



2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR) COUNTRY BANKERS LIFE INSURANCE CORPORATION

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of Directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Profiles of the Members of the Board/ Minutes of the Meeting	
2. Board has an appropriate mix of competence and expertise.			
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			
Recommendation 1.2			
1. Board is composed of a majority of non- executive directors.	Compliant	Minutes of the Organizational and Regular Board Meeting	
Recommendation 1.3			
1. Company provides in its Board Charter or Manual of Corporate Governance a policy on training of directors.	Compliant	Corporate Governance Manual - Policy on training for Directors, including orientation for new Directors and continuing annual training for all directors	
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.			
3. Company has relevant annual continuing training for all directors.	Compliant	IIAP Corporate Governance training dated 17 November 2021	
Recommendation 1.4			
1. Board has a policy on board diversity	Compliant	Corporate Governance Manual - Policy on board diversity	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	Compliant	Certificate of Appointment	
2. Corporate Secretary is a separate individual from the			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Certificate of Appointment	
4. Corporate Secretary attends training/s on Corporate Governance	Non-Compliant		committing to comply to attend trainings on Corporate Governance
Recommendation 1.6			
1. Board is assisted by a Compliance Officer	Compliant	Secretary's Certificate/ Board Resolution NO. 013-2019	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation	Compliant		
3. Compliance Officer is not a member of the board	Compliant		
4. Compliance Officer attends training/s on corporate governance annually.	Compliant	IC-ICD-GGAPP Roundtable Discussion/First ASEAN Corporate Governance Roundtable Activity for ICREs	
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	Minutes of the Meeting	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Minutes of the Meeting	
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long term viability and strenght.	Compliant		



2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR) COUNTRY BANKERS LIFE INSURANCE CORPORATION

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson	Compliant	Minutes of the Organizational and Regular Board Meeting/ Profiles of the Members of the Board	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant		
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members	Compliant	Board Members/Senior Officers Performance Review and Appraisal	
2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Corporate Governance Manual. - Annex A. Policy on Nomination and Election of Directors	
2. Board nomination and election policy is disclosed in the Company's Manual on Corporate Governance	Compliant		
3. Board nomination and election policy includes how the company accepts nomination from minority shareholders.	Compliant	Annex A. Policy on Nomination and Election of Directors - B. Right of Minority Shareholders to nominate Candidates for election of the Board and the effective exercise of such right.	
4. Board nomination and election policy includes how the board reviews nominated candidates.	Compliant	Annex A. Policy on Nomination and Election of Directors - C. Review qualifications of nominated candidates for the Board.	
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	Corporate Governance Manual. - Annex A. Policy on Nomination and Election of Directors	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	Annex A. Policy on Nomination and Election of Directors - C. Review qualifications of nominated candidates for the Board.	
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions(RPTs) and other unusual or infrequently occurring transactions.	Compliant	Guidelines on Related Party Transactions	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Guidelines on Related Party Transactions - E. Materiality Thresholds	
3. RPT policy encompasses all entities within the group, taking into account, their size, structure, risk profile and complexity of operations.	Compliant	Guidelines on Related Party Transactions	
Recommendation 2.8			
1. Board is primary responsible for approving the selection of Management led by the Chief Executive Officer(CEO) and the heads of the other control functions(Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive)	Compliant	Corporate Governance Manual. - Management Team and control functions; selection and assessment	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer(CEO) and the heads of other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant		
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	Compliant	Corporate Governance Manual. - Management Team and control functions; selection and assessment	
2. Board establishes an effective performance management framework that ensures personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		
Recommendation 2.10			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Corporate Governance Manual - Internal Control System	
2. The internal control systems includes a mechanism for monitoring and managing potential conflict of interest for the Management, members and shareholders.	Compliant	Corporate Governance Manual - Internal Control System	
3. Board approves the Internal Audit Charter.	Compliant	Corporate Governance Manual - Annex C. Internal Audit Charter	
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 risk.	Compliant	Corporate Governance Manual - Enterprise Risk Management	
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		
Recommendation 2.12			
1. Board has a Board Charter that formalize and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	Corporate Governance Manual - Annex D. Charter of the Board of Directors	
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		
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	Minutes of the Organizational and Regular Board Meeting	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	Corporate Governance Manual - Annex E. Charter of the Audit Committee / D. Duties and Responsibilities No. 9	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	Corporate Governance Manual - Annex E. Charter of the Audit Committee - C. Organization / Minutes of AuditComm Meeting	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	Profiles - Member of the Board of Directors	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Minutes of the Organizational and Regular Board Meeting	
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	Corporate Governance Manual - Annex F. Charter of the Corporate Governance Committee. / D. Duties and Responsibilities No. 7	
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	Compliant	Corporate Governance Manual - Annex F. Charter of the Corporate Governance Committee - C. Organization/ Minutes of the Organizational and Regular Board Meeting	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Minutes of the Organizational and Regular Board Meeting	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	Corporate Governance Manual - Annex G. Charter of the Board Risk Oversight Committee/Minutes of the Organizational and Regular Board Meeting	



2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR) COUNTRY BANKERS LIFE INSURANCE CORPORATION

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	Corporate Governance Manual - Annex G. Charter of the Board Risk Oversight Committee - C. Organization/ Minutes of the Organizational and Regular Board Meeting	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	Corporate Governance Manual - Annex G. Charter of the Board Risk Oversight Committee - C. Organization/ Minutes of the Organizational and Regular Board Meeting	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Profiles - Member of the Board of Directors	
Recommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Corporate Governance Manual - Annex H. Charter of the Related Party Transactions Committee	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	Compliant	Corporate Governance Manual - Annex H. Charter of the Related Party Transactions Committee - C. Organization	
Recommendation 3.6			
1. All established committees have a Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	Annexes A-H of Corporate Governance Manual	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		
3. Committee Charters were fully disclosed on the company's website.	Compliant		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Minutes of the Meeting/ Attendance of the Board	
2. The directors review meeting materials for all Board and Committee Meeting	Compliant	Minutes of the Organizational and Regular Board Meeting	
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Minutes of the Meeting	
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - C. Directors' Term of Office; Term Limits for Independent Directors/ Profiles of the members of the board	
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - D. Duties and Responsibilities of the Board General responsibilities of the Board and Directors No.8	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	Compliant	Minutes of the Organizational and Regular Board Meeting	
Recommendation 5.2			
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - B. Composition of the Board of Directors No. 5/ Profiles of members of the Board	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term of nine years.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - C. Directors' Term of Office; Term Limits for Independent Directors No. 2	
As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.	Compliant		
For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - C. Directors' Term of Office; Term Limits for Independent Directors No. 2	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - C. Directors' Term of Office; Term Limits for Independent Directors No. 2	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	Compliant	Corporate Governance Manual- Annex D. Charter of the Board of Directors - C. Directors' Term of Office; Term Limits for Independent Directors No. 2	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Minutes of the Organizational and Regular Board Meeting	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Corporate Governance Manual - Reinforcing Board Independence No. 4	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Compliant	Corporate Governance Manual - Reinforcing Board Independence No. 5	
Recommendation 5.6			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	Compliant	To provide proof of abstention if there are directors with material interest in a transaction	
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 directors present to ensure that proper checks and balances are in place within the corporation.	Non-compliant		to commit to comply/ to be discussed in the next board meeting
2. The meetings are chaired by the lead independent director.	Compliant	Minutes of the Meeting AuditCom	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole.	Compliant	Board Members Performance Review and Appraisal	
2. The performance of the Chairman is assessed annually by the Board,			
3. The performance of the individual member of the Board is assessed annually by the Board.			
4. The performance of each committee is assessed annually by the Board.	Compliant	Amended by-law Section 15	
5. Every three years, the assessments are supported by an external facilitator.	Non-compliant	Identify the external facilitator and provide proof of use of an external facilitator.	to comply/ to be discussed in the next board meeting
Recommendation 6.2			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
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	Board Members Performance Review and Appraisal	
2. The system allows for a feedback mechanism from the shareholders.	Non-compliant		for review and update/ to commit to comply for a feedback mechanism
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	New Employees Handbook/Code of Conduct	
2. The Code is properly disseminated to the Board, senior management and employees.			
3. The Code is disclosed and made available to the public through the company website.	Compliant	New Employees Handbook/Code of Conduct	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	New Employees Handbook/Code of Conduct	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Annual Report of the President to the Stockholders of Country Bankers Life Insurance Corporation	
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	Profiles of the members of the Board/ Minutes of the Annual Stockholders Meeting/ Minutes of the Organizational and Regular Board Meeting	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Profiles of the members of the Board/ Minutes of the Annual Stockholders Meeting/ Minutes of the Organizational and Regular Board Meeting	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-Compliant		we are committing to comply with the policies and procedures for Board Remuneration
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-Compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration.	to disclose in the next ACGR the policies and procedure for Board remuneration
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Guidelines on Related Party Transaction	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.	Compliant	RPT Transaction	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Manual on Corporate Governance	
2. Company's MCG is posted on its company website.	Compliant		
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Audit Committee Meeting	
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.	Non-Compliant		For review and compliance for the percentage of shareholders that ratified the appointment of External Auditor
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	To disclosed on the company website if there is removal or change of external auditor	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the 	Compliant	Corporate Governance Manual - Strengthening the External Auditor's Independence and Improving Audit Quality	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
m. Exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.			
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Corporate Governance Manual - Strengthening the External Auditor's Independence and Improving Audit Quality	
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	to disclose the nature if the company engage the services of external auditor for non-audit services.	
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.	Non-Compliant		company will commit to comply to provide with the guidelines or policies on non-audit services
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Non-Compliant	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	company will commit to comply to provide policies and practices on the disclosure on non-financial information
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-Compliant	to provide link of the report if there is any	for review and update
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	Compliant	https://life.countrybankers.com	
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.			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Corporate Governance Manual - Internal Control System and Risk Management Framework	
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	Internal Audit Department Organizational Chart	
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Corporate Governance Manual - Internal Control System and Risk Management Framework	
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.			
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.		Company's Internal Audit Department Organizational Chart	
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Corporate Governance Manual - Internal Control System and Risk Management Framework No. 5	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM)	Compliant	Corporate Governance Manual - Internal Control System and Risk Management Framework No. 7	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.			
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			



2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR) COUNTRY BANKERS LIFE INSURANCE CORPORATION

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Cultivating a synergic relationship with shareholders - A. Promoting Shareholder Rights	
Board ensures that basic shareholder rights are disclosed on the company's website.	Non-compliant	https://life.countrybankers.com	to be disclosed on the company's website
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.	Compliant	Notice of Annual and Special Shareholders' Meeting	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Annual Stockholders Meeting	
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	Compliant	Minutes of the Annual and Special Shareholder's Meeting	
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.	GOvCOm meeting
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Non-compliant	Provide link/reference to where it is found in the Manual on Corporate Governance.	to be included in the Manual on Corporate Governance
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Corporate Governance Manual - A. Respecting Rights of Stakeholders and effective redress for violation of Stakeholder rights	



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Corporate Governance Manual - A. Respecting Rights of Stakeholders and effective redress for violation of Stakeholder rights	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	Corporate Governance Manual - A. Respecting Rights of Stakeholders and effective redress for violation of Stakeholder rights	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	Corporate Governance Manual - B. Encouraging Employees' Participation	
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	Code of Conduct page 7, J. Conflict of Interest	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.			
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	RPT Page 6 letter f (Whistleblowing Mechanism)	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.			



**2023 ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)
COUNTRY BANKERS LIFE INSURANCE CORPORATION**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
3. Board supervises and ensures the enforcement of the whistleblowing framework.		RPT Page 6 letter f (Whistleblowing Mechanism)	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	Corporate Governance Manual - C. Encouraging Sustainability and Social Responsibility	