or authorizing any gift or payment to any person directly or indirectly through or to a third party for the purpose of (i.e. in exchange for): (1) causing the person to act or fail to act in violation of a legal duty; (2) causing the person to abuse or misuse their position; (3) securing an improper advantage, contract or concession for the organization or any other party.</p> <p>Furthermore, the bank does not tolerate any form of facilitation payments, extortion, or improper inducements</p> <p>Annual Report (Anti-bribery and anti-corruption, Page 89)</p>							
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company’s culture.	COMPLIANT	<p><i>Identify how the board disseminated the policy and program to employees across the organization.</i></p> <p>In 2024, initiatives to promote industrial peace included refresher sessions on the Code of Conduct, training on Workplace Emergency Preparedness, and a Bank-wide rollout of the Safe Spaces Act orientation. This training, completed by all employees, reaffirmed the Bank’s commitment to creating a safe, inclusive, and respectful workplace.</p> <p>Training on Anti-Corruption Policies and Procedures</p> <table><tr><td>Percentage of employees to whom the organization’s anti-corruption policies and procedures have been communicated</td><td>100%</td></tr><tr><td>Percentage of directors and management that have received anti-corruption training</td><td>100%</td></tr><tr><td>Percentage of employees that have received anti-corruption training</td><td>100%</td></tr></table> <p>In 2024, UnionBank ensured that 100% of employees, management, Directors, and business partners received information and training on anti-corruption policies and procedures consistent with updated SEC standards. There were no monetary losses from legal proceedings related to corruption or financial misconduct, and the Bank recorded zero dismissals or contract terminations due to corruption-related offenses.</p> <p>Annual Report (Anti-bribery and anti-corruption, Page 89)</p>	Percentage of employees to whom the organization’s anti-corruption policies and procedures have been communicated	100%	Percentage of directors and management that have received anti-corruption training	100%	Percentage of employees that have received anti-corruption training	100%	
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		Sustainability Report (Code of Conduct, Page 152)	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying, and receiving bribes.	COMPLIANT	<p><i>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.</i></p> <p>The following mechanisms are in place to assure effective implementation of the code of conduct:</p> <ul style="list-style-type: none"> • Responsibilities, accountabilities and reporting lines are systematically defined in all divisions and group companies; • Dedicated help desks, focal points, ombudsman, hotlines; • Employee performance appraisal systems integrates compliance/codes of conduct; and • Disciplinary actions in case of breach. <p>Website (Code of Conduct under Good Governance Standards microsite)</p> <p>The Bank will investigate all reports of alleged bribery or corruption thoroughly and take appropriate action, which may include administrative measures in line with the Bank's Code of Conduct, termination of contract, or legal action.</p> <p>Sustainability Report (Anti-Corruption, Page 122)</p>	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical	COMPLIANT	<p><i>Disclose or provide link/reference to the company whistle blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.</i></p> <p>Whistleblower Policy</p>	

practices, without fear of retaliation		<p>Our Whistleblower Policy is intended to assist individuals to whistle blow on malpractices which they have discovered and to provide protection to the whistleblower. We ensure that such concerns are treated seriously, appropriately, and with utmost confidentiality.</p> <p>Reportable incidents include unlawful activity, fraud, corruption, violation of policies and agreements including the Bank's Code of Conduct, to name a few.</p> <p>A hotline was set up to warrant the anonymity and confidentiality of the reports whose merits will be evaluated by an investigating body, escalated to the Discipline Committee or the Compliance and Corporate Governance Office, as needed, and accorded the fitting course of action.</p> <p>Who to contact</p> <p>c. Human Resource Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing1@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8255602 • In person during banking hours at the 14th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue; or <p>d. Internal Audit Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing2@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8270248 <p>In person during banking hours at the 18th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue</p>	
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	COMPLIANT	<p><i>Disclose or provide link/reference to the company whistle blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.</i></p> <p><u>Whistleblower Policy</u></p> <p>A hotline was set up to warrant the anonymity and confidentiality of the reports whose merits will be evaluated by an investigating body, escalated to the Discipline Committee or the Compliance and Corporate Governance Office, as needed, and accorded the fitting course of action.</p>	

whistleblowing concerns.		<p>Who to contact</p> <p>e. Human Resource Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing1@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8255602 • In person during banking hours at the 14th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue; or <p>f. Internal Audit Head</p> <ul style="list-style-type: none"> • Send an email to whistleblowing2@unionbankph.com • Verbally reporting the complaint through telephone: +63 917 8270248 • In person during banking hours at the 18th floor UnionBank Plaza, Sapphire corner Onyx Road, Ortigas, Pasig City 1605 or a designated venue <p>Whistle Blowing Mechanism</p> <p>Our Whistleblower Policy is intended to assist individuals to whistle blow on malpractices which they have discovered and to provide protection to the whistleblower.</p> <p>We ensure that such concerns are treated seriously, appropriately, and with utmost confidentiality.</p> <p>Reportable incidents include unlawful activity, fraud, corruption, violation of policies and agreements including the Bank's Code of Conduct, to name a few.</p> <p>A hotline was set up to warrant the anonymity and confidentiality of the reports whose merits will be evaluated by an investigating body, escalated to the Discipline Committee or the Compliance and Corporate Governance Office, as needed, and accorded the fitting course of action.</p> <p>Annual Report (Whistleblowing mechanism, Pages 92-93)</p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p>The Board of Directors, through the Audit Committee, oversees the establishment of a whistleblowing mechanism in the Parent Bank by which officers and staff shall in confidence raise concerns about possible improprieties or malpractices in matters of financial reporting,</p>	

		<p>internal control, auditing or other issues to persons or entities that have the power to take corrective action. It also ensures that independent investigation, appropriate follow-up, action, and subsequent resolution of complaints are in place.</p> <p>Definitive Information Statement (Audit Committee, Page 71-72)</p> <p>Annual Report (Audit, Page 82)</p>	
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			
<p>Recommendation 16.1</p>			
<p>1. Company recognizes and places importance on the interdependence between business and society and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>COMPLIANT</p>	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p>UnionBank’s employee-led CSR program, GoBeyond Communities (GBC), reflects the human side of sustainability—anchored in empathy, grassroots connection, and shared purpose. While not part of the Bank’s formal sustainability pillars, GBC empowers UnionBankers to design and lead community initiatives that align with their personal advocacies and the Bank’s social commitments.</p> <p>In 2024, GBC supported projects aligned with select UN Sustainable Development Goals (SDGs), with a focus on participation, inclusion, and direct community engagement. Rather than scale, these initiatives prioritize relevance and relationship-building, deepening employees’ understanding of social challenges and reinforcing the Bank’s culture of service.</p> <p>Sustainability Report (Corporate Social Responsibility and Employee Volunteerism, Pages 153)</p>	
<p>Optional: Principle 16</p>			
<p>1. Company ensures that its value chain is environmentally</p>	<p>COMPLIANT</p>	<p><i>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</i></p>	

<p>friendly or is consistent with promoting sustainable development</p>		<p>We treat our supply chain as an extension of our business and values. That means holding third-party service providers (TPSPs) to the same high standards of performance, regulatory compliance, and sustainability that guide our internal operations.</p> <p>To manage supply chain risk and ensure operational continuity, we conduct due diligence before engaging with any third-party vendor. Every TPSP undergoes performance monitoring, site inspections, legal compliance reviews, and periodic reaccreditation. This process is especially rigorous for IT-related services, which require additional layers of scrutiny, including vulnerability assessments, penetration testing, and remediation protocols before onboarding.</p> <p>In 2023, we enhanced our outsourcing process by embedding a sustainability assessment aligned with BSP Circular 1128. In 2024, we took it further by integrating Environmental and Social Risk Management (ESRM) criteria—ensuring our partners can manage disruptions, sustain service delivery, and support UnionBank’s long-term sustainability objectives. This shift makes ESG performance a core requirement across our partner ecosystem.</p> <p>We also test the business continuity plans (BCP) of all critical service providers. Such evaluations help us prepare for service disruptions and protect customer experience. Every TPSP contract includes performance metrics and privacy and confidentiality clauses aligned with the Data Privacy Act and applicable laws.</p> <p>Sustainability Report (Supply Chain Development, Pages 120-121)</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>COMPLIANT</p>	<p>UnionBank’s employee-led CSR program, GoBeyond Communities (GBC), reflects the human side of sustainability—anchored in empathy, grassroots connection, and shared purpose. While not part of the Bank’s formal sustainability pillars, GBC empowers UnionBankers to design and lead community initiatives that align with their personal advocacies and the Bank’s social commitments.</p> <p>In 2024, GBC supported projects aligned with select UN Sustainable Development Goals (SDGs), with a focus on participation, inclusion, and direct community engagement. Rather</p>	

than scale, these initiatives prioritize relevance and relationship-building, deepening employees' understanding of social challenges and reinforcing the Bank's culture of service.

[Sustainability Report](#) (Corporate Social Responsibility and Employee Volunteerism, Pages 153)

Certificate of Participation

This certificate is given to

Joselito V. Banaag

Union Bank of the Philippines

for having completed the session

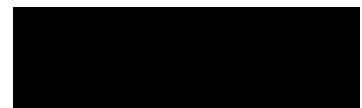
"Compliance & Governance Summit Series - Creating a Compliance Culture, Session 1: Refresher on Banking Regulations"

Held on

Date: March 11, 2024 (Monday), 10AM-12NN

Venue: (Hybrid) 47th floor (onsite) and Zoom (online)

Speaker: Atty. Danny E. Bunyi, Senior Partner in Divina Law



Michaela Sophia E. Rubio

Chief Human Resource Officer



Joselynn B. Torres

Chief Compliance and Corporate Governance Officer

Certificate of Participation

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Joselynn B. Torres

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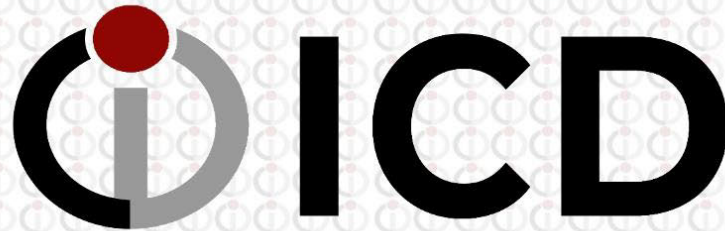
Michaela Sophia E. Rubio

Chief Human Resource Officer



Joselynn B. Torres

Chief Compliance and Corporate Governance Officer



Institute of Corporate Directors

presents this

Certificate of Participation

to

Joselynn B. Torres

Union Bank of the Philippines

for having completed the session

Compliance and Governance

Summit Series Session 2:

**"Balancing Risks and Regulations With
Innovation: Governance Roles"**

held on

May 28, 2024 9:00 AM - 11:00 AM

through Zoom Meetings



Valentin A. Reyes
Executive Director



Institute of Corporate Directors

presents this

Certificate of Participation

to

Joselynn B. Torres

Union Bank of the Philippines

for having completed the session


Compliance and Governance

**Summit Series Session 3: "From
Compliance to Performance: Elevating
Union Bank's Corporate Governance"**

held on

July 29, 2024 9:00 AM - 11:00 AM

through Zoom Meetings


Valentin A. Reyes
Executive Director



Institute of Corporate Directors

presents this

Certificate of Participation

to

Joselynn B. Torres

Union Bank of the Philippines

for having completed the session

Compliance and Governance

Summit Series Session 4:

"Crafting Your Own Personal Roadmap"

held on

September 9, 2024 | 9:00 AM - 12:00 PM

through Zoom Meetings



Atty. Pedro H. Maniego Jr.

Chairman



January 29, 2021

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: **DIRECTOR VICENTE GRACIANO P. FELIZMENIO, JR.**
Markets and Securities Regulation Department

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Department

PHILIPPINE DEALING AND EXCHANGE CORP.

37/F Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas
Makati City

Attention: **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head, Issuer Compliance and Disclosure Department

Gentlemen:

Please be informed that the Board of Directors of Union Bank of the Philippines ("Bank") at its meeting held on January 29, 2021, approved the following matters:

1. Declaration of cash dividend of Php3.50 per share in favor of all shareholders of the Bank which shall be payable from the available retained earnings of the Bank as of December 31, 2020. The record date for stockholders entitled to the aforesaid cash dividend is February 15, 2021 and payment date is set on March 4, 2021.
2. Appointment of Mr. Norman C. Gabriel as Chief Audit Executive (CAE) of the Bank effective February 1, 2021, subject to confirmation of the Bangko Sentral ng Pilipinas, vice Ms. Myrna E. Amahan, who will retire effective February 1, 2021.

Mr. Gabriel possesses 13 years of experience in the Internal Audit function; 3 years total in a Universal Bank and 10 years in a non-Banking setting. In a non-Banking setting, he has been appointed to lead the audit function and global audit teams (KPMG, Procter & Gamble (P&G), Samsung Electronics Philippines, Goodyear Tires & Philippine Airlines).

This broad experience helped him solidify his capabilities in audit and in leading audit teams. He also has a total of 7 years of experience as a Finance and Credit Risk executive with multinational companies (Accenture, Goodyear Tires and P&G).

He is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA) and holds a Certification on Control Self-Assessment (CCSA). For his CIA, Mr. Gabriel ranked 3rd globally in the 2002 exam. He graduated with a degree of BS Accountancy from De La Salle University and ranked 11th place in the May 2000 CPA exam. He has passed the screening and internal assessment required for CAE.

Thank you.

Very truly yours,

A black rectangular box redacting the signature of Atty. Josecito V. Banaag.


ATTY. JOSELITO V. BANAAG


*Senior Vice President,
Corporate Secretary &
General Counsel*

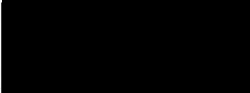


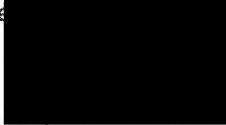
Pursuant to the requirements of the Securities and Exchange Commission, this Annual Integrated Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Pasig on MAY 27 2025, 2025.

SIGNATURES

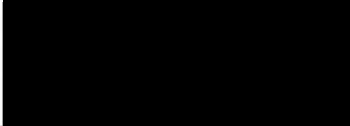

Erramon I. Aboitiz
Chairman

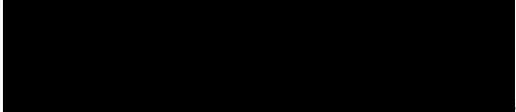

Roberto G. Manabat
Independent Director

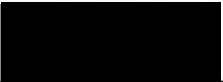

Josiah L. Go
Independent Director

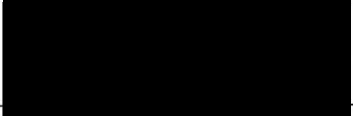

Honorio G. Poblador IV
Independent Director


Isagani A. Cortes
Chief Compliance & Corporate Governance Officer


Ana Maria A. Delgado
President & Chief Executive Officer


Manuel D. Escueta
Independent Director


Atty. Francisco Ed. Lim
Independent Director


Atty. Joselito V. Baraag
Corporate Secretary



MAY 27 2025

Subscribed and sworn to before me this _____ day of _____, 2025 affiants exhibiting their valid identification as follows:

NAME

Erramon I. Aboitiz
Ana Maria A. Delgado
Roberto G. Manabat
Manuel D. Escueta
Josiah L. Go
Atty. Francisco Ed. Lim
Honorio G. Poblador IV
Atty. Joselito V. Banaag
Isagani A. Cortes

TIN NUMBER



Doc No 490
Page No 99
Book No XIV
Series of 2025

NIKKI NEIL SANTOS
Notary Public for Pasig City
Metro Manila
Appointment No. 9 (2024-2025)
Commission No. Expires On 12-31-2025

