

19 May 2022

Ms. RACHEL ESTHER J. GUMTANG – REMALANTE


Director
Office of the Director
Corporate Governance and Finance Department

Dear Ms. Remalante,

In compliance with SEC Memorandum Circular No. 15, Series of 2017, we submit herewith Metrobank's 2021 Integrated Annual Corporate Governance Report (I-ACGR).

We hope you find everything in order.

Thank you.



ARNULFO B. PASCIOLES, JR.
Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – I – ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the Fiscal Year Ended December 31, 2021
2. SEC Identification Number 20573 3. BIR Tax Identification Number 000-477-863
4. Exact Name of Registrant as Specified in its Charter Metropolitan Bank and Trust Company
5. Metro Manila
Province, country or other jurisdiction of
Incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Metrobank Plaza, Sen. Gil Puyat Ave., Makati City
Address of Principal Office
8. (02)8898-8000
Issuer's Telephone Number, including area code
8. N/A
Former name or former address, if changed from the last report



METROPOLITAN BANK & TRUST COMPANY

2021 Integrated Annual Corporate
Governance Report
(I-ACGR)

THE BOARD'S GOVERNANCE RESPONSIBILITIES	COMPLIANT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>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.</p>			
<p>Recommendation 1.1</p>			
<p>1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</p>	<p>COMPLIANT</p>	<p>The Bank, through its Nominations Committee, ensures that the Board is comprised of a diverse group of proficient people who combine insight and good judgment in implementing good governance. To ensure diversity in the Board, the Bank keeps a balanced representation in terms of gender, expertise, policy-making experience, ethnicity, and independence. Board members possess integrity, probity, physical and mental fitness, competence, education, financial literacy, training, diligence, knowledge and experience relevant to the banking industry.</p>	
<p>2. Board has an appropriate mix of competence and expertise.</p>	<p>COMPLIANT</p>	<p>The Bank consistently maintained a Board composition of 12 directors. 10 are non-executive directors (NEDs), of which 5 are independent, including 1 female independent director (ID). This is a deliberate stance to promote objectivity and strong element of independence in the Board.</p>	
<p>3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.</p>	<p>COMPLIANT</p>	<p>The composition and qualification standards of the Board can be found in the Bank's Corporate Governance Manual posted on the Bank's website which can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021 (Composition of the Board pp. 2-3; Qualifications of a Director pp. 14-15) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf <p>The profiles of our directors for the year 2021 are included in our 2021 Annual Report (SEC Form 17-A or Annual Report) and Definitive Information Statement (SEC Form 20-IS or DIS). All of which are uploaded on the Bank's website, which our stakeholders can easily access, view and/or download:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Bank's Website: About Us – Board of Directors https://metrobank.com.ph/about-us#people-organization https://metrobank.com.ph/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2021 covering Year 2020 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1623404543-asm2021-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	

		<ul style="list-style-type: none"> • Metrobank SEC Form 17A as of December 31, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>In 2021, the Bank's Board is comprised of 12 members, 10 of whom are non-executive directors, of which 5 are independent directors.</p> <p>Results of the election of our directors during all ASMs were properly disclosed and posted on our website. Our 2021 ASM was held on 28 April 2021, while our most recent ASM was held on 27 April 2022 and can be accessed through this link:</p> <ul style="list-style-type: none"> • Bank's Website: Metrobank Minutes of All General and Special Stockholders' Meetings https://metrobank.com.ph/about-us/regulatory-filings-minutes-stockholders-meetings <p>This is disclosed in our 2021 Annual Report (SEC Form 17-A or Annual Report) and Definitive Information Statement (SEC Form 20-IS or DIS). All of which are uploaded on the Bank's website, which our stakeholders can easily access, view and/or download:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Bank's Website: About Us – Board of Directors https://metrobank.com.ph/about-us#people-organization https://metrobank.com.ph/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2021 covering Year 2020 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1623404543-asm2021-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors	COMPLIANT	<p>Based on the Bank's CGM, the Board as a group and as individual directors should have sufficient knowledge relevant to the Bank's activities to provide effective governance and oversight.</p> <p>Pursuant to Sec. 133 of the BSP's Manual of Regulations for Banks and the Corporate Governance and Compensation Committee Charter, the Corporate Governance and Compensation Committee is mandated, among others, to make recommendations to the Board regarding the continuing education of directors.</p> <p>As provided for in the Bank's CGM, a first-time director has to undergo a minimum of eight (8) hours orientation program.</p>	
2. Company has an orientation program for first time directors	COMPLIANT		
3. Company has relevant annual continuing training for all	COMPLIANT		

directors.		<p>For the continuing education of directors, all incumbent directors unless otherwise exempted as provided by the regulations, are required to attend for a minimum of four (4) hours an annual Corporate Governance seminar with an SEC - accredited service provider.</p> <p>The relevant orientation and training programs, as well as certificate of attendance for our directors is provided in the Bank's CGM, which also represents as the Board Charter, can be accessed by our stakeholders on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Orientation and Continuing Education pp. 27-28, Annex 2) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf <p>For 2021, the directors, Corporate Secretary, and key officers have attended the online four (4)-hour training requirement facilitated by the Institute of Corporate Directors (ICD) on March 5 and 12, 2021 via Zoom meeting platform. Among the topics presented by the ICD facilitators focused on the Risk Management in the Age of COVID-19 and Building Resilience in the Corporate Strategy. The certification for the list of attendees was submitted online to the SEC on 19 March 2021</p> <p>The list of seminars attended was reflected in the Bank's Annual Report and can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17-A (Annual Reports) for the Year Ended 31 December, 2021 (Orientation Program for New Directors and Continuing Education, Part II p.24) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<p>The Bank's CGM espouses diversity in the composition of the Board, which includes among others, experience or expertise, tenure, gender, age, etc. In 2021, the 12 directors of the Board includes 1 female director – Director Angelica H. Lavares.</p> <p>The discussion on board diversity can be accessed in the Bank's CGM and Annual Report by our stakeholders through the links provided:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021 (Composition of the Board pp. 2-3) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.34-35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

Recommendation 1.5		
1. Board is assisted by a Corporate Secretary.	COMPLIANT	<p>The Bank's Board is assisted Atty. Regis V. Puno, 62 years old, Filipino, who assumed the role of the Corporate Secretary of Metrobank on April 24, 2019. He is currently Special Legal Counsel of the Metrobank Group. The Office of the Corporate Secretary plays a significant role in supporting the Board of Directors in discharging its responsibilities. The Corporate Secretary is a separate individual from the Compliance Officer and is not a member of the Board of Directors.</p> <p>The Corporate Secretary and the Assistant Corporate Secretary, in consultation with the Chairman, prepare the agenda for each meeting and ensure that all supporting documents required for the evaluation of the items in the agenda are on hand, prepare the minutes of each meeting and keep records of the proceedings. In coordination with the Compliance Officer, the Office of the Corporate Secretary also communicates with the directors the relevant statutory and regulatory updates, and likewise advises them of the schedules of relevant seminars/training that they can attend.</p> <p>The role, duties and responsibilities of the Corporate Secretary is further discussed in the Bank's CGM and By-Laws and can be accessed by our stakeholders through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021 (Corporate Secretary, pp.38-40) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Bank's Website: About Us – Metrobank Amended By Laws https://metrobank.com.ph/about-us#content-by-laws
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>The Corporate Secretary is required to attend trainings on corporate governance annually.</p> <p>The list of seminars attended was reflected in the Bank's Annual Report and can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf
Optional: Recommendation 1.5		
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	<p>As stated in the Bank's CGM, the Corporate Secretary distributes the materials for Board meetings at least five (5) working days before the meeting. The Corporate Secretary confirms that the materials for board meetings are provided, as far as practicable, within 5 days before the meeting.</p> <p>The Bank's Corporate Governance Manual can be accessed by our stakeholders through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021 (Composition of the Board pp. 2-3) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf

Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	The Bank's Compliance Officer is Mr. Arnulfo B. Pascoles, Jr. with the rank of First Vice President, a position with adequate stature and authority within the organization.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation	COMPLIANT	As per Bank's CGM, the Bank shall appoint a CO who shall serve on a full-time basis and shall functionally report to the board of directors or board-level committee. The CO should have the necessary qualifications, experience, and professional background and should have a sound understanding of relevant laws and regulations and their potential impact on the Bank's operations. The CO should be up-to-date with the developments in laws, rules and standards maintained through continuous training.	
3. Compliance Officer is not a member of the board.	COMPLIANT	The role, duties and responsibilities of the Compliance Officer is further discussed in the Bank's CGM and can be accessed by our stakeholders through the following links: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021 (Compliance Officer pp. 42-43) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p. 43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	The Bank's Compliance Officer is required to attend a 4-hour Corporate Governance seminar as well as other external training programs, as warranted. The list of seminars attended was reflected in the Bank's Annual Report and can be accessed through this link: <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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	The Bank's CGM provides the specific duties and responsibilities of a Director which will be the basis as well for the assessment of their performance. Further, Annual Performance Ratings are conducted to assess the Director's performance in the discharge of their duties. This is coursed through the Corporate Governance and Compensation Committee (CGCCom). The Bank's CGM is posted on the Bank's website and can be accessed by our stakeholders through this link: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of August 31, 2021[Specific Duties and Responsibilities of the Board pp.3-11, 50-51(Annual Self-Assessment)] 	

		<p>https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf</p> <p>Directors' attendance to meetings is likewise a testament of their performance. In 2021, the Board had 12 meetings with the incumbent directors attending 100% of all meetings which exhibits active participation among the directors.</p> <p>This is disclosed in our 2021 Annual Report (SEC Form 17-A or Annual Report) and Definitive Information Statement (SEC Form 20-IS or DIS). All of which are uploaded on the Bank's website, which our stakeholders can easily access, view and/or download:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, pp. 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Board Meetings, pp.20-21) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 2.2			
<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	COMPLIANT	<p>The Board oversees the Group's overall governance framework, approves and oversees the implementation of strategies to achieve objectives, monitors managements' performance against set targets and ensures appropriate controls and systems of checks and balances are in place and operating effectively.</p> <p>The Board reviews the Bank's business objectives and strategy annually.</p>	
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	COMPLIANT	<p>As provided in the Bank's CGM, this is part of the Board's specific duties and responsibilities and discussed as well in the 2021 Annual Report. The Bank's CGM is posted on the Bank's website and can be accessed by our stakeholders through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Specific Duties and Responsibilities of the Board, p. 3-11; Specific Duties and Responsibilities of a Director, pp.17-18) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf <p>2021 ANNUAL REPORT: Board of Directors</p> <p>An active and competent Board of Directors (Board) is responsible for the governance of the Bank. It has collective responsibilities for leadership and control of the Bank's affairs, ensuring its long-term sustainability and success. The Board sets the corporate governance tone in the Bank by collectively directing the affairs of the Bank while meeting the appropriate interests of all stakeholders. It leads the process of developing and reviewing the Bank's strategies annually. It oversees the development, review, and approval of the Bank's vision and mission statements, a sound corporate</p>	

		<p>governance framework, strategic and business plans, risk management, internal control system, financial performance, and the adoption of sustainability principles, including those covering environmental and social risk areas in the Bank. The detailed responsibilities of the Board are disclosed in the CGM posted in the Corporate Governance section of the Bank's website.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.34) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Supplement to Recommendation 2.2			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	COMPLIANT	<p><u>The Vision-Mission of the Bank</u> To be the country's premiere financial conglomerate, empowering our individual and business clients to realize their goals and reach their full potential. By creating and customizing financial solutions in response to our stakeholders' needs, continuously expanding our scope of reach, and leading in community service, we live up to our "You're in Good Hands" promise that embodies who we are and what we do. We are Metrobank.</p> <p>The Bank's existing Vision, Mission and Core Values has been reconfirmed by the Board during its January 15, 2020 meeting. The next review will be in January 2023.</p> <p>The Bank's Vision, Mission and core values are disclosed through these links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.2) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank's Vision and Mission https://metrobank.com.ph/about-us#vision-and-mission • Metrobank's Core Values https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-conduct-and-ethics-bank-directors 	
<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><u>2021 ANNUAL REPORT: Board of Directors</u></p> <p>An active and competent Board of Directors (Board) is responsible for the governance of the Bank. It has collective responsibilities for leadership and control of the Bank's affairs, ensuring its long-term sustainability. and success. The Board sets the corporate governance tone in the Bank by collectively directing the affairs of the Bank while meeting the appropriate interests of all stakeholders. It leads the process of developing and reviewing the Bank's strategies annually. It oversees the development, review, and approval of the Bank's vision and mission statements, a sound corporate governance framework, strategic and business plans, risk management, internal control system, financial performance, and the adoption of sustainability principles, including those covering environmental and social risk areas in the Bank. The</p>	

		<p>detailed responsibilities of the Board are disclosed in the CGM posted in the Corporate Governance section of the Bank’s website.</p> <p>To adequately fulfill its responsibilities, the Board has separate and independent access to the Corporate Secretary who manages the flow of information to the Board prior to the meetings.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.2) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf <p>As provided in the Bank’s CGM, function of the Board is to oversee the development, approve and monitor the implementation of strategic developments. The Bank’s CGM can be accessed by our stakeholders through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Specific Duties and Responsibilities of the Board, pp. 3-11) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
Recommendation 2.3			
<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>COMPLIANT</p>	<p>The profile of our Chairperson for the year 2021 is included in our 2021 Annual Report (SEC Form 17-A or Annual Report) and Definitive Information Statement (SEC Form 20-IS or DIS) and uploaded on the Bank’s website, which our stakeholders can easily access, view and/or download:</p> <ul style="list-style-type: none"> • Bank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp. 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (p.80) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9; The Chairman of the Board, p.20) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 2.4			
<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p>COMPLIANT</p>	<p>Retirement and Succession Policy for key officers</p> <p>Leadership talents are periodically assessed through talent review sessions to determine their potential to assume leadership roles in the future. This ensures the Bank has the right leaders to lead the organization in achieving business objectives. This process and the tool used are embodied in November 22, 2017 Board approved HR policy on Ascend – Leadership Development Program.</p>	
<p>2. Board adopts a policy on the retirement for directors and</p>	<p>COMPLIANT</p>		

key officers.		<p>The Bank provides a Retirement Plan for its employees and employee’s beneficiaries in case of the employee’s death, permanent total disability and retirement. Said plan is approved by the Bureau of Internal Review on March 25, 2014.</p> <p>As a rule, no director may be re-elected following the calendar year in which that director turned 75 years of age. However, upon the recommendation of the Nominations Committee the Board may waive this age requirement for any director if it believes this is in the best interest of the Bank. Retirement is compulsory for employees reaching their 55th birthday or completing a period of continuous service of 30 years, whichever comes first.</p> <p>The retirement and succession policy for the directors are included in the Bank’s CGM and 2021 Annual Report.</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Specific Duties and Responsibilities of the Board, pp. 3-11) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.42) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank 2021 Sustainability Report (p.49) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p>The compensation policy for the Board of Directors and Key Employees can be found in the Bank’s CGM, Annual Report and Bank Policies which can be accessed by our stakeholders on the Bank’s website:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		<p>As discussed also in the Bank’s CGM, part of the Directors duties and responsibilities is to conduct fair business transactions with the Bank and to ensure that personal interest does not bias Board decisions. Directors should, whenever possible, avoid situations that would give rise to a conflict of interest. Directors are required to abstain from participating in the Board discussion on a particular agenda when they are conflicted.</p>
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>The Bank’s CGM provides at length the formal policy for nominations and elections of the Board, including nomination procedures, rights of minority stockholders, confirmation of election/appointment, disqualification, removal, etc. which can be accessed by our stakeholders on the Bank’s website:</p>	
2. Board nomination and election	COMPLIANT		

policy is disclosed in the company's Manual on Corporate Governance.		<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Election of Directors, pp.18-27) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
3. Board nomination and election policy includes how the company accepted nomination from minority shareholders.	COMPLIANT	A discussion on the nomination/election can also be found in the Bank's Annual Report and can be accessed through following links:	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.19-20) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
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	<ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 5 Nomination Procedure, Nominee Directors - Final List of Candidates, pp.13-14) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
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 candidates to the board of directors.	COMPLIANT	<p>The members of the Board are elected annually. In accordance with Bank's By-Laws, any stockholder may submit nominations for directorial positions to represent his interest in promoting long-term value creation.</p> <p>The Board through its Nominations Committee strives to ensure the optimal mix of skills and talent and balanced membership of the Board to achieve its strategic objectives.</p> <p>When identifying or screening potential candidates, the Committee may use whatever resources it deems appropriate, including but not limited to, referrals from existing directors and officers, recommendations, and suggestions from stockholders. To the extent possible, it also makes use of external databases or external search firms. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as director.</p> <p>The information can be accessed by our stakeholders through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Composition, p. 15) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	

		<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Nomination Procedure, p.19) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
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	<p>Metrobank, through its Board of Directors, ensures that transactions with related parties are reviewed to assess risks, are subject to appropriate restrictions to ensure that such are conducted at arm’s-length terms, and that corporate or business resources of the Bank are not misappropriated.</p> <p>The Related Party Transaction Policy can be found in the Bank’s CGM as well as in the Bank’s website which can be accessed by our stockholders through the following links:</p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	<p>A discussion on Related Party Policy can also be found in the Bank’s Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.43-45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions 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	COMPLIANT	<p>The Bank’s policy on Related Party Transactions provides the various type of covered transactions and corresponding materiality threshold which can be found in the Bank’s Corporate Governance Manual and Company Policies posted on the Bank’s website which can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Fair Business Transactions & Managing Conflicts of Interest, p. 21) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	

<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>Should the transactions require shareholders' approval during the ASM, the Bank will provide its shareholders with complete information of the RPTs as stated in our policy on RPTs. The Bank's voting procedures are included in our By-Laws, CGM and DIS which are all available on the Bank's Website:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Voting Procedures, p.12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Amended By Laws https://metrobank.com.ph/about-us#content-by-laws • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Votes Required for Approval or Election, pp.20-21) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
<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>Part of the general responsibility of the Board is to approve the selection of the President and key members of senior management and control functions and oversee their performance. Assessment of the performance of Management is done annually.</p> <p>This responsibility is further discussed in the Bank's CGM under Specific Duties and Responsibilities of the Board, which can be accessed by our stockholders through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Specific Duties and Responsibilities of the Board, pp. 3-11) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<p>The list of key management officers can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank Directors, Advisers, and Principal Officers https://metrobank.com.ph/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 5 Directors and Executive Officers, p.5-13 and Part II Performance Evaluation and Self-Assessment, p.21) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf <p>The Bank ensures that the appointment of the Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive is consistent with the qualifications set forth by the Bangko Sentral ng Pilipinas and it ascertained that said officers are fit and proper to assume the role.</p> <p>The Bank has job descriptions for these positions, and assesses the qualifications of candidates for these roles.</p> <p>The candidates undergo a series of interviews by the Line Head, HRMG, President, Chairman and the appropriate board</p>	

		<p>committee. Any hiring and appointment to these role is approved by the appropriate board committee, Manpower Committee (Mancom), Nominations Committee (NomCom) and the Board. Bank's recruitment and senior management selection procedures can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.31) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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>The Bank evaluates employees, not only on the basis of their job performance, but also on their contributions to change and their demonstration of desired leadership behaviors. Performance discussions between employees and their respective supervisors are followed by a calibration among leaders that results in evidence-based performance differentiation within each support function and business unit.</p> <p>Information on performance management is included in the Bank's Annual Report which can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.31) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<p>As an extension of the Board of Directors, the Audit Committee (AUDITCOM) assists the Board of Directors in fulfilling its statutory and fiduciary responsibilities, enhancing shareholder value, and protecting shareholders' interest through (a) effective oversight of internal and external audit functions, (b) transparency and proper reporting, (c) compliance with laws, rules and regulations; and code of conduct, and (d) adequate and effective internal controls.</p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	<p>To further strengthen the internal control system, the Bank likewise established internal policies related to conflict of interest, related party transactions and whistle blowing, these policies are all available on the Bank's website which can be accessed by our stockholders through the following links:</p> <ul style="list-style-type: none"> • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, 	

		<p>Annex 16)</p> <p>https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.38) <p>https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf</p>	
3. Board approves the Internal Audit Charter.	COMPLIANT	<p>Internal Audit Charter is reviewed annually; updates made thereto were approved by the Audit Committee on August 13, 2020 and noted by the Board of Directors on August 19, 2020.</p> <p><i>[Based on the latest review conducted in 2021 (with Audit Committee approval dated July 14, 2021), the Charter is still relevant and consistent with the requirements of the newly issued circulars and memorandums of the Bangko Sentral ng Pilipinas and Securities and Exchange Commission, as well as new practice guides per International Professional Practices Framework released by the Institute of Internal Auditors]</i></p>	
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>Metrobank has been in this business for the past 59 years and the magnitude to which it has built the enterprise reflects on how it responsibly manages and protects financial resources entrusted to it by its stakeholders. The Bank only takes in risks that it understands, can manage, mitigate, or accept, and wisely conducts its business based on a risk management framework suited to its scope and complexity, consistent with international regulatory standards.</p> <p>Risk Management Principles and Processes are disclosed through the following links:</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	<ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.48-56) <p>https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Risk Oversight Committee <p>https://web-assets.metrobank.com.ph/1625469183-risk-oversight-committee-charter-as-of-june-2021.pdf</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annex 11) <p>https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	<p>The Bank's CGM serves as the Board Charter which clearly defines the roles, responsibilities and accountabilities of the Board in carrying out its fiduciary role. In the same token the CGM provides guidance for the Directors in the conduct of their performance.</p> <p>The CGM is available and can be accessed through this link:</p>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT	<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 <p>https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf</p>	
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	<p>The Bank has an Insider Trading Policy to ensure that the shareholders are afforded protection and that individuals do not benefit from knowledge which is not generally available to the market. The policy covers the standard of conduct applicable to all directors and employees within the Metrobank Group including their immediate family members residing with them in the same household and corporations, other entities and funds subject to their influence or control to the extent that they are considered insiders having access to material nonpublic information about the securities of companies within the Metrobank Group (“Metrobank Group Securities”) as well as the securities of any of their corporate clients and business partners (“Partner’s Securities”).</p> <p>The Insider Trading Policy can be accessed by our stakeholders through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Policy on Insider Trading p.48, Annex 18) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Policy on Insider Trading, pp.21-22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
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>The policy on granting loans to directors is covered under the Metrobank’s RPT Policy which is available on the Bank’s website:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies <p>The policy ensures that transactions with related parties (directors included) are reviewed to assess risks, are subject to appropriate restrictions to ensure that such are conducted at arm’s-length terms, and that corporate or business resources of the Bank are not misappropriated or misapplied.</p>	
2. Company discloses the types of decision requiring board of	COMPLIANT	The following links provide information on the types of decision requiring board of director’s approval.	

directors' approval		<ul style="list-style-type: none"> • Metrobank Amended By-laws https://metrobank.com.ph/about-us#content-by-laws • Metrobank 2021 Annual Report (p.34) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Power, Responsibilities and Duties of the Board p.3) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p>Recommendation 3.1</p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	COMPLIANT	<p>To aid the Board in the optimal performance of its roles and responsibilities, various board-level committees were created.</p> <p>The Board Committee Charters that provide among others, their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information. The Charters of the respective Board-level Committees are posted on the Bank's website and can be accessed through these links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annexes 3-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committee Charters https://www.metrobank.com.ph/articles/about-us/corporate-governance-board-committees • Metrobank 2021 Annual Report (pp.38-41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>Recommendation 3.2</p>			
<p>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.</p>	COMPLIANT	<p>The Audit Committee (AUDITCOM) assists the Board of Directors in fulfilling its statutory and fiduciary responsibilities, enhancing shareholder value, and protecting shareholders' interest through (a) effective oversight of internal and external audit functions; (b) transparency and proper reporting; (c) compliance with laws, rules and regulations, and code of conduct; and, (d) adequate and effective internal controls.</p> <p>The primary responsibilities of the Audit Committee are: provide effective oversight of external and internal audit functions, including internal audit activities provided to subsidiaries/associates and outsourced internal audit activities; ensure transparency and proper reporting with emphasis on the reports' integrity, timeliness and compliance with standards; ensure compliance with Bank policies, and applicable laws, rules and regulations and code of conduct; and, ensure adequate and effective internal controls.</p>	

		<p>The information on the Audit Committee can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank 2021 Annual Report (p.38) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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>The members of the Audit Committee are appointed annually by the Board of Directors. It is comprised of four (4) members, three (3) of whom are independent, including the Chairman, who is not the chairman of the Board or of any other Board-level committee.</p> <p>2021 Membership of Audit Committee can be accessed through these links:</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank 2021 Annual Report (p.38) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Board Level Committees, p.17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
3. All the members of the committee have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	<p>All of the members of the AUDITCOM have relevant background knowledge, skills and/or experience in the areas of accounting, auditing and finance commensurate with the size, complexity of operations and risk profile of the bank. Their profiles were included in our 2021 Annual Report (SEC Form 17-A or Annual Report) and Definitive Information Statement (SEC Form 20-IS or DIS). All of which are uploaded on the Bank’s website, which our stakeholders can easily access, view and/or download:</p> <ul style="list-style-type: none"> • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
4. The Chairman of the audit committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>The Chairman of the Audit Committee, Mr. Edgar O. Chua, is not the Chairman of the Board or of any other Board-level committees.</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	

		<ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.38) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Supplement to Recommendations 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor	COMPLIANT	<p>Audit Committee Memos and Minutes of Meetings document the Audit Committee approval of the non-audit services conducted by the external auditor.</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank 2021 Annual Report (pp.59-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	<p>Audit Committee held a regular meeting and dialogue with the external audit team without anyone from the management present on November 17, 2021.</p> <p>The following links on the Bank’s website provide access to information:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (p.37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Optional: Recommendation 3.2			
1. Audit committee meet at least four times during the year	COMPLIANT	<p>The Audit Committee held twelve (12) regular meetings with internal and/or external auditors in 2021, duly minuted and on file.</p> <p>The following links on the Bank’s website provide access to information:</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank 2021 Annual Report (p.38) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Board Level Committees, p.17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	

<p>2. Audit Committee approves the appointment and removal of the internal auditor</p>	<p>COMPLIANT</p>	<p>As stated in the Charter, the Audit Committee is responsible for the appointment/ selection, re-appointment and dismissal of the internal auditor based on fair and transparent criteria.</p> <ul style="list-style-type: none"> i. The Senior Management may appoint the internal auditor subject to the concurrence of the Audit Committee; ii. If the internal auditor resigns or communicates an intention to resign, the Audit Committee should follow up the reasons or explanations giving rise to such resignation, and should consider whether it needs to take any action in response to those reasons <p>The Board approved the appointment of the internal auditor, Mr. Leo Fragante, on April 26, 2017.</p> <p>The Charter can be accessed on the Bank’s website through this link:</p> <ul style="list-style-type: none"> • Metrobank’s Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
<p>Recommendation 3.3</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>The Corporate Governance and Compensation Committee (CGCCom) assists the Board of Directors in fulfilling its corporate governance responsibilities and in providing oversight in the implementation of the Bank’s Compliance System. The committee is tasked with establishing a formal and transparent procedure in determining the remuneration of directors and officers that is consistent with the Bank’s culture, strategy, business environment and industry practice.</p> <p>The Bank has a separate Nominations Committee which is a board-level committee that handles the process of identifying the quality of directors aligned with the company’s strategic direction.</p> <p>The Board Committees are disclosed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Board Committees pp.33-35, Annex 5 & 8) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committee Charters https://www.metrobank.com.ph/articles/about-us/corporate-governance-board-committees • Metrobank 2021 Annual Report (pp.38-41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>COMPLIANT</p>	<p>The Corporate Governance and Compensation Committee (CGCCom) is fully composed of independent directors, including the committee chairperson.</p> <p>2021 Membership of CGCCom can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annex 5) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committees: Corporate Governance and Compensation Committee https://web-assets.metrobank.com.ph/1642474949-cgcom-charter-and-self-assessment-form-as-of-november-2021.pdf 	

<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>COMPLIANT</p>	<p>Director Angelica H. Lavares, Chairman of the Corporate Governance and Compensation Committee (CGCC) is an independent director.</p> <p>Director Angelica H. Lavares profile can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Corporate Governance and Compensation Committee https://web-assets.metrobank.com.ph/1642474949-cgcom-charter-and-self-assessment-form-as-of-november-2021.pdf • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
<p>Optional: Recommendation 3.3</p>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>	<p>COMPLIANT</p>	<p>The Corporate Governance and Compensation Committee held four (4) meetings in 2021 that were attended 100% by all members and were duly minuted.</p> <p>The information can be accessed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Level Committees, pp.17-18) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
<p>Recommendation 3.4</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>The Risk Oversight Committee (ROC), as the extension of the Board of Directors (BOD), provides oversight on the credit, market, liquidity, operations, legal and other risks taken throughout the Bank, initially and Group-wide, subsequently.</p> <p>The BOD has the ultimate overall authority and responsibility for corporate risk management. By virtue of its approval of the Bank’s strategic plans, the BOD effectively approves the ways and means by which the plans are carried out, including the risk stance to be adopted.</p> <p>Information on ROC can be accessed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Board Committees p.36, Annex 11) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	

		<ul style="list-style-type: none"> • Metrobank Board Committees: Risk Oversight Committee https://web-assets.metrobank.com.ph/1625469183-risk-oversight-committee-charter-as-of-june-2021.pdf 	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	<p>The Risk Oversight Committee (ROC) is composed of non-executive directors, majority of which are independent directors, including the Chairman.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Board Committees p.36, Annex 11) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committees: Risk Oversight Committee • https://web-assets.metrobank.com.ph/1625469183-risk-oversight-committee-charter-as-of-june-2021.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Level Committees, p.19) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Director Francisco F. Del Rosario, Jr, an independent director, is the Chairman of the Risk Oversight Committee (ROC) for 2021. He is not the Chairman of the Board or of any other committee.</p> <p>ROC Chairman’s information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp. 4-7, 19) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people 	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	<p>The Committee members’ profile are disclosed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	

		<ul style="list-style-type: none"> • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people 	
Recommendation 3.5			
1. Board establishes a Related party Transaction (RPT) Committee, which is tasked with reviewing all material related party transactions of the company	COMPLIANT	<p>Related Party Transactions Committee (RPTC) is a board-level committee tasked to ensure that Bank’s transactions with related parties are reviewed to assess risks and are subject to appropriate restrictions to ensure that such are conducted at arm’s-length terms and that corporate and business resource of the Bank are not misappropriated or misapplied.</p> <p>Details on RPTC are available on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Board Committees p.36, Annex 10) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committees: Related Party Transactions Committee https://web-assets.metrobank.com.ph/1651657719-revised-rptc-charter-and-self-assessment-sheet-as-of-january-2022.pdf 	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman	COMPLIANT	<p>As provided in the RPTC Charter, membership shall be composed of at least three (3), two (2) of whom shall be independent directors, including the chairman. The Committee shall at all times be entirely composed of independent director and non-executive directors, with independent directors comprising majority members.</p> <p>2021 Membership of RPTC can be accessed in the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.40) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Board Committees p.36, Annex 10) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committees: Related Party Transactions Committee https://web-assets.metrobank.com.ph/1651657719-revised-rptc-charter-and-self-assessment-sheet-as-of-january-2022.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Level Committees, p.19) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
Recommendation 3.6			
1. All established committees have a committee Charter stating in plain terms their respective purposes,	COMPLIANT	All Board-level Committee Charters are included in the Bank’s CGM. Each charter provides among others, the respective responsibility statement, duties and responsibilities, meeting schedules, which likewise serve as basis for the performance evaluation process of the committee.	

memberships, structures, operations, reporting process, resources and other relevant information.		All committees have its own performance assessment rating standards. The Board Committee Charters are posted on the Bank’s website and can be accessed through the following links:	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annexes 3-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committee Charters https://www.metrobank.com.ph/articles/about-us/corporate-governance-board-committees • Metrobank 2021 Annual Report (pp.38-41) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
3. Committee Charters were fully disclosed on the company’s website.	COMPLIANT	All board-level committee charters are disclosed on the Bank’s website. <ul style="list-style-type: none"> • Metrobank Board Committee Charters https://www.metrobank.com.ph/articles/about-us/corporate-governance-board-committees 	
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation’s business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board. Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	Conduct of Board Meetings and Quorum Requirements is provided in the Bank’s Corporate Governance Manual and can be accessed through this link: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Conduct of Board Meetings and Quorum Requirements, pp.13-14) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf For 2021, the Board held 12 meetings and the attendance is at 100%. The Board’s attendance is presented in the Bank’s Annual Report and SEC Form 20-IS, also both accessible through the following links: <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.16) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Materials are provided to members for review within the agreed timeframe. As far as practicable, materials for the Board meeting should be provided within five (5) banking days before the meeting and can be downloaded from the Bank’s intranet to enable the directors to prepare for the meetings. <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Corporate Secretary, pp.38-40) 	

		<ul style="list-style-type: none"> • https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.16) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	<p>As stated in the Bank's CGM, in the conduct of Board meetings, the directors are expected to attend and actively participate in all meetings of the Board, Committees and shareholders, review meeting materials and, if called for, ask the necessary questions or seek clarifications and explanations.</p> <p>Due to the confidentiality of the minutes of the Board and Committee meetings, no documents shall be provided. However, the Corporate Secretary confirms that the Directors ask the necessary questions and seek clarifications during Board and Committee meetings. Such questions are duly minuted.</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Conduct of Board Meetings and Quorum Requirements, pp.13-14) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	COMPLIANT	<p>The Bank has a policy on multiple board seats that sets the limit of board seats a non-executive director can hold simultaneously. The policy is embedded in the Bank's CGM and posted on the website.</p> <p>For the information on the directorship positions of the directors in other companies both listed and non-listed, please refer to the profiles of each director as provided in our response under Recommendation 1.1 above or refer to the links provided:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Multiple Board Seats p.28) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank's Website: About Us – Board of Directors https://metrobank.com.ph/about-us#people-organization https://metrobank.com.ph/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf <p>None of the Bank's directors serve in more than five (5) publicly-listed companies.</p>	
Recommendation 4.3			
1. The directors notify the	COMPLIANT	No actual case recorded for 2021 Minutes of BOD Meeting. However, the Company observes the policy embodied in the	

company's board before accepting a directorship in another company.		Bank's Corporate Governance Manual stated under Multiple Board Seats and can be accessed through this link: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Multiple Board Seats p.28) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
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	The Bank does not have any Executive Director/s who serve in more than two boards of listed companies outside of the group. <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
2. Company schedules boards of directors' meetings before the start of the financial year.	COMPLIANT	Notices for the Board Meetings were sent at least one month ahead of the ensuing month's schedule. Per the Bank's Amended By-laws, the Board of Directors shall hold meetings every Wednesday of each month at 4:30pm. <ul style="list-style-type: none"> • Metrobank's Amended By-laws https://metrobank.com.ph/about-us#content-by-laws 	
3. Board of directors meet at least six times during the year.	COMPLIANT	For the year 2021, a total of 12 Board Meetings were held, all Minutes of the Board Meetings from the period January 1, 2021 to December 31, 2021 are complete and on file. The Board's attendance is presented in the Bank's Annual Report and SEC Form 20-IS, also both accessible through the following links: <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.16) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
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	COMPLIANT	The Bank has 5 independent directors of the 12 directors composing the Board. As stated in the Bank's CGM, the Board should have at least one-third (1/3) but not less than (2) independent directors. Provided, that any fractional result from applying the required minimum proportion, i.e., one-third (1/3) shall be rounded up to the nearest whole number. The information on the Bank's independent directors can be accessed through the following links: <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Composition of the Board, pp.2-3) 	

		<ul style="list-style-type: none"> • https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
Recommendation 5.2			
1. The independent directors possess all the qualification and none of the disqualification to hold the positions.	COMPLIANT	<p>Profiles of directors are provided in the Annual Report, SEC Form 20-IS and Bank’s website.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp. 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
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>There are no shareholder agreements, voting trust agreements, confidentiality agreements or any such other agreements that may impact the control, ownership and strategic direction of the Company.</p> <p>Such information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.78) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012)	COMPLIANT	<p>Reckoned from 2012 election, none of the independent directors have reached the maximum cumulative term of more than nine years.</p> <p>Information is provided in the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank’s Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
2. The company bars an independent director from serving in such capacity after	COMPLIANT	As a rule, the Board’s independent directors may serve for a maximum cumulative term of nine (9) years, making sure however that the shareholders’ legal right to vote and be voted remains inviolable. After which, the independent director shall be perpetually barred from serving as such, but may continue to serve as regular director. The nine (9) year maximum	

the term limit of nine years.		<p>cumulative term for independent directors shall be reckoned from 2012.</p> <p>The discussion on term limits for Independent Directors can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Term Limits of Independent Director, p.16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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>For Year 2021, there was no case/instance discussed regarding retention of a director in the same capacity after maximum tenure of 9 years. All independent directors are still within the maximum term limit of 9 years.</p> <p>The information on the tenure of the independent directors can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.35) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank's Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	<p>The Bank's Chairman of the Board and Chief Executive Officer are held by separate individuals as presented in the Bank's Annual Report, SEC Form 20-IS and on the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37, 80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank's Website: About Us – Board of Directors https://metrobank.com.ph/about-us#people-organization https://metrobank.com.ph/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp. 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	<p>The positions of Chairman of the Board and Chief Executive Officer are held by two separate individuals and their responsibilities were clearly defined in the Bank's CGM, Amended By-Laws and Annual Report which can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(The Chairman of the Board and the President pp.30-33) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.36) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

		<ul style="list-style-type: none"> • Metrobank's Amended By-laws https://metrobank.com.ph/about-us#content-by-laws 	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	COMPLIANT	<p>The Corporate Governance and Compensation Committee endorsed to the Board the appointment of Mr. Philip G. Soliven as Lead Independent Director among the independent directors. The Board approved his appointment on 18 August 2021.</p> <p>The policy on Lead Independent Director can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Lead Independent Director p.16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.36) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	<p>The Bank's CGM provides that <i>Directors should conduct fair business transactions with the Bank and ensure that personal interest does not bias Board decisions.</i></p> <p>The Bank's CGM can be accessed through the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Specific Duties and Responsibilities of a Director, p.17) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf <p>Directors and officers with personal interest in the transaction must abstain from the discussion, approval, and management of the transaction are also discussed in the Bank's Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.43-44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 5.7			

<p>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</p>	<p>COMPLIANT</p>	<p>The Bank's non-executive directors meet at least once a year without the presence of any executive. In 2021, the Bank's Non-Executive Directors (NEDs), together with the Bank's External Auditors, Risk Officer, Compliance Officer and Chief Audit Executive, conducted their virtual meeting on 17 November 2021 without the presence of any executive directors.</p> <p>This information is disclosed in the Bank's SEC Form 20-IS for Year 2021 and Annual Report which can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p. 37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.16-17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
<p>2. The meetings are chaired by the lead independent director.</p>	<p>COMPLIANT</p>	<p>The NED meeting led by the newly appointed Lead Independent Director, Mr. Philip G. Soliven, discussed topics such as investors' perceptions and expectations, and updates in the areas of compliance, risk management and internal audit, as well as insights on ESG matters.</p> <p>This information is disclosed in the Bank's SEC Form 20-IS for Year 2021 and Annual Report which can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p. 37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Board Meetings, p.16-17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
<p>Optional: Principle 5</p>			
<p>1. None of the directors is a former CEO of the company in the past 2 years.</p>	<p>COMPLIANT</p>	<p>In the past four years i.e. 2017-2021, Mr. Fabian S. Dee has remained the Bank's President/CEO.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37, 80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank's Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people 	
<p>Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p>			
<p>Recommendation 6.1</p>			
<p>1. Board conducts an annual self-assessment of its performance as a whole.</p>	<p>COMPLIANT</p>	<p>Performance assessment of the Board, Chairman of the Board, President, Board Committees and each of the individual directors using Board-approved rating sheets through the Corporate Governance and Compensation Committee (CGCC) is conducted annually.</p>	
<p>2. The Chairman conducts a self-</p>	<p>COMPLIANT</p>	<p>The Bank has adopted an internal self-rating system and procedures to determine and measure compliance vis-à-vis good</p>	

assessment of his performance		corporate governance principles and practices as prescribed in the Code of Corporate Governance. It uses a four-point rating scale in which: (i) each Director self-rates and collectively rates the Board, the Chairman of the Board, and the President; and (ii) the Corporate Governance, Audit, Risk Oversight and other Board committees conduct self-rating.	
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT	The policy and procedures on self-assessment can be accessed through the following links: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annual Self-Assessment, pp.50-51) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.41-42) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	In line with the SEC rules and best practices for publicly-listed companies, the annual performance evaluation covering Year 2020 was assessed by an external facilitator, Reyes Tacandong & Co. (R&T), in February to May 2021. The principal objective of the review was to provide an independent assessment of the effectiveness of the Board, Board Committees and Chairman of the Board, and the efficiency of the execution of the roles and responsibilities of the Board in conformance with the requirements of the SEC related to the Code of Corporate Governance for Publicly Listed Companies and requirements of the BSP for Board of Directors based on the Manual of Regulations for Banks. The results of the self-assessment were presented to the Board in its May 2021 meeting and various recommendations had been addressed in the same year. As part of the improvement of the self-assessment forms and based on the recommendations of R&T, CGCC endorsed to the Board in its November meeting the revised self-assessment forms which will be used in the 2021 performance evaluation. The new assessment forms will use an enhanced five-point rating system. <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.41-42) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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	In compliance with this recommendation, Annual Self-Assessment procedures are included in the Bank's CGM and Annual Report posted on the Bank's website and can be accessed through these links: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Annual Self-Assessment, pp.50-51) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.41-42) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	The Bank has a system for feedback mechanism from the shareholders through the Stockholders' meetings where the Bank conducts open forum and voting mechanism in ratifying the acts of the directors. Shareholders are also given access to communicate anytime through the Investor Relations Hotline posted on the Bank's website. <ul style="list-style-type: none"> • Metrobank Investor Relations Program 	

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

<p>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.</p>	<p>COMPLIANT</p>	<p>The following Codes of Conduct, which is hinged on the Bank’s Core Values, are posted on the Bank’s website and included in the CGM and accessible through the following links:</p> <ul style="list-style-type: none"> • Metrobank Code of Conduct and Ethics for Bank Directors https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-conduct-and-ethics-bank-directors • Metrobank Code of Ethics For Employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Code of Conduct and Ethics p.45; Annex 14-15) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.42-43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>COMPLIANT</p>	<p>The Human Resource Management Group (HRMG) has disseminated the Bank’s of Code of Conduct to all employees, including the new hires. Employees are required to acknowledge in writing that they have read, understood and will observe the Code of Conduct. HRMG also regularly circulates core advisories which serve as a reminder to employees on the values that the Bank wishes to foster. An annual refresher course was conducted on 12 November 2021 to monitor compliance with the Code and the required acknowledgement was done electronically.</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>COMPLIANT</p>	<p>Each first-time director is provided with an orientation kit, which contains a copy of the Bank’s Articles of Incorporation, By-Laws, Code of Conduct, Bank’s CGM and applicable Board Committee Charters.</p> <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Code of Conduct and Ethics for Bank Directors https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-conduct-and-ethics-bank-directors • Metrobank Code of Ethics For Employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Code of Conduct and Ethics p.45; Annex 14-15) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.42-43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

Supplement to Recommendation 7.1

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p>Metrobank is committed to be a responsible bank that adheres to the highest standards of corporate governance by exercising accountability, fairness, and transparency across all business operations.</p> <p>As such, the Bank adopts a more comprehensive Anti-Bribery and Corruption policy covering directors as well as employees. The policy will ensure compliance with laws and regulations against bribery and corruption as well as principles for conducting business in accordance with the highest possible standards of ethics, honesty, accountability and good governance. The policy also aims to mitigate reputational and legal risks that may arise from criminal or regulatory investigations.</p> <p>Details can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Anti-Bribery and Corruption Policy, p.49; Annex 19) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
<p>Recommendation 7.2</p>			
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics</p>	<p>COMPLIANT</p>	<p>The Code of Conduct is discussed with the new employees of the bank during their New Employee’s Orientation. Employees have immediate access to the Code as it posted on the Insight Online under the Policies and Procedure.</p> <p>Regular advisories about the Code and standards of right behavior are shared during training and on various unit’s meetings. This includes development of decision-making scenarios in various training programs incorporating the Code of Conduct.</p>	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p>COMPLIANT</p>	<p>Also, as an extension of the Board of Directors, the Audit Committee (AUDITCOM) assists the Board of Directors in fulfilling its statutory and fiduciary responsibilities, which include among others, ensuring compliance with Bank policies, and applicable laws, rules and regulations and code of conduct; ensuring adequate and effective internal controls.</p> <p>As part of the Internal Audit Charter, the IAG Head, in the discharge of his/her duties, is accountable to Management and the Audit Committee in providing annual assessment on the adequacy and effectiveness of the Bank’s processes for controlling its operations and managing its risks in the areas set forth under the mission and scope of work.</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Code of Conduct and Ethics p.45; Annex 14-15) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf • Metrobank Code of Conduct and Ethics for Bank Directors https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-conduct-and-ethics-bank- 	

		<p>directors</p> <ul style="list-style-type: none"> • Metrobank Code of Ethics For Employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees • Metrobank 2021 Annual Report (pp.42-43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that give a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	<p>Company disclosures are disclosed and posted on the Bank's website.</p> <p>The Bank has policies and procedures in place for the required bank disclosures which is now in process of updating to align and comply with new regulations issued by SEC, PSE and BSP.</p> <ul style="list-style-type: none"> • Metrobank Company Disclosures https://metrobank.com.ph/about-us 	
Supplement to Recommendation 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>The Bank has submitted/published the consolidated/interim financial reports within the required period:</p> <p>2021 AFS and Annual Report SEC 17-C (2021 AFS) – February 24, 2022 – 55 days</p> <p>2021 SEC 17-Q 1st Qtr. 2021 – May 3, 2021 – 33 days 2nd Qtr. 2021 – August 3, 2021 – 34 days 3rd Qtr. 2021 – November 5, 2021 – 36 days</p> <p>which are all posted on the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank Company Disclosures https://metrobank.com.ph/about-us • Metrobank SEC Form 17-A (Annual Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17a • Metrobank SEC Form 17-C (Current Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17c • Metrobank SEC Form 17-Q (Quarterly Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17q 	

		<ul style="list-style-type: none"> • Metrobank SEC Form 20-IS (Information Statements) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec20is 	
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.	COMPLIANT	<p>There are no shareholder agreements, voting trust agreements, confidentiality agreements or any such other agreements that may impact the control, ownership and strategic direction of the Company.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.78) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 4 Voting Securities and Principal Holders Thereof, pp.3-5) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
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	<p>2021 ANNUAL REPORT: Policy on Insider Trading</p> <p>The Bank dutifully complies with its Insider Trading Policy to uphold applicable laws and ensure the protection of its shareholders from individuals who may take advantage of information not readily available in the market. The policy calls for the disclosure of material, non-public information about any of the companies within the Metrobank Group or any partner on a need-to-know basis, based on a legitimate business agenda.</p>	
2. Company has a policy requiring all officers to disclose/report to the company's shares within three business days.	COMPLIANT	<p>The policy prohibits trading during blackout periods by specific individuals which include all directors and specific employees within the Metrobank Group and their immediate family members residing in the same household; and corporations, other entities, and funds subject to their influence or control. It compels the reporting insiders to disclose their respective beneficial ownership of listed shares of stock in their various companies, if any, and report any changes on the next trading day following the date of the change, as per SEC and the Philippine Stock Exchange (PSE) requirements.</p> <p>The policy is disclosed and made available to the public through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Policy on Insider Trading p.48; Annex 18) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by	COMPLIANT	The disclosures can be found on the Bank's website and can be accessed by the Bank's stakeholders:	

<p>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).</p>		<ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 4 Voting Securities and Principal Holders Thereof, pp.3-5) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank's Top 100 Stockholders https://web-assets.metrobank.com.ph/1642991472-12312021-mbtc-list-of-top-100-stockholders.pdf • Metrobank's General Information Sheet https://web-assets.metrobank.com.ph/1623227787-2021-general-information-sheet.pdf • Metrobank's Organizational Chart, Conglomerate Map, and Shareholding Structure https://www.metrobank.com.ph/articles/about-us/org-chart • Metrobank's Public Ownership Report https://web-assets.metrobank.com.ph/1650352128-jan-17-2022-public-ownership-report-as-of-december-31-2021.pdf • Metrobank SEC Form 17-A (Security Ownership of Directors and Management, pp.57-58); Exhibit 5 pp. 9-12 (Map Showing the Relationship Between and Among Related Entities) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17a 	
Recommendation 8.3			
<p>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 judgement.</p>	COMPLIANT	<p>The profiles of the directors are disclosed and made available to the public through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Bank's Website: About Us – Board of Directors https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Directors and Executive Officers, pp 4-7) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualification, and assess any potential conflicts of interest that might affect their judgement</p>	COMPLIANT	<p>The profiles of the key officers are disclosed and made available to the public through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.84-89) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Bank's Website: About Us https://www.metrobank.com.ph/articles/about-us/our-people • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Executive Officers, pp.9-13) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Executive Officers, pp.50-53) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	

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>The Director's Compensation Policy can be accessed by our stakeholders through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Compensation of Directors and Executive Officers, pp.16) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf
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>The Executive and Employee Compensation policy can be accessed by our stakeholders in the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Compensation of Directors and Executive Officers, pp.17) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	<p>The Bank discloses information on its directors and executive based on the existing disclosure rules of the SEC and PSE, while respecting individual executive's right to data privacy.</p> <p>In line with the above explanation, the Bank discloses annual remuneration of its directors and executive officers in the aggregate. It also provides the components of such remuneration and can be accessed through the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Item 6 Executive Compensation pp.16-17, 133) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.55-56) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf
Recommendation 8.5		
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance	COMPLIANT	<p>As provided in the Bank's CGM, the Bank has adopted a policy on related party transactions where transactions with related parties are reviewed by either the Related Party Transactions Management Committee, a management-level committee composed of senior officers, or the Related Party Transactions Committee, a Board-level committee composed of independent directors, depending on the materiality threshold set by the Bank.</p> <p>The RPT policy can be found in the Bank's Corporate Governance Manual which can be accessed by our stakeholders on the Bank's website:</p>

		<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
2. Company discloses material or significant RPTs reviewed and approved during the year	COMPLIANT	<p>Significant RPTs are disclosed in the Item 12 – Certain Relationships and Related Transactions and Note 32 – Related Party Transactions of the 2021 Audited Financial Statements as reported in the SEC Form 17-A for the year ended December 31, 2021 and can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.58-59, AFS Note 32, pp.123-134) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interest.	COMPLIANT	<p>Directors are required to provide their biographical data and disclose any probable conflict of interests which are part and parcel of the assessment and nomination process for directors.</p> <p>At the onset of review of a related party transaction, a director with interest in the particular transaction or any other conflict of interest should disclose such and should abstain from participating in the deliberation of the particular transaction.</p> <p>The RPT policy can be accessed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Annual Report (pp.43-44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Optional: Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms’ length.	COMPLIANT	<p>Company disclosures on RPTs are found in the Annual Report, SEC Form 20-IS, SEC 17-A and Bank’s website which stakeholders can access through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Related Party Transactions p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	

		<ul style="list-style-type: none"> • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Annual Report (pp.43-44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.58-59, 123-134) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
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>The Bank's material subsequent events are disclosed in SEC Form 20-IS and SEC 17-A and can be accessed in the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (pp. 38, 135) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.41, 135) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets	<i>Not applicable</i>	<i>No acquisition or disposal of assets for 2021.</i>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership and strategic direction of the company.	COMPLIANT	<p>As per the Bank's Annual Report, there are no shareholder agreements, voting trust agreement, confidentiality agreements or any such other agreements that may impact the control, ownership and strategic direction of the company.</p> <p>Such information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.78) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate	COMPLIANT	<p>The Bank's Corporate Governance Manual is disclosed on the Bank's website and can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 	

Governance (MCG)		https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
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	The Bank submitted to SEC on 26 May 2017 an updated Corporate Governance Manual in compliance with SEC Memorandum Circular No. 19, s2016 and SEC Memorandum Circular No. s2017.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information: i. Corporate Objectives	COMPLIANT	<p>2021 SEC 17-A: Plans for 2022</p> <p>Amid global economic rebound and expectations of a continued recovery, Metrobank remains focused on providing Meaningful Banking services by sustaining and increasing market relevance through continuous improvement in customer experience, operational efficiency and people development. These efforts are anchored on the Bank's Core Values program, reinforcing its commitment to deliver the "You're in Good Hands" promise to each client.</p> <p>As business activities increase, Metrobank looks forward to grow alongside the economy in support of client needs. Key strategies include building capacity to improve operational efficiency, maximize cross-selling opportunities, and enhance customer experience. The Bank likewise continues its financial education initiatives across new and underserved markets, offering a range of services through traditional face-to-face banking relations to electronic channels such as ATMs, Cash Accept Machines, mobile applications and online capabilities. As the Bank pivots towards recovery, it continues to support CSR activities, recognizing its role of being an active participant in the pursuit of nation-building.</p> <p>The Bank believes that the evolving operating environment calls for a robust IT infrastructure and strong control and risk management practices. Thus, the Bank's investments in its people are supported by investments in IT and information security, process efficiencies, as well as risk and control systems.</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.38-39) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf <p>2021 ANNUAL REPORT: Medium-term Strategies</p> <ul style="list-style-type: none"> ✓ <i>Maintain stronghold in commercial banking</i> ✓ <i>Expand consumer banking</i> ✓ <i>Conservative Risk Management</i> ✓ <i>Improve Efficiencies</i> ✓ <i>Optimize Corporate and Capital Structures</i> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.74-75) 	

		https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf	
ii. Financial performance indicators	COMPLIANT	<p><u>2021 ANNUAL REPORT</u></p> <ul style="list-style-type: none"> • Summary of Financial Statements (p.79) • Financial Highlights (pp. 12-13) • Chairman's Message (pp. 4-7) • President's Report (pp. 8-11) <p><u>2021 FINANCIAL STATEMENTS</u></p> <ul style="list-style-type: none"> • Summary of Financial Statements (p. 1) • Results of Operation (p. 2) <p>Metropolitan Bank & Trust Company (Metrobank) reported net income attributable to the equity holders of the Parent Company rose by 60% to Php22.2 billion in 2021, boosted by the decline in provisions as the loan portfolio stayed healthy. Robust fees and other income as well as lower operating expenses further drove strong earnings performance.</p> <p>Operating income reached Php101.4 billion in 2021. Net interest margin has stabilized at 3.4%, while the sequential quarterly recovery in corporate and credit card loans has likewise been sustained, reflecting improving business and consumer confidence. The 12% increase in low cost current and savings accounts (CASA) to Php1.5 trillion continued to help trim over-all funding cost.</p> <p>Non-interest income expanded by 20%, lifted by trading and FX gains of Php19.2 billion as the Bank optimized its investment portfolio under a record-low interest rate environment.</p> <p>Fees and other non-interest income jumped by 27% to Php21.1 billion in 2021 on the back of higher transaction volumes and cross selling strategies. This helped mitigate trading and FX gains which normalized to Php5.3 billion.</p> <p>On the other hand, efforts to improve efficiencies continue to pay off as operating costs were kept under control at Php59.5 billion, little changed from its year ago level. As the Bank's loan portfolio remained healthy and substantial reserves were maintained, this enabled a 71% decline in provisions for credit losses to Php11.8 billion.</p> <p>Metrobank ended 2021 with a share price of Php55.70 per share for a market capitalization of Php250.5 billion.</p> <ul style="list-style-type: none"> • Financial Condition (p. 3) <p>Metrobank closed 2021 as the country's second largest private universal bank with consolidated assets of Php2.5 trillion.</p>	

		<p>Overall loan growth remains muted with gross loans at Php1.3 trillion in 2021, but we note a sustained sequential pick up from Php1.2 trillion in the middle of the year. This was driven by increased corporate and commercial loan demand on the back of rising economic activity.</p> <p>Despite the challenging conditions in 2021, asset quality remains solid. Non-performing loans (NPLs) declined by 12% YoY with NPL ratio easing to 2.2% in 2021 from 2.4% in 2020. NPL cover further improved to 174.7% from 163.0% in 2020.</p> <p>Metro bank's low cost current and savings accounts (CASA) further jumped by 12% to Php1.5 trillion, reflecting the Bank's solid deposit franchise. This enabled Metrobank to trim down high-cost deposits, thus CASA ratio further improved to 76% from 73% a year ago.</p> <p>The Bank's capital ratios are still among the highest in the industry. Based on December 2021 balance sheet, Metro bank's capital adequacy ratio (CAR) 20.1% and Common Equity Tier 1 (CET1) is 19.3%, both measures remain substantially above the regulatory minimum.</p> <p>Bank's Annual Report can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf • Metrobank 2021 Annual Report https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
iii. Non-financial performance indicators	COMPLIANT	<p><u>2021 ANNUAL REPORT</u></p> <ul style="list-style-type: none"> • Chairman's Message (pp. 4-7) • President's Report (pp. 8-11) • Reaching out to our Customers (pp. 14-30) • Employee Demographics (p. 32) • Corporate Social Responsibility (pp.66-73) • Domestic Subsidiaries (pp. 61-64) • Sustainability at Metrobank (pp. 76-77) • Contact Information <p>Bank's Annual Report can be accessed through the following link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
iv. Dividend Policy	COMPLIANT	<p><u>2021 ANNUAL REPORT: Dividend Policy</u></p> <p>The Bank's dividend policy is an integral component of its capital management framework.</p>	

		<p>Dividends are declared and paid out of unrestricted retained earnings of the Bank as the Board may determine and in accordance with the provisions of the law and the regulations of the BSP and the SEC.</p> <p>Declaration of cash dividends are subject to approval by at least a majority of the Board of Directors, with the record date not being earlier than 10 trading days from declaration, and the payment date not later than 18 trading days from the record date. On the other hand, stock dividends require prior clearance from the BSP, SEC, and the PSE.</p> <p>In February 2022, the Board of Directors approved a new dividend policy. The annual regular cash dividends will be equal to Php1.60 per common share which is equivalent to 8% of par value. The policy also provided that the regular cash dividend of Php1.60 shall be paid in two (2) equal semiannual tranches, in March and in September. In addition, for 2022, a special cash dividend of Pup 1.40 per common share was also declared for a total of Pup 3.00 per common share for the current year.</p> <p>The payment of cash dividends in the future will depend on the Bank’s earnings, cash flows, financial condition, regulatory requirements for capital and other factors. Circumstances which could restrict the payment of cash dividend include, but not limited to, when the Bank undertakes major projects and developments requiring substantial cash expenditures. In such cases, the Board of Directors may modify the Bank’s dividend payout ratio depending on the results of the operations, future projects and plans of the Bank.</p> <p>The abovementioned notwithstanding, the Board of Directors may also approve special cash dividends in addition to the regular cash dividends from time to time, as conditions and regulations allow.</p> <p>Bank’s Annual Report can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.44-45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
v. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT	<p>2021 ANNUAL REPORT: Board of Directors (BOD)</p> <p>Bank’s Annual Report can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.80-81) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Item 5 Directors and Executive Officers, pp.5-9) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
vi. Attendance details of each director in all directors	COMPLIANT	<p>2021 ANNUAL REPORT: Board Attendance</p> <p>2021 SEC 17-A: Board Meetings, Board-level Committees</p>	

meetings held during the year		<p>In 2021, the Board held a total of twelve (12) meetings with the incumbent directors attending all the meetings.</p> <p>Board meetings are held to keep directors up-to-date on the Bank’s performance, as well as to approve strategies, appointments, and other decisions requiring their attention. Regular Board meetings are usually held every third Wednesday of each month. Special meetings may be called at any time by the Chairman, or, in his absence, by the Vice Chairman, or pursuant to the written request of any four directors.</p> <p>The information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.36-37) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (p.21) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
vii. Total remuneration of each member of the board of directors	COMPLIANT	<p>2021 ANNUAL REPORT: Compensation Policy</p> <p>The Board of Directors receive a fixed remuneration package which includes per diem, transportation allowance, and other fees. Their compensation is based on their banking or finance experience, professional background, level of responsibilities, attendance in Board and committee meetings, as well as market conditions. In line with this, the Executive Directors receive compensation as full-time executive officers of the Bank while Non-Executive Directors receive per diem and other fees for attending Board and committee meetings.</p> <p>Summary of Compensation Table can be accessed in SEC Form 17-A in the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (p.55) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
2. The Annual Report contains a statement confirming the company’s full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	COMPLIANT	<p>2021 ANNUAL REPORT: Performance Evaluation and Self-Assessment</p> <p>In May 2021, the summary results of the self-assessments and evaluation covering the performance of the Board of Directors, individual directors, Chairman, President, and to board-level committees of the Bank were presented to the Corporate Governance Compensation Committee and endorsed to the Board and various recommendations had been addressed in the same year.</p> <p>Also, as reported by the external facilitator, Reyes Tacandong & Co., the Bank’s overall corporate governance is effective and substantially compliant with all the regulatory requirements being met by the Board of Directors, Board Committees,</p>	

		and Chairman of the Board.	
		<ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.41-42) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.25-26) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	COMPLIANT	<p>2021 ANNUAL REPORT: Material Risks</p> <ul style="list-style-type: none"> • Credit Risk • Credit Concentration Risk • Market Risk • Interest Rate Risk in the Banking Book • Liquidity Risk • Operational Risk • Technology Risk • Reputation Risk • Compliance and Regulatory Risk • Strategic Risk • Contagion Risk <p>Bank's Annual Report can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.54) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
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>2021 ANNUAL REPORT: Audit Committee Report to the Board of Directors</p> <p>Based on the Committee's accomplishments, representation from the Bank Management, External Auditor's unqualified opinion on financial statements, and Chief Audit Executive's overall satisfactory assessment on the adequacy and effectiveness of Bank's internal controls, risk management, and governance processes, the Audit Committee concludes that the business risks and emerging threats are effectively mitigated in accordance with the Bank's policies and relevant regulations.</p> <p>Bank's Annual Report can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.56-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
5. The company discloses in the Annual Report the key risks to	COMPLIANT	<p>2021 ANNUAL REPORT: Material Risks</p> <p>As a Domestic Systemically Important Bank (DSIB), Metrobank faces a broad range of risks reflecting such status. These</p>	

<p>which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, and economic).</p>		<p>risks include those resulting from its lending activity, treasury operations, and extensive client-facing network, including its branches.</p> <p>The Bank recognizes that it is not possible or necessarily desirable to eliminate some of the risks inherent in its activities. Acceptance of some risk, therefore, is often necessary to foster growth and efficiencies within business practices. At all times, however, the Bank ensures that any risk-taking activity is aligned with its corporate objectives and capabilities, and that an effective risk management process is in place.</p> <p>The following are some of the material risks the Bank faces and the strategies for managing the same. Supplemental discussions and disclosures are likewise found under Note 4 of the accompanying 2020 Audited Financial Statements (AFS).</p> <ul style="list-style-type: none"> • Credit Risk • Credit Concentration Risk • Market Risk • Interest Rate Risk in the Banking Book • Liquidity Risk • Operational Risk • Technology Risk • Reputation Risk • Compliance and Regulatory Risk • Strategic Risk • Contagion Risk <p>Bank's Annual Report can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.56-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<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>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal and fees of the external auditors.</p>	<p>COMPLIANT</p>	<p>As stated in the Charter (Duties and Responsibilities 1.a), the Audit Committee shall be responsible for recommending the appointment/ selection, re-appointment and dismissal of the independent external auditor based on fair and transparent criteria.</p> <ul style="list-style-type: none"> i. The recommendation should be approved by the Board and ratified by the shareholders; ii. If the external auditor resigns or communicates an intention to resign, the Audit Committee should follow up the reasons/explanations giving rise to such resignation, and should consider whether it needs to take any action in response to those reasons. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures; 	

		<p>Under Duties and Responsibilities 1.e.</p> <p>The Audit Committee shall set compensation of the external auditor in relation to the scope of its duties upon recommendation of Controller, and ensure coordination where more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts.</p> <p>Under Duties and Responsibilities 1.h.</p> <p>The Audit Committee shall evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the total annual income of the external auditor and in relation to the Bank's total expenditure on consultancy and disallow any non-audit work that will conflict with or pose a threat to the independence of the external auditor. The non-audit work, if allowed, should be disclosed in the Annual Report and Annual Corporate Governance Report.</p> <p>The Audit Committee can be accessed on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
2. The appointment, reappointment, removal and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	<p><u>Board Resolution No. 074 – MBTC-SH-2021</u></p> <p>At the Annual Stockholder's Meeting of Metrobank electronically held through a video conference on April 28, 2021 at which a majority was present and acting throughout, the following resolution was approved:</p> <p>"Resolved, that, as recommended by the Audit Committee and approved by the Board of Directors, SGV & Co. is hereby appointed as the External Auditors of Metrobank for the year 2021."</p> <p>(97.96% of shareholders virtually present and represented voted in favor)</p> <p>The information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Minutes of All General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1625638757-minutes-of-the-stockholders-meeting-2021.pdf 	
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	<p><u>There was no case or incident of removal or change of external auditor in 2021.</u></p> <p>As stated in the Audit Committee Charter under Duties and Responsibilities 1.a.iv: If the external auditor resigns or communicates an intention to resign, the Audit Committee should follow up the reasons or explanations giving rise to such resignation, and should consider whether it needs to take any action in response to those reasons. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the</p>	

		<p>company website and required disclosures.</p> <p>The Audit Committee Charter can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	COMPLIANT	<p>SGV has been the external auditors of the Bank since 1962. In compliance with the amended SRC Rule 68 (3) (b) (ix), the signing partners are rotated after every five years reckoned from the year 2002 (increased to seven cumulative years effective August 2019 per Professional Regulatory Board of Accountancy Resolution No. 53, Series of 2019).</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p. 60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp.42-43) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</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> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>	COMPLIANT	<p>As stated in the Audit Committee Charter, under Duties and Responsibilities 1.n.iii, the Audit Committee shall assess and monitor the integrity, independence and objectivity of external auditor, and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	

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	<p>Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis is stated in the Audit Committee Charter under Duties and Responsibilities 1.n.iii.</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
Supplement to Recommendation 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions	COMPLIANT	<p>To ensure that external auditors are credible and competent, the Audit Committee reviews and monitors the overall suitability and effectiveness and conducts regular performance appraisal of external auditors.</p> <p>Said responsibility is stated under Duties and Responsibilities section 1.n. of the Audit Committee Charter.</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
2. Audit Committee ensures that the external auditor has adequate quality control procedures	COMPLIANT	<p>To ensure that external auditor has adequate quality control procedures, it is part of Audit Committee's responsibility to review and monitor the overall suitability and effectiveness and conduct regular performance appraisal of external auditors.</p> <p>Said provision is stated under Duties and Responsibilities section 1.n of the Audit Committee Charter.</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
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>Audit Committee Report to the Board of Directors</p> <p>Exercised effective oversight of external audit function as the Committee assessed and approved the reappointment of SyCip Gorres Velayo & Co. (SGV), as the Bank's external auditor for 2021; ensured the external auditor's objectivity, independence and compliance with ethical and professional standards; discussed and agreed to the terms of audit engagement, coverage and audit fees; reviewed and approved all non-audit services and expenses and related fees (i.e., validation of votes cast at the annual stockholders' meeting and issuance of comfort letter) to ensure no conflict to independence; reviewed the external audit engagement plan, approach and scope of work; reviewed the results of audit and recommendations in the External Auditor's Management Letter and action plans of the Management on reported observations, including monitoring of disposition and status of corrective actions.</p> <p>The Audit Committee Report is presented in the Bank's Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p. 60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

<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.</p>	<p>COMPLIANT</p>	<p>As provided in the Audit Committee Charter under Duties and Responsibilities section 1.h:</p> <p>The Audit Committee shall evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the total annual income of the external auditor and in relation to the Bank's total expenditure on consultancy and disallow any non-audit work that will conflict with or pose a threat to the independence of the of the external auditor. The non-audit work, if allowed, should be disclosed in the Annual Report and Annual Corporate Governance Report.</p> <p>The Audit Committee Charter can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf <p>The Audit Committee Report is presented in the Bank's Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp. 59-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>Supplement to Recommendation 9.3</p>			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services</p>	<p>COMPLIANT</p>	<p>Non-audit fees did not outweigh the fees paid for audit services.</p> <p>Information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (p. 43) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
<p>Additional Recommendation to Principle 9</p>			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>COMPLIANT</p>	<p>Audit Partner: Ms. Janeth T. Nuñez-Javier SEC Accreditation No. 1328-AR-2 (Group A) Date Accredited: July 09, 2019 Expiry Date: July 08, 2022</p> <p>Auditing Firm: SyCip Gorres Velayo & Co SEC Accreditation No. 0001-SEC (Group A) Valid to cover audit of 2021 to 2025 financial statement of SEC Covered Institutions</p> <p>Both SGV and Ms. Nuñez-Javier have an SEC accreditation of "A"</p> <p>Information can be accessed through this link:</p>	

		<ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (pp. 42-43, page 7 of SGV Report) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	COMPLIANT	As advised by external auditor, SGV was subjected to SOAR inspection last November 12 to 23, 2018 and the names of the members of the engagement team were provided by SGV to the SEC during the SOAR inspection.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability	COMPLIANT	<p>The Bank's Investor Relations Department is responsible for disclosing all relevant non-financial information, including the management of economic, environmental, social, and governance (EESG) issues. EESG discussion is also detailed in the stand-alone 2021 Sustainability Report of Metrobank and available on the Bank's website.</p> <ul style="list-style-type: none"> • Metrobank 2021 Sustainability Report https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf <p>Furthermore, the Bank's commitment to positively contribute to EESG through its operations is also captured in its 2021 Manual of Corporate Governance which can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (p.52) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	<p>The Bank's 2021 Sustainability Report was prepared in accordance with the GRI Standards and was also guided by the disclosure mandates of the SEC and the BSP.</p> <p>The Report can be accessed through the links provided:</p> <ul style="list-style-type: none"> • Metrobank 2021 Sustainability Report https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (Exhibit 6) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
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	COMPLIANT	The Investor Relations Department serves as the resource for shareholders, equity and financial analysts, rating agencies, regulators and the media to appreciate the Bank's business, recent performance and significant developments.	

<p>of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>		<p>Regular updates are disseminated through the Bank's company filings and disclosures. These are also discussed and presented in one-on-one meetings, investor/analyst briefings and conferences, and media briefings.</p> <p>Information can be accessed on the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Investor Relations Program https://www.metrobank.com.ph/articles/about-us/investor-relations-program • Metrobank 2021 Annual Report (p. 93) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Supplemental to Principle 11			
<p>1. Company has a website disclosing up-to-date information on the following:</p>			
<p>a. Financial statements/reports (latest quarterly)</p>	<p>COMPLIANT</p>	<p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17-A (Annual Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17a • Metrobank SEC Form 17-Q (Quarterly Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17q 	
<p>b. Materials provided in briefings to analyst and media</p>	<p>COMPLIANT</p>	<p>Information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Investor Relations Program https://www.metrobank.com.ph/articles/about-us/investor-relations-program 	
<p>c. Downloadable annual report</p>	<p>COMPLIANT</p>	<p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17-A (Annual Reports) https://www.metrobank.com.ph/articles/about-us/regulatory-filings-sec17a 	
<p>d. Notice of ASM and/or SSM</p>	<p>COMPLIANT</p>	<p>Information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Announcements of General and Special Stockholders' Meetings https://www.metrobank.com.ph/articles/about-us/regulatory-filings-stockholders-meetings 	
<p>e. Minutes of ASM and/or SSM</p>	<p>COMPLIANT</p>	<p>Information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Minutes of All General and Special Stockholders' Meetings https://www.metrobank.com.ph/articles/about-us/regulatory-filings-minutes-stockholders-meetings 	
<p>f. Company's Articles of Incorporation and By-laws</p>	<p>COMPLIANT</p>	<p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Articles of Incorporation 	

		<p>https://metrobank.com.ph/about-us#articles-of-incorporation</p> <ul style="list-style-type: none"> • Metrobank Amended By-laws <p>https://metrobank.com.ph/about-us#content-by-laws</p>	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	Yes. The Bank is compliant with SEC-prescribed website template.	
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>Internal Audit Charter</p> <p>The scope of work of IAG includes all processes, systems, units and activities (including outsourced services) of the Bank (including its subsidiaries/affiliates whose audits are directly handled by IAG). The scope of work of IAG shall cover, among others, the following:</p> <ol style="list-style-type: none"> 1. Evaluation of the adequacy, efficiency and effectiveness of internal control, risk management and governance systems in the context of current and potential future risks; 2. Review of the reliability, effectiveness and integrity of management and financial information systems, including the electronic information system and electronic banking services; 3. Review of the systems and procedures of safeguarding the bank's physical and information assets; 4. Review of the compliance of trading activities with relevant laws, rules and regulations; 5. Review of the compliance system and implementation of established policies and procedures; and 6. Review of areas of interest to regulators such as, among others monitoring of compliance with relevant laws, rules and regulations, including but not limited to the assessment of the adequacy of capital and provisions; liquidity level; regulatory and internal reporting. <p>The IAG Head, in the discharge of his/her duties, shall provide annual assessment on the adequacy and effectiveness of the Bank's processes for controlling its operations and managing its risks in the areas set forth under the mission and scope of work.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.57-60) <p>https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf</p> <p>Internal Audit Group (IAG) Annual Year-end Report</p> <p>IAG's Annual Year-end Report provides overall assessment on the adequacy and effectiveness of internal control, risk management and governance processes.</p> <p>AUDIT COMMITTEE REPORT TO THE BOARD OF DIRECTORS</p>	

		<p>Based on the Audit Committee’s accomplishments, representation from the Bank Management, External Auditor’s unqualified opinion on financial statements, and Chief Audit Executive’s overall satisfactory assessment on the adequacy and effectiveness of Bank’s internal controls, risk management, and governance processes, the Audit Committee concludes that the business risks and emerging threats are effectively mitigated in accordance with the Bank’s policies and relevant regulations.</p> <p>The Audit Committee Report is presented in the Bank’s Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.59-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	<p>Building a strong bank takes exceptional commitment in managing risks. Metrobank has been in the banking business for the past 59 years, and the success of its enterprise reflects how it responsibly safeguards the financial resources stakeholders entrust in the Bank. It only takes on risks that it understands, can manage, mitigate, or accept. It conducts its business based on a risk management framework suited to its scope and complexity, consistent with international regulatory standards.</p> <p>The Risk Management Principles, Risk Management Process and Risk Governance is presented in the Bank’s Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.48-57) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	COMPLIANT	<p>The Bank has a dynamic and responsive Compliance Risk Management System (CRMS) designed to specifically identify and mitigate risks that may erode the franchise value of the Bank such as risks of legal or regulatory sanctions, material financial loss, or loss to reputation that the Bank may suffer as a result of its failure to comply with laws, rules, related self-regulatory organization standards, and codes of conduct applicable to its activities.</p> <p>The Bank’s Compliance Division implements an enterprise wide Compliance Policy Manual (CPM) developed to formalize and document the Bank’s CRMS, and forms an integral part of its risk governance framework. It provides reasonable assurance that the Bank and its directors, officers and employees comply with all banking and corporate laws, regulations, rules, and standards. It also establishes a culture of compliance; anticipates, reinforces and strengthens the Bank’s compliance with existing laws, rules and regulations in contributing to the maintenance of a sound and stable bank.</p> <p>The CPM is reviewed annually and provides reasonable assurance that the Bank and its employees comply with relevant banking and corporate laws, regulations, rules and standards.</p> <p>A discussion on CPM as part of the guiding manuals of the Bank can be found in the Bank’s Annual Report:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

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 and reported to the board.</p>	COMPLIANT	<p>The Information Technology Steering Committee provides governance and oversight in managing the Bank's information technology (IT) resources. Its main role is to ensure that IT strategies are consistent with the overall business objectives. It is in-charge of the oversight of the IT Risk Management Program of the Bank and the development of policies, controls, and specific accountabilities consistent with the Bank's IT Risk Management Framework.</p> <p>As delegated by the Board, it shall also approve IT-related requests and other IT-related services/arrangements, including outsourcing/insourcing activities. It is expected to also render periodic reports to the Board regarding the overall IT performance, status of major projects and other significant issues related to IT risks. The Committee is composed of directors, the Head of Financial Control Sector, and the Head of the Information Technology Group</p> <p>The IT Steering Committee can be accessed on the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: IT Steering Committee https://web-assets.metrobank.com.ph/1623380810-it-steering-committee-2021.pdf • Metrobank 2021 Annual Report (p.39) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations</p>	COMPLIANT	<p>The Internal Audit Group is established by the Board of Directors, and its responsibilities are defined by the Audit Committee as part of its oversight function. The Audit Committee and Management take all the necessary measures to provide the appropriate resources and staffing that would enable Internal Audit to fully carry out its functions and achieve its objectives while adhering to the principles required by the International Standards for the Professional Practice of Internal Auditing (Standards) and Code of Ethics.</p> <p>The mission of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The scope of work of IAG includes all processes, systems, units and activities (including outsourced services) of the Bank (including its subsidiaries and affiliates whose audits are directly handled by IAG). Information on the Bank's Internal Audit can be accessed on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.57-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board</p>	COMPLIANT	<p>Mr. Leo R. Fragante, FVP, is the Bank's Chief Audit Executive (CAE). His appointment was approved by the Board on April 26, 2017. He has been the Head of the Internal Audit Group since August 1, 2016.</p> <p>Information can be accessed on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (p.53) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
<p>2. CAE oversees and is responsible for the internal audit activity of</p>	COMPLIANT	Internal Audit Charter	

<p>the organization, including that portion that is outsourced to a third party service provider.</p>		<p>The CAE’s responsibilities in Internal Audit Group, including for outsourced activities, are enumerated in the Internal Audit Charter and approved Job Description.</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.57-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf <p>Internal audit for Metrobank – New York Branch is co-sourced with Mercadien. Re-appointment of Mercadien and its audit plan for 2020 - 2021 (covering the period July 1, 2020 to June 30, 2021) and 2021- 2022 (covering the period July 1, 2021 to June 30, 2022) were approved by Audit Committee on September 10, 2020 and September 8, 2021, respectively</p>	
<p>3. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.</p>	<p><i>NOT APPLICABLE</i></p>	<p><i>Internal Audit Charter</i></p> <p><i>Metrobank internal audit activity is not outsourced.</i></p>	
<p>Recommendation 12.4</p>			
<p>1. Company has a separate risk management function to identify, asses and monitor key risk exposures.</p>	<p>COMPLIANT</p>	<p>The Risk Management Group (RSK) supports and reports directly to the ROC. RSK is an independent unit of the Bank that identifies, analyzes, measures, and monitors identified material risks in close coordination with other business units. It exercises oversight on the risk management units of various subsidiaries and affiliates. It convenes the Risk Management Coordinating Council quarterly to ensure compliance with relevant regulations, and implements a consistent risk management framework across the Metrobank Group.</p> <p>Information on the Bank’s RSK can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.48-57) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>Supplement to Recommendation 12.4</p>			
<p>1. Company seeks external technical support in risk management when such competence is not available internally</p>	<p>COMPLIANT</p>	<p>The Bank engages external subject matter experts from time to time. The latest source of external technical support on Risk Management from SGV was the PFRS 9 Conversion Project in 2017.</p>	
<p>Recommendation 12.5</p>			
<p>1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of</p>	<p>COMPLIANT</p>	<p>Mr. Christian D. San Juan, SVP assumed the position as Chief Risk Officer and Head of Risk Management Group effective February 1, 2021 after serving as Deputy Head from July 2017 to January 2021.</p> <p>As Chief Risk Officer, Mr. San Juan is responsible for providing independent oversight for any and all activities that may subject the Bank to risk. Specific duties and responsibilities include among others:</p>	

Enterprise Risk Management (ERM).			
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities	COMPLIANT	<ul style="list-style-type: none"> • Identification of key risk exposures for the purpose of assessing and measuring the extent of such exposures of the Bank and its trust operations; • Monitor risk exposures and determine corresponding capital requirement in accordance with the Basel capital adequacy framework and the risk exposure's consistency with the board approved policies on risk tolerance; as well as, effectiveness of risk mitigation measures employed; • Oversee collection and construction of historical databases required for risk analysis and measurement methodology • Provide quantitative estimates of market risk levels taken by risk-taking personnel independently and collectively. Reviews risk-taking personnel profit and loss reports • Oversee documentation and review of each model used by the front and back offices for valuation and hedging; recommends enhancements thereof, if and when necessary • Act as the Group Supervisor for Risk Management to assist the Board of Directors (BOD) in ensuring effective oversight over BSP-supervised financial subsidiaries and affiliates; • Report to senior management and the BOD the results of assessment and monitoring; • Perform other related functions that may be assigned from time to time. <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.48-56) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 17A (Annual Report) as of 31 December, 2021 (p.53) https://web-assets.metrobank.com.ph/1649728038-sec17a-2021.pdf 	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	COMPLIANT	<p>IAG's Annual Year-end Report</p> <p>IAG's Annual Year-end Report attested by the Chief Audit Executive contains the overall assessment on the adequacy and effectiveness of the Bank's internal control, risk management and governance processes. Copy of the IAG's Annual Year-end Report was noted by the President.</p> <p>The Report is presented in the Bank's Annual Report and can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.59-60) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed	COMPLIANT	The Bank's CGM provides the basic shareholder rights. The Bank treats all its shareholders fairly and equitably, and also recognize, protects and facilitates the exercise of their rights. The Board shall respect the rights of the stockholders as	

<p>in the Manual on Corporate Governance.</p>		<p>provided for in the Corporation Code.</p> <p>The Bank's CGM can be accessed on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders' Rights and Protection of Minority Stockholders' Interests p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
<p>2. Board ensures that basic shareholder rights are disclosed on the company's website</p>	<p>COMPLIANT</p>	<p>The Board respects the rights of the stockholders as provided for in the Corporation Code. It honors the rights of the stockholders by removing barriers that prevent the exercise of those rights and gives adequate solutions for them to seek remedies when those rights are compromised.</p> <p>This is disclosed in the Bank's Annual Report and can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
<p>Supplement to Recommendation 13.1</p>			
<p>1. Company's common share has one vote for one share</p>	<p>COMPLIANT</p>	<p>The Bank's common shares carry one (1) vote for one (1) share. This can be found in the Bank's Corporate Governance Manual, Annual Report and Amended By-laws posted on the Bank's website which can be accessed by our stakeholders through these links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders' Rights and Protection of Minority Stockholders' Interests p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank's Amended By-Laws https://metrobank.com.ph/about-us#content-by-laws • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Stockholders' Rights and Protection of Minority Stockholders' Interests, p. 22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>COMPLIANT</p>	<p>Metrobank issues one class of shares i.e. common stock. Each stockholder is entitled to one (1) vote for each share of stock in his name.</p> <p>This information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank's Articles of Incorporation https://metrobank.com.ph/about-us#articles-of-incorporation • Metrobank's Amended By-Laws 	

		<p>https://metrobank.com.ph/about-us#content-by-laws</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders’ Rights and Protection of Minority Stockholders’ Interests p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Stockholders’ Rights and Protection of Minority Stockholders’ Interests, p. 22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	<p>Voting is done manually. Votes are counted based on submitted proxies and actual votes received during the Annual Stockholders’ Meeting.</p> <p>The information is disclosed and can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Stockholders’ Rights and Protection of Minority Stockholders’ Interests, p. 22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders’ Rights and Protection of Minority Stockholders’ Interests p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	<p>The Bank treats all its shareholders fairly and equitably, and also recognizes, protects and facilitates the exercise of their rights. The Board shall respect the rights of the stockholders as provided for in the Corporation Code. Voting mechanism is simple majority as per Corporation Code.</p> <p>Information on voting mechanism can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders’ Rights and Protection of Minority Stockholders’ Interests p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting	COMPLIANT	<p>The Bank treats all its shareholders fairly and equitably, and also recognizes, protects and facilitates the exercise of their rights.</p> <p>The information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Part II Stockholders’ Rights and Protection of Minority Stockholders’ Interests, p. 22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf 	
6. Board clearly articulates and	COMPLIANT	<p>https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf</p>	

enforces policies with respect to treatment of minority shareholders		<ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders' Rights and Protection of Minority Stockholders' Interests, p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
7. Company has a transparent and specific dividend policy	COMPLIANT	<p>Provided in the Bank's CGM and Annual Report which can be accessed by our stakeholders in the Bank's website:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.44-45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Dividend Policy, p.46) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	<p>The proxies, attendance and votes cast at the meeting were tabulated by the Bank's Stock Transfer Agent (The Metrobank-Trust Banking Grp) and validated by SGV & Co. in its capacity as third- party validator.</p> <p>This information can be accessed on the links provided:</p> <ul style="list-style-type: none"> • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Votes Required for Approval or Election, p. 21) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	COMPLIANT	<p>Notice of Annual Stockholders' Meeting (ASM) in 2021 was sent out on January 10, 2021. ASM was held on April 28, 2021.</p> <ul style="list-style-type: none"> • Metrobank Announcements of General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1623404608-asm2021-notice-and-agenda.pdf • PSE EDGE Disclosure https://edge.pse.com.ph/openDiscViewer.do?edge_no=cc0e86b1903b9ae35d542af6f1e997b9 	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:			
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience,	COMPLIANT	<p>Notice of Annual Stockholders' Meeting (ASM) in 2021 can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Announcements of General and Special Stockholders' Meetings 	

and directorships in other listed companies)		https://web-assets.metrobank.com.ph/1623404608-asm2021-notice-and-agenda.pdf	
b. Auditors seeking appointment/re-appointment	COMPLIANT	<ul style="list-style-type: none"> • PSE EDGE Disclosure https://edge.pse.com.ph/openDiscViewer.do?edge_no=cc0e86b1903b9ae35d542af6f1e997b9 	
c. Proxy documents	COMPLIANT		
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<p>Agenda Items for the Annual Stockholders' Meeting is accompanied by "Explanatory Notes to the Agenda" as a requisite in the filing of its Definitive Information Sheet with SEC.</p> <p>Notice of Annual Stockholders' Meeting (ASM) in 2021 can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Announcements of General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1623404608-asm2021-notice-and-agenda.pdf • PSE EDGE Disclosure https://edge.pse.com.ph/openDiscViewer.do?edge_no=cc0e86b1903b9ae35d542af6f1e997b9 	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the vote taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	<p>The Bank's CGM provides under Stockholder's Participation that, the Board shall also encourage 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. In addition, the Minutes of the Annual and Special Shareholders' Meeting should be available on the Bank's website within five (5) business days from the end of the meeting.</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders' Rights and Protection of Minority Stockholders' Interests, p.11-12) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
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>The results were made available on April 29, 2021, 1 business day after the 2021 ASM.</p> <ul style="list-style-type: none"> • Metrobank Minutes of All General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1625638757-minutes-of-the-stockholders-meeting-2021.pdf • PSE EDGE Disclosure https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb3cc6c96aa4d88e5d542af6f1e997b9 	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to	COMPLIANT	<p>The Bank's Stock Transfer Agent (MB-Trust Banking Grp) and External Auditor, SGV & Co. were present during the ASM/SSM.</p>	

answer shareholders questions during the ASM and SSM		<ul style="list-style-type: none"> • Metrobank Minutes of All General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1625638757-minutes-of-the-stockholders-meeting-2021.pdf 	
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>Under the Stockholders' Rights and Protection of Minority Stockholders' Interests section of the Bank's CGM, states that:</p> <p>For amicable settlement of disputes, controversies and/or legal issues between the Bank and its stockholders and/or the Bank and third parties, the Bank may resort to alternative modes of dispute resolution as may be agreed upon with the adverse party.</p> <p>The Bank's CGM can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Stockholders' Rights and Protection of Minority Stockholders' Interests, p.13) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance	COMPLIANT	<p>Policy on Alternative Dispute Resolution (ADR) can be accessed through Bank's CGM:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Annex 1) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	<p>The Bank's Investor Relations Office is under the Strategic Planning Division, contact details are as follows:</p> <p>Ms. Minda A. Olanon Head, Investor Relations Tel. No. 8857-5733 Email address: investor.relations@metrobank.com.ph</p> <p>Investor Relations Department Email Address: investor.relations@metrobank.com.ph Telephone no: (02) 8857 5348 Fax no: (02) 8817 6355 Address: 11/F Metrobank Plaza, Sen. Gil Puyat Avenue, Makati City, Philippines 1200</p> <p>Information can be accessed on the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Investor Relations Program https://www.metrobank.com.ph/articles/about-us/investor-relations-program • Metrobank 2021 Annual Report (p.93) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf 	

2. IRO is present at every shareholder's meeting.	COMPLIANT	Yes, IRO was present during the ASM.	
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	The Board avoids any anti-takeover measures/defenses by setting voting procedures as reflected in the Bank's CGM: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Dissenter's Right of Appraisal, pp.12-13) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	
1. Company has at least thirty percent (30%) public float to increase liquidity in the market	COMPLIANT	As of December 31, 2021, the public float of MBTC is at 48.20% This can be accessed by our stakeholders on the Bank's website: <ul style="list-style-type: none"> • Metrobank's Organizational Chart, Conglomerate Map, and Shareholding Structure https://www.metrobank.com.ph/articles/about-us/org-chart 	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	The Bank's Whistleblowing Policy provides opportunity for shareholders to engage with the Bank beyond the stockholders' meeting by reporting complaints which may be filed via email or text. The shareholders can also engage with the company thru the Bank's customer hotline. The policy is disclosed and made available to the public through the following links: <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Whistleblowing Policy p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	Shareholders who are qualified as of record date with confirmed registration and entitled to vote but cannot attend the meeting may vote in advance through a link provided in the published Notice of Meeting. <ul style="list-style-type: none"> • Metrobank Announcements of General and Special Stockholders' Meetings https://web-assets.metrobank.com.ph/1623404608-asm2021-notice-and-agenda.pdf 	
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 interest are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			

<p>1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability,</p>	<p>COMPLIANT</p>	<p>Metrobank’s 2021 Annual Report and 2021 Sustainability Report describe the interests of various stakeholders, specifically:</p> <ul style="list-style-type: none"> • Customer protection • Stockholders’ rights and protection of minority stockholders’ interests • Supplier and contractor selection • Economic and social development • Environmental protection • Health, safety, and welfare of employees • Anti-money laundering-combating the financing of terrorism • Whistleblowing • Code of Business Conduct for employees • Bribery and anti-corruption • Conflicts of interest • Insider trading <p>Complete information can be accessed on the Bank’s website through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.44-47) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank 2021 Sustainability Report (pp.26-62, 68-73) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>Recommendation 14.2</p>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>COMPLIANT</p>	<p>Metrobank has clear policies and programs on the fair treatment and protection of its stakeholders. These can be found in the following reports:</p> <ul style="list-style-type: none"> • 2021 Manual of Corporate Governance • 2021 Annual Report • 2021 Sustainability Report <p>These policies include whistleblowing, customer protection, stockholders’ rights and protection of minority stockholders’ interests, supplier and contractor selection, among others.</p> <p>The Bank also has a system in place to ensure the health, safety, and welfare of its employees, contribute to economic and social development, as well as environmental protection.</p> <p>Complete information can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	

		<ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Sustainability Report https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	<p><u>2021 ANNUAL REPORT: Whistleblowing Policy</u></p> <p>The Bank maintains a Whistleblowing Policy where employees and other stakeholders are encouraged to participate in an atmosphere of openness and trust in communicating their concerns about illegal or unethical practices, without the fear of retaliation. The guidelines ensure that the concerns of reporting employees and other stakeholders are addressed and the identity of the reporting entity is secured and protected from any undue retaliation. The Chief Audit Executive/Head of the Internal Audit Group is the designated recipient of complaints from reporting employees and other stakeholders. For exceptional cases, complaints may be filed directly to the Chairman of the Board. The Bank's employees have continuously shown a proactive stance in keeping the Bank's integrity.</p> <p>For 2021, the Bank has received reports on varying issues, from health and safety protocol issues, to alleged violations on Code of Conduct, among others. All reports have been handled by the concerned business units and were thoroughly reviewed and investigated. Complaints or concerns may be filed through the Bank's website or sent via email (whistleblowing@metrobank.com.ph) or text hotline (+639427471359).</p> <p>Information can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Whistleblowing Policy p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Sustainability Report (p.72) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner	COMPLIANT	<p>The Policy on Alternative Dispute Resolution (ADR) can be accessed by our stakeholders on the Bank's Corporate Governance Manual through this link:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Annex 1) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf 	

Additional Recommendations to Principle 14

<p>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.</p>	<p>COMPLIANT</p>	<p>For 2021, no exemptions were sought by the Bank to any governing bodies.</p>	
<p>2. Company respects intellectual property rights</p>	<p>COMPLIANT</p>	<p>The Bank's Acceptable Use of Assets Policy aims to deter any infringement of intellectual property rights or other proprietary rights including, without limitation, material protected by copyright, trademark, patent, trade secret or other intellectual property right.</p> <p>Distributing, installing, copying or using pirated or other software products that are not appropriately licensed for the use of the bank is strictly prohibited.</p> <p>Unauthorized copying of copyrighted material including but not limited to, digitization, distribution and/or posting of photographs from magazines, books or other copyrighted sources, logos, copyrighted music, videos and the installation of any copyrighted software for which the bank or the end user does not have an active license is strictly prohibited.</p> <p>Generally, all users authorized to access the Bank's information, information systems and information processing facilities must comply with the required user responsibilities to maintain effective access controls that prevent unauthorized access, compromise of information systems and processing facilities or theft of information.</p> <p>All confidential bank information assets must not be shared with unauthorized personnel such as but not limited to unauthorized bank personnel, family or household members and non-bank personnel.</p> <p>All covered individuals must only use bank assets (information, technology, devices, etc.) to the extent necessary to fulfill their business and/or job responsibilities through authorized activities in accordance with bank policies, standards and procedures.</p> <p>All covered individuals are prohibited from revealing, sharing or using any bank confidential or restricted information, trade secrets or any other material considered as bank information when engaged in blogging or participating in discussions in social networking sites, conferences, seminars and the like. This includes but is not limited to the job title, bank official activities, bank operating information, etc.</p>	

Optional: Principle 14

<p>1. Company discloses its policies and practices that address customers' welfare</p>	<p>COMPLIANT</p>	<p><u>2021 ANNUAL REPORT: Customer Protection Policy</u></p> <p>Customer protection is part of Metrobank's culture. It is not a responsibility of only one person or a unit but a collective and shared responsibility of everyone that serves in the Bank, from the Board, to Management, and to all employees.</p> <p>The Bank instituted a Customer Protection Policy Manual which ensures that customer protection is essential in daily operations and provides the foundation in safeguarding the Bank's adherence to customer protection standards of conduct. The Board, through the Executive Committee, provides effective oversight of the Bank's Financial Customer Protection.</p> <p>Complete information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Customer/Creditor's Welfare, p.22) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Sustainability Report (pp.52-56) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p>COMPLIANT</p>	<p><u>2021 ANNUAL REPORT: Supplier & Contract Selection</u></p> <p>To mitigate the risk of dealing with unqualified suppliers/contractor, the Bank maintains policies and guidelines in the accreditation/re-accreditation and selection process of suppliers and contractors that is in accordance and compliant with BSP regulations. Annual performance evaluation is being conducted as part of appropriate control in determining the ability and performance of the contractors/service providers.</p> <p>The Bank also practices the policy of canvassing and bidding services when purchasing products or contracts for services to ensure that it secures the best deal in terms of price, quality of materials or work services, delivery time frame, and other related terms and conditions.</p> <p>Complete information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.46) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank SEC Form 20-IS for ASM 2022 covering Year 2021 (Supplier & Contractor Selection, p.23) https://web-assets.metrobank.com.ph/1649051306-asm2022-sec-20-is-definitive-information-statement.pdf • Metrobank 2021 Sustainability Report (p.35) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	

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		
<p>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</p>	<p>COMPLIANT</p>	<p>Engagement and Communication</p> <p>In April 2021, the Bank, in partnership with Willis Towers Watson, launched Metrovoice, an employee engagement survey. Employees were given the opportunity to provide feedback on areas that impact their work experience at Metrobank. The survey results revealed an employee engagement rate of 93%, among the highest in the local industry. To sustain the gains and act on areas for improvement, the Bank launched a series of learning sessions on self and team development, inspiring and motivating others, all while creating joy at work.</p> <p>The Bank continues to reach out to its employees through digital communication channels, and provide relevant and helpful information as employees carry out their personal and work responsibilities.</p> <p>Information can be accessed through the following link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.31) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf
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>	<p>COMPLIANT</p>	<p>Compensation Policy can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (p.45) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Sustainability Report (p.47) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p>With the increasing number of emerging COVID-19 variants and cases, the Bank continued its endeavors on providing safety advisories, webinars and constant reminders to curb the spread of the virus. The Bank ensures that the protocols implemented are updated and aligned with the guidelines released by the Department of Health and the Inter-Agency Task Force (IATF) as part of its response to the COVID-19 pandemic. These protocols include the proper wearing of face mask and face shields, social and physical distancing, and precautions for employees living with healthcare workers. Metrobank continued to partner with ActiveOne in managing and monitoring all employees affected by COVID-19 (either as probable, suspect, confirmed, or close contact cases), through its Telemed Services.</p> <p>To show the Bank's engagement in ensuring the health and safety of its employees and its significant contribution towards the country's mission to reach herd immunity, it intensified its #VaxForMetrobankers program and launched a COVID-19 Vaccination Awareness campaign through webinars and posting of frequently asked questions (FAQs) in coordination with the Bank's health partner, ActiveOne.</p> <p>In addition, the Bank launched MetrobankCARES as its mental health and wellness program with the overarching goal of contributing towards cultivating a healthy, productive workforce through policy-compliant and sustainable mental health</p>

		<p>and workplace wellness programs. MetrobankCARES focused on the following components: implementing the Mental Health Social Policy; advocating wellness in the workplace and information/advocacy campaign pertaining to Physical Wellness, Emotional Wellness, Family Wellness, Social Wellness, Financial Wellness, Occupational Wellness, and Spiritual Wellness; responding through look, listen, and link model which aims to promote both self-awareness, self-care, and care for others; and educating through training and capability building such as Mental Wellness Self-Check</p> <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.46-47) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Sustainability Report (p.50) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>The Bank established the Metrobank Academy in 2015 to empower and build our workforce capability. The Academy adopts a “70-20-10” learning approach: 70% represents learning from experience, 20% is learning through others via coaching and mentoring circles, and 10% through formal learning.</p> <p>With new technologies changing how we live, work and learn, the COVID-19 crisis has accelerated our digital transformation. Our employees demonstrated agility during this unprecedented time by shifting to remote work. To support their continued development, we created and launched an online learning platform, MyLearning. Developed with a leading digital learning agency, this platform enables every employee to access on-demand training using their desktop computer or mobile phone whenever and wherever convenient.</p> <p>One of the education materials the Bank developed is the series of financial education webinars on our Facebook Workplace platform. In 2021, we also launched an internal podcast series, BenefitED, which informs employees on the various benefits the Bank provides and raises awareness on how they can best manage their finances.</p> <p>Information can be accessed through this link:</p> <ul style="list-style-type: none"> • Metrobank 2021 Sustainability Report (pp.48-49) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>Recommendation 15.2</p>			
<p>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</p>	<p>COMPLIANT</p>	<p>The Board approved Bank’s Code of Conduct articulates acceptable and unacceptable activities such as but not limited to financial misreporting, money laundering, fraud, bribery or corruption.</p> <p>An excerpt from the Bank’s Standards of Conduct on Avoidance of Conflict of Interest, states that “We adopt an anti-corruption way of life. Bribery, fraud, extortion, collusion, conflict of interest, and money laundering, and other corrupt practices have no role in the way we conduct our affairs.” This is underscored through the all-encompassing Bank’s Anti-</p>	

		<p>Bribery and Corruption (ABC) policy.</p> <p>Further, through the Bank’s “Whistle Blowing Policy”, employees are encouraged to play their part in improving the overall effectiveness of the Bank and in strengthening the Bank’s system of integrity by reporting acts of fraud, malpractice, conflict of interest or violation of internal / regulatory policies, procedures and control.</p> <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Code of Ethics for Employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Code of Conduct and Ethics p.45, Anti-bribery and Corruption Policy, p.49; Annex 14-15,19) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (pp.42-43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Sustainability Report (pp.68-69) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company’s culture.</p>	<p>COMPLIANT</p>	<p>To ensure that our employees behave in accordance with these principles, we strictly implement an Anti-Bribery and Anti-Corruption policy, which outlines the principles for conducting business in accordance with the highest possible standards of ethics, honesty, accountability and good governance. It also aims to mitigate reputational and legal risks that may arise from criminal or regulator investigations.</p> <p>We monitor compliance internally and detect incidents of corruption through strict reporting measures the efficient database management of all administrative cases. Training programs on the prevention of bribery and corruption are included in the Bank’s e-learning and acknowledgement on the Code of Conduct.</p> <p>The Bank ran an e-Learning course on the Code of Conduct for all employee levels, including senior management. In 2021, 11,481 employees, equivalent to 85% of our total employee headcount, completed the e-learning and provided their digital acknowledgment on the Bank’s Code of Conduct.</p> <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Sustainability Report (pp.68-69) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf • Metrobank Code of Ethics for Employees https://www.metrobank.com.ph/articles/about-us/corporate-governance-code-of-ethics-employees • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Code of Conduct and Ethics p.45, Anti- 	

		<p>bribery and Corruption Policy, p.49; Annex 14-15,19) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report (pp.42-43) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes</p>	COMPLIANT	<p>Commission of any form of bribery is categorized as a Class D Offense and is punishable by termination under the Code of Conduct.</p> <p>Information can be accessed through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021(Anti-Bribery and Corruption Policy, p.49; Annex 19) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	
Recommendation 15.3			
<p>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</p>	COMPLIANT	<p>The Bank instituted a Whistleblowing Policy where acts of fraud, malpractice, conflict of interest or violation of internal/regulatory policies, procedures and control may be reported to the Chief Audit Executive. Under the policy, the Bank shall maintain the identity of the reporting employee as confidential and retaliation against any reporting employee shall not be allowed. Consistent with the principles of good governance, the Chief Audit Executive reports to the Board's Audit Committee. The Head of the Internal Audit Group (IAG) is the designated recipient of complaints from Reporting Employees and is authorized to implement this policy.</p> <p>Complaints/concerns may be filed through the Bank's website or sent via email (whistleblowing@metrobank.com.ph) or text hotline (#09427471359).</p> <p>The Whistle Blowing Policy is posted on the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Whistleblowing Policy p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies 	

<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 whistleblowing concerns.</p>	<p>COMPLIANT</p>	<p>The Whistleblowing policy is a sign of strong corporate governance and company culture that takes such claims seriously. In strengthening the Bank's integrity, all employees and stakeholders are encouraged to participate in an atmosphere of openness and trust and seize opportunities to raise concerns or immediately report whenever there are acts of fraud, malpractice, conflict of interest, or violation of internal or regulatory policies, procedures, and control, to the Chief Audit Executive. The policy requires that the Bank secures the identity of the reporting entity and protects the person from any undue retaliation. The Head of the Internal Audit Group (IAG) is the designated recipient of complaints from Reporting Employees and is authorized to implement this policy.</p> <p>Complaints or concerns may be filed through the Bank's website or sent via email (whistleblowing@metrobank.com.ph) or text hotline (+639427471359).</p> <p>The Whistle Blowing Policy is posted on the Bank's website through the following links:</p> <ul style="list-style-type: none"> • Metrobank Corporate Governance Manual Updated as of 31 August 2021 (Whistleblowing Policy p.48, Annex 16) https://web-assets.metrobank.com.ph/1629281347-corporate-governance-manual-2021.pdf • Metrobank 2021 Annual Report (p.44) https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank Company Policies https://www.metrobank.com.ph/articles/about-us/corporate-governance-company-policies • Metrobank 2021 Sustainability Report (p.72) https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>COMPLIANT</p>	<p>As an extension of the Board of Directors, the Audit Committee assists the Board of Directors in fulfilling its statutory and fiduciary responsibilities.</p> <p>Duties and Responsibilities:</p> <p>3c. Establish and maintain mechanisms by which officers and staff may, 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. AUDITCOM shall ensure that arrangements are in place for the independent investigation, appropriate follow-up action, subsequent resolution of complaints, and that reporting employee or stakeholder who raise the concerns are protected from detrimental treatment or reprisals.</p> <p>The complete charter can be accessed on the Bank's website through this link:</p> <ul style="list-style-type: none"> • Metrobank Board Committees: Audit Committee https://web-assets.metrobank.com.ph/1626249132-audit-committee-charter.pdf 	
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			

Recommendation 16.1			
<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>The Bank supports the national government’s AmBisyon Natin 2040, which represents the collective long-term vision and aspirations of the Filipino people to promote inclusive growth and poverty alleviation.</p> <p>It has developed a Sustainability Framework which is anchored on achieving long-term returns for its shareholders and creating shared value for society. The Framework is composed of three (3) pillars which include managing its environmental impact, supporting social causes and creating value for clients, and committing to high standard of governance.</p> <p>Moreover, the Bank has chosen five focus areas where the Bank can further contribute to fulfill the United Nations 2030 Agenda.</p> <p>Complete information of the Bank’s Sustainability Framework and Focus Areas, as well as its performance and contributions to sustainable development are disclosed in the:</p> <ul style="list-style-type: none"> • Metrobank 2021 Sustainability Report https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	
Optional: Principle 16			
<p>1. Company ensures that its value chain is environmentally friendly or it consistent with promoting sustainable development</p>	<p>COMPLIANT</p>	<p>Metrobank has initiatives in place to reduce its environmental footprint in its operations and takes environmental protection into account when making lending decisions, among others.</p> <p>Its key programs include the conservation of energy, water, and resources; optimizing the use of paper; using vehicles for carpool, and the regular maintenance and servicing of vehicles.</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>COMPLIANT</p>	<p>In addition, the Bank has an environmental stewardship program called “You’re in Green Hands” led by Purple Hearts Club, which actively supports activities such as tree planting and mangrove restoration across the country.</p> <p>Also, the Bank ensures that it interacts positively with the communities in which it operates by supporting social causes in education, peace and order, and the arts, among others. It has a comprehensive community and social responsibility programs conducted by the Metrobank Foundation, its corporate social responsibility arm, and employee volunteers through the Purple Hearts Club (PHC).</p> <p>Details can be found through the following links:</p> <ul style="list-style-type: none"> • Metrobank 2021 Annual Report https://web-assets.metrobank.com.ph/1651049374-2021-metrobank-annual-report.pdf • Metrobank 2021 Sustainability Report https://web-assets.metrobank.com.ph/1649720297-metrobank-2021-sustainability-report-0408.pdf 	

Pursuant to the requirement of the Securities and Exchange Commission and Philippine Stock Exchange, this Integrated Annual Corporate Governance Report (I-ACGR) is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on _____.

SIGNATURES

[Redacted Signature]

Arthur Ty
Chairman

[Redacted Signature]

Marcelo C. Fernando Jr.
Independent Director

[Redacted Signature]

Edgar O. Chua
Independent Director

[Redacted Signature]

Arnulfo B. Pascotes, Jr.
Compliance Officer

[Redacted Signature]

Angelica H. Lavares
Independent Director

[Redacted Signature]

Fabian S. Dee
President

[Redacted Signature]

Philip G. Soliven
Independent Director

[Redacted Signature]

Juan Miguel D. Escaler
Independent Director

[Redacted Signature]

Atty. Regis V. Puno
Corporate Secretary

MAY 27 2022

CITY OF TAGUIG

Subscribed and Sworn to me before this _____ day of _____, 2022, affiant(s) exhibiting to me there _____, as follows:

Name	TIN / SSS Number	Name	TIN / SSS Number
Arthur Ty	[Redacted]	Fabian S. Dee	[Redacted]
Marcelo C. Fernando Jr.	[Redacted]	Edgar O. Chua	[Redacted]
Philip G. Soliven	[Redacted]	Juan Miguel D. Escaler	[Redacted]
Angelica H. Lavares	[Redacted]	Atty. Regis V. Puno	[Redacted]
Arnulfo B. Pascotes, Jr.	[Redacted]		

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Series of 2022

ATTY. JOHNN I. CO
APPOINTMENT NO. 2 (2020-2021)
NOTARY PUBLIC FOR TAGUIG CITY
UNTIL DECEMBER 31, 2021
Extended until June 30, 2022 pursuant to SC B.M. No. 3795
16F Metrobank Center, 35th Street corner 7th Avenue,
Bonifacio Global City, 1634, Taguig City