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STEFFI MARTINA S. VALLE
Notary Public

ANNUAL CORPORATE GOVERNANCE REPORT OF

AFDR INSURANCE BROKERS INC.
(Name of Company)

1. For the fiscal year ended 2025

2. Certificate Authority Number - **License No. IB-38-2025-R-A***
HMOB-27-2025-O

3. **REPUBLIC OF THE PHILIPPINES**
Province, Country or other jurisdiction of incorporation or organization

4. **15/F Chatham House Building, 116 Valero corner V. A. Rufino Streets, Salcedo Village, Makati City** — **1209**
Address of principal office — Postal Code

5. **(+63 2) 8 888-0001**
Company's telephone number, including area code

6. **www.afdr-insurancebrokers.com**
Company's official website

7. **N/A**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	**Compliant**	Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	Please refer to the Team's Profile Page at www.afdr-insurancebrokers.com
2. Board has an appropriate mix of competence and expertise.	**Compliant**		Please refer to the Team's Profile Page at www.afdr-insurancebrokers.com
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	**Compliant**		Please refer to the Document Page containing the Training & Education, and Certificates of Attendance 2025 of the Company's Directors at www.afdr-insurancebrokers.com
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	**Compliant**	Identify or provide link/reference to a document identifying the directors and the type of their directorships	The Board is composed of four (4) executive directors and seven (7) non-executive directors (including two (2) independent directors). The non-executive directors are extensively involved in the business judgments and decision-making process of the Company.

			Furthermore, the Chairman of the Board is a non-executive director (i.e. independent director) who ensures that each director is able to effectively participate in all Board meetings. Please refer to the Document Page containing the General Information Sheet of the Company at www.afdr-insurancebrokers.com.
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	**Compliant**	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.	The Company's Manual on Corporate Governance provides that Directors shall undergo training on topics mandated by the Insurance Commission. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation for first time directors.	**Compliant**	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.	The Company's Manual on Corporate Governance provides that First-Time Directors shall undergo training on topics mandated by the Insurance Commission. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
3. Company has relevant annual continuing training for all directors.	**Compliant**		The Company's Manual on Corporate Governance provides that Directors are required to attend annual relevant training programs.

			Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 1.4			
1. Board has a policy on board diversity.	**Compliant**	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.	Please refer to the Company's Manual on Corporate Governance and General Information Sheet at www.afdr-insurancebrokers.com The Corporation is composed of members who possess the expertise and experience in their own fields of accountancy, finance, banking, insurance, insurance broking and law. The Board also adopts a policy on board diversity to avoid groupthink and to ensure that optimal decision-making is achieved. There are five (5) female board members out of the eleven (11) board members.
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	**Compliant**	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.	The Corporate Secretary is Atty. Ma. Adelina S. Gatdula. The Duties and Functions of the Corporate Secretary are reflected in the Company's Manual on Corporate Governance and By-Laws. Please refer to the Company's Manual on Corporate Governance and By-Laws at www.afdr-insurancebrokers.com

2. Corporate Secretary is a separate individual from the Compliance Officer.	**Compliant**		The Company's Corporate Secretary and the Compliance Officer are two separate individuals. The Corporate Secretary is Atty. Ma. Adelina S. Gatdula, whereas the Compliance Officer is Ms. Atty. Roselyn Raginio. Please refer to the Document Page containing the General Information Sheet of the Company at www.afdr-insurancebrokers.com.
3. Corporate Secretary is not a member of the Board of Directors.	**Compliant**		The Corporate Secretary is not a member of the Board of Directors. Please refer to the Document Page containing the General Information Sheet of the Company at www.afdr-insurancebrokers.com.
4. Corporate Secretary attends training/s on corporate governance.	**Compliant**	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered	The Corporate Secretary has attended the Seminar on Corporate Governance on November 13, 2025. Please refer to the Documents page on the Company's Website at www.afdr-insurancebrokers.com
Recommendation 1.6			

1. Board is assisted by a Compliance Officer.	**Compliant**		The Company's Compliance Officer is Atty. Roselyn Raginio.
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	**Compliant**	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.	The Compliance Officer is the Vice-President for Human Resource and Admin. Furthermore, the Compliance Officer exercises functions and authorities that are crucial to the Company's operations and is answerable only to members of senior management and the Board. The Duties and Functions of the Compliance Officer is reflected in the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com.
3. Compliance Officer is not a member of the board.	**Compliant**		The Compliance Officer is not a member of the Board. Please refer to the Document Page containing the General Information Sheet of the Company at www.afdr-insurancebrokers.com.
4. Compliance Officer attends training/s on corporate governance.	**Compliant**	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered	The Compliance Officer has attended the Seminar on Data-Driven Fraud Prevention & AML Best Practices conducted on 01 August 2025. Please refer to the Documents page on the Company's Website at www.afdr-insurancebrokers.com
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	**Compliant**	Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)	The Board of Directors is adequately provided with all relevant information on matters taken up in board meetings.
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	**Compliant**	Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meetings) Indicate frequency of review of business objectives and strategy	The Board of Directors is adequately provided with all relevant information on the Company's strategies and priorities during the Board meetings.
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength.	**Compliant**		It is the policy of the Board of Directors to oversee and monitor the implementation of the company's business objectives and strategy. The Board is adequately updated with all relevant information relative to the Company's business and objectives through the reports of the Management Committee and/or the Chairman/CEO/ President. The Management Committee meets at least once a month. Please refer to the Company's Manual on Corporate Governance for the Roles and Responsibilities of the Board of Directors at www.afdr-insurancebrokers.com
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	**Compliant**	Provide information or reference to a document containing information on	The elected Chairman of the Board as of 29 October 2025 is Mr. Antonio G. Cumagun.

		the Chairperson, including his/her name and qualifications	The qualifications of Mr. Cumagun may be found at www.afdr-insurancebrokers.com/documents.
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	**Compliant**	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation	The Board has adopted an effective succession planning program for directors, key officers, and management to ensure growth and continued increase in the shareholder's value. Kindly refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Board adopts a policy on the retirement for directors and key officers.	**Compliant**		The Company has adopted a policy on the retirement age for directors and key officers as part of the management succession and to promote dynamism in the Company. Kindly refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	**Compliant**	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.	It is the Company's policy that members of the Board of Directors are not given remuneration but only a fixed per diem for meetings attended. For the Company's remuneration policy, please refer to the Company's Manual on Corporate Governance at www.afdr-

			insurancebrokers.com; and the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
2. Board aligns the remuneration of key officers and board members with long term interests of the company,	**Compliant**		For the Company's remuneration policy, please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com; and the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	**Compliant**		It is the Company's policy that members of the Board of Directors are not given remuneration but only a fixed per diem for meetings attended. For the Company's remuneration policy, please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com; and the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	**Compliant**	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how	The Board has formulated a formal and transparent board nomination and election policy that includes how the Board accepts nominations from minority shareholders and reviews nominated candidates. The policy also includes an

		the shortlisted candidates and how it encourages nominations from shareholders. Provide proof if minority shareholders have a right to nominate candidates to the board Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	assessment of the effectiveness of the Board's processes and procedures in the nomination, election, or replacement of a director. In addition, its process of identifying the quality of directors is aligned with the strategic direction of the Company. The Board's nomination policy is reflected in the Company's Corporate Governance Committee Charter and Manual on Corporate Governance. Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com; and the Company's Corporate Governance Committee Charter
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	**Compliant**		Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com; and the Company's Corporate Governance Committee Charter
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	**Compliant**		Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
4. Board nomination and election policy includes how the board reviews nominated candidates.	**Compliant**		Under the Charter of the Corporate Governance Committee, it shall review and evaluate the qualifications of the nominated persons to the Board of Directors and other positions requiring appointment by the Board.

			Please refer to the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
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**		Please refer to the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	**Compliant**		Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com; and the Company's Corporate Governance Committee Charter at [www.-afdr-insurancebrokers.com.
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	**Compliant**	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs Identify transactions that were approved pursuant to the policy.	Please refer to Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	**Compliant**		Please refer to Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	**Compliant**		Please refer to Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the	**Compliant**	Provide information on or reference to a document containing the Board's policy and responsibility for	As per the Company's By-Laws, its officers are: 1. President

heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).		approving the selection of management. Identity the Management team appointed	2. Vice President 3. Treasurer 4. Secretary The Management Team appointed by the Board are: 1.President & CEO 2. Senior Vice-President for Employee Benefits 3.Senior Vice-President for Property & Casualty 4. Senior Vice-President for Finance Please refer to the Company's policy on the appointment of the Management Team as reflected in the Company's Manual on Corporate Governance. The Company's policy Manual on Corporate Governance and By-Laws may be accessed through www.afdr-insurancebrokers.com
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	**Compliant**	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment and performance.	Please refer to the Company's policy on the selection and assessment of the Management Team as reflected in its Manual on Corporate Governance. The Company's policy Manual on Corporate Governance may be accessed through www.afdr-insurancebrokers.com The Management Team prepares a Management Report for the Board of

			Directors. Through this, the Board assesses the Company's operations. The Board then comments, revises as appropriate, and approves the business plan presented.
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer's performance is at par with the standards set by the Board and Senior Management.	**Compliant**	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.	To ensure that Management, including the Chief Executive Officer's performance is at par with the standards set by the Board and Senior Management, a Management Report is prepared then presented to the Board during the Annual Board meeting.
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**		There is an Annual Performance Assessment set in place for employees including Department Heads. The Annual Performance Assessment includes evaluation of each employee and Department Heads with a corresponding adjustment in their salaries in accordance with their job performance for the year immediately preceding year of the assessment.
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	**Compliant**	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
2. The internal control system includes a mechanism for monitoring and managing	**Compliant**		Please refer to the Company's Charter of the Audit Committee uploaded in the

potential conflict of interest of the Management, members and shareholders.			Document Page at www.afdr-insurancebrokers.com
3. Board approves the Internal Audit Charter.	**Compliant**	Provide reference or link to the company's Internal Audit Charter	Please refer to the Company's Charter of the Audit Committee uploaded in the Document Page at www.afdr-insurancebrokers.com
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	**Compliant**	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any.	Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
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**		The Company's ERM framework enables the Board to identify specific business lines and risk exposures, which allows it to prepare risk management strategies. The strict adherence to the ERM has prevented the Company's clients from incurring losses; thereby strengthening confidence of the clients in the company resulting in more business coming in. Please refer to the Company's Manual on Corporate Governance uploaded in the Document Page at www.afdr-insurancebrokers.com
Recommendation 2.12			

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	**Non-compliant**	Provide link to the company's website where the Board Charter is disclosed.	The Board has yet to formulate its Board Charter, but in performing its functions, the Board remains guided by the provisions / recommendations under the Insurance Commission Revised Code of Corporate Governance.
2. Board Charter serves as a guide to the directors in the performance of their functions.	**Non-Compliant**		The Board has yet to formulate its Board Charter, but in performing its functions, the Board remains guided by the provisions / recommendations under the Insurance Commission Revised Code of Corporate Governance.
3. Board Charter is publicly available and posted on the company's website.	**Non-compliant**		The Board has yet to formulate its Board Charter, but in performing its functions, the Board remains guided by the provisions / recommendations under the Insurance Commission Revised Code of Corporate Governance.
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	**Compliant**	Provide information or link/reference to a document containing information on all the board committees established by the company.	The Company has a Corporate Governance Committee and an Audit Committee.
Recommendation 3.2			

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	**Compliant**	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.	Mr. Antonio G. Cumagun, an Independent Director of the Company was appointed as Chairman of the Audit Committee. Its members are: (i) Fr. Jose Ramon T. Villarin, S.J., an Independent Director; and (ii) Ms. Maria Rowena R. Nicolas. The Audit Committee provides oversight of the Company's internal and external auditors. It also monitors and evaluate the adequacy and effectiveness of the internal control of the Company. The responsibility to recommend the appointment and/or removal of the Company's external auditor falls under the Audit Committee. Please refer to the Charter of the Audit Committee, uploaded in the Document Page at www.afdr-insurancebrokers.com
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	**Non-Compliant**	Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.	Mr. Antonio G. Cumagun, an Independent Director of the Company was appointed as Chairman of the Audit Committee. Its members are: (i) Fr. Jose Ramon T. Villarin, S.J., an Independent Director; and (ii) Ms. Maria Rowena R. Nicolas, the SVP – Employee Benefits. As such, the Audit Committee is not composed of at least three (3) non-executive directors, but majority of the Audit Committee are independent directors. Please refer to the Charter of the Audit Committee, and 2025 General Information Sheet of the Company, uploaded in the

			Document Page at www.afdr-insurancebrokers.com
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	**Compliant**	Link to the Education and training of Directors	Please refer to the Teams' Profile Page and Document Page at www.afdr-insurancebrokers.com.
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	**Non-Compliant**	Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.	Mr. Cumagun is the Chairman of the Audit Committee and the Chairman of the Board. Nevertheless, the Audit Committee ensures that independence and transparency is upheld in the conduct of its functions. Please refer to 2025 General Information Sheet of the Company, uploaded in the Document Page at www.afdr-insurancebrokers.com
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	**Compliant**	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.	Effective 29 October 2025, Fr. Jose Ramon Villarin, S.J. was appointed as Chairman of the Corporate Governance Committee. Its members are: (i) Mr. Antonio G. Cumagun, an Independent Director; and (ii) Ms. Marichu C. Hao. Please refer to 2025 General Information Sheet of the Company, uploaded in the Document Page at www.afdr-insurancebrokers.com For the functions of the Corporate Governance Committee, kindly see the Company's Corporate Governance

			Committee Charter, uploaded in the Document Page at www.afdr-insurancebrokers.com.
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	**Compliant**	Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.	Fr. Jose Ramon Villarin, S.J., an Independent Director of the Company was appointed as Chairman of the Corporate Governance Committee. Its members are: (i) Mr. Antonio G. Cumagun, an Independent Director; and (ii) Ms. Marichu C. Hao. Please refer to 2025 General Information Sheet of the Company, uploaded in the Document Page at www.afdr-insurancebrokers.com For the functions of the Corporate Governance Committee, kindly see the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
3. Chairman of the Corporate Governance Committee is an independent director.	**Compliant**	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.	The Chairman of the Corporate Governance Committee is Fr. Jose Ramon Villarin, S.J., an Independent Director.
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	**Non-compliant**	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions	The Company has yet to establish a Board Risk Oversight Committee. However, the whole Board performs this function with the assistance and upon the recommendation of the Senior Vice-President for Employee Benefits and Senior Vice-President for Property and Casualty and the approval of the President & CEO.

2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	**Non-compliant**	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship	Please see response for item 3.4(1).
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	**Non-Compliant**	Provide information or link/reference to a document containing information on the Chairman of the BROC	Please see response for item 3.4(1).
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	**Non-Compliant**	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	Please see response for item 3.4(1).
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	**Non-compliant**	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	The Company has yet to establish a Related Party Transactions Committee. However, the whole Board performs this function. Upon recommendation by the Senior Vice-President for Finance and with the concurrence of the external counsel of the company, the whole Board will decide whether the transaction is related party or not.
2. RPT Committee is composed of at least three non-executive directors, two of whom	**Non-Compliant**	Provide information or link/reference to a document containing information on the members of the	The Company has yet to establish an RPT Committee. Currently its functions are being performed by the Board as a whole,

should be independent, including the Chairman.		RPT Committee, including their qualifications and type of directorship.	which includes two Independent Directors and the Chairman.
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	**Compliant**	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	Please access the Committee Charter of the Audit Committee at www.afdr-insurancebrokers.com Please access the Charter of the Corporate Governance Committee at www.afdr-insurancebrokers.com
2. Committee Charters provide standards for evaluating the performance of the Committees.	**Compliant**		The Charters of the Audit Committee and the Corporate Governance Committee provide that proceedings of the meetings of such committees are recorded in proper minutes, and that such decisions and recommendations of the Committees are promptly communicated to the Board of Directors. Please access the Committee Charter of the Audit Committee at www.afdr-insurancebrokers.com Please access the Charter of the Corporate Governance Committee at www.afdr-insurancebrokers.com
3. Committee Charters were fully disclosed on the company's website.	**Compliant**	Provide link to company's website where the Committee Charters are disclosed.	Please access the Committee Charter of the Audit Committee at www.afdr-insurancebrokers.com Please access the Charter of the Corporate Governance Committee at www.afdr-insurancebrokers.com

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**	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconference board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.	The Company adopts the SEC requirements on the conduct of board and/or committee meetings via teleconferencing or videoconferencing.
2. The directors review meeting materials for all Board and Committee meetings.	**Compliant**		Included in the agenda of each meeting is the reading and approval of the minutes of the previous meeting, and if necessary, a discussion on matters arising from the previous meeting.
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	**Compliant**	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors	Included in the agenda of each meeting is the reading and approval of the minutes of the previous meeting, and if necessary, a discussion on matters arising from the previous meeting.
Recommendation 4.2			

1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICRE's) and 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**	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies	The Company's Manual on Corporate Governance provides that the non-executive directors of the Company do not serve in the board of other entities regulated by the Insurance Commission. Please access the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	**Compliant**	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.	It is the Company's policy that should a Director intend to accept directorship in another company, the said director should first notify the Company's prior to such acceptance. Please access the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board is composed of twenty (20%) independent directors.	**Compliant**	Provide information or link/reference to a document containing information on the number of independent directors in the board	Two (2) out of eleven (11) directors of the Company are Independent Directors. Please refer to the Company's website at www.afdr-insurancebrokers.com
Recommendation 5.2			

1. The independent director possesses all the qualifications and none of the disqualifications to hold his position.	**Compliant**	Provide information or link/reference to a document containing information on the qualifications of the independent directors.	The Independent Directors possess all the qualifications and none of the disqualifications to act as an Independent Director of the Company. Please refer to Document Page at www.afdr-insurancebrokers.com
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years. As far as the Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016. For other covered entities, all previous terms served by the existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.	**Compliant**	Provide information or link/reference to a document showing the years IDs have served as such.	The Company's Independent Directors are: (i) Mr. Antonio G. Cumagun; and (ii) Fr. Jose Ramon T. Villarin, S.J. They were first elected as Independent Directors in 2018 and 2025, respectively.
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	**Compliant**	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director	It is the Company's policy that an Independent Director may only serve for a maximum cumulative term of nine years. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written	**Compliant**	Link to Part VI-J Reinforcement of Board Independence of the	It is the Company's policy that should it retain an Independent Director who has served for nine years, it will submit to the Insurance Commission a formal written

justification and seek shareholders' approval during the annual shareholders' meeting.		Manual on Corporate Governance. (Page 10)	justification coupled with a shareholder's approval. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	**Compliant**	Identify the company's Chairman of the Board and Chief Executive Officer	The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. For the year 2025, the Chairman of the Board is Mr. Antonio G. Cumagun while the President and Chief Executive Officer is Mr. Arthur L. Panganiban Jr. Please refer to the Company's General Information Sheet at www.afdr-insurancebrokers.com
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	**Compliant**	Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO.	The Chairman and the CEO have different responsibilities. The Chairman mainly focuses on presiding over meetings of the Company and on strategic matters of the Company, while the CEO is tasked with the day-to-day operations of the Company. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one	**Compliant**	Provide information or link/reference to a document containing information on a lead independent	The positions of Chairman and CEO are held by different individuals. The position of Chairman of the Board is held by Mr.

person, the Board designates a lead director among the independent directors.		director and his roles and responsibilities, if any. Indicate if Chairman is independent.	Antonio G. Cumagun, an Independent Director, while the position of Chief Executive Officer for the year 2025 was held by Mr. Arthur L. Panganiban Jr.
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**	Provide proof of abstention, if this was the case.	There are no transactions involving the Company in which any director has a material interest in.
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	**Non-Compliant**	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	The non-executive directors have held meetings with the Company's external auditors in 2025, but such meetings included some executive directors.
2. The meetings are chaired by the lead independent director.	**N/A**		This is not applicable to the Company. There is no lead independent director because the Chairman of the Board is already an Independent director.
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	**Compliant**	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Board has an appraisal process as a form of its annual performance evaluation. This includes the evaluation of the Chairman's performance and individual members and committees.

			The Board's appraisal process is conducted during board meetings with all directors present. In these meetings, the directors evaluate and assess the performance of the other directors. Further, please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. The Board assesses the performance of the Chairman annually.	**Compliant**		Please refer to 6.1(1)
3. The Board assesses the performance of the individual member of the Board annually.	**Compliant**		Please refer to 6.1(1)
4. The Board assesses the performance of each committee annually.	**Compliant**		Please refer to 6.1(1)
5. Every three years, an external facilitator supports the assessments.	**Non-Compliant**		The Company has yet to formulate a policy on engaging an external facilitator to support the assessment of the Board.
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**	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including	The Board, individual directors and committees are assessed based on their performance on the tasks/projects assigned to them.
2. The system allows for a feedback mechanism from the shareholders.	**Compliant**		In the annual stockholders' meeting, the shareholders are given the opportunity to provide any insight, feedback and/or

		a feedback mechanism from shareholders	objection on the election of the directors of the Company or members of the Board Committees.
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	**Compliant**	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	The Company has established its Company Rules and Regulations relative to its employees' professional behavior and engagement. Please refer to the Company's Rules and Regulations at https://www.gra-insurancebrokers.com/dc/RULES_REGULATIONS.pdf
2. The Code is properly disseminated to the Board, senior management and employees.	**Compliant**	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.	Each member of the Board, senior management and employees were given a copy of the Company Rules.
3. The Code is disclosed and made available to the public through the company website.	**Compliant**	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.	Please refer to the Company's Rules and Regulations at https://www.gra-insurancebrokers.com/dc/RULES_REGULATIONS.pdf
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	**Compliant**	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	The President/CEO with the assistance of the VP-HR/Admin oversees and ensures the proper implementation and monitoring compliance with the Code of Business Conduct and Ethics and internal policies.

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	**Compliant**	Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.	Please refer to Recommendation 7.2(1)
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	**Compliant**	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders.	All shareholders are either present of represented in the Meeting of the Board of Directors to ensure that shareholders are given comprehensive, accurate, reliable and timely information regarding the operations of the Company.
Recommendation 8.3			
1. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.	**Compliant**	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Please refer to the Team's Profile Page and Document Page which contains the Training & Education, Certificates of Attendance 2025 of the Company's Directors, and General Information Sheet at www.afdr-insurancebrokers.com
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.	**Compliant**	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Please refer to the Team's Profile Page and Document Page which contains the Training & Education, Certificates of Attendance of the Company's Directors, and General Information Sheet at www.afdr-insurancebrokers.com
Recommendation 8.4			

1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	**Compliant**	Disclose or provide link/reference to the company policy and practice for setting board remuneration	Members of the Board do not receive compensation from the Company. They only receive a per diem of Php 20,000.00 per meeting. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	**Compliant**	Disclose or provide link/reference to the company policy and practice for determining executive remuneration	Please refer to the Company's Corporate Governance Committee Charter at www.afdr-insurancebrokers.com.
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	**Compliant**	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	The termination provisions can be found in the Company Rules and the Company applies the appropriate provisions of the Labor Code of the Philippines. Please refer to the Company's Rules and Regulations at https://www.gra-insurancebrokers.com/dc/RULES_REGULATIONS.pdf The Company also has a Retirement Plan which is under the Management of an Actuary Bank.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other	**N/A**	Disclose or provide reference/link to company's RPT policies	

unusual or infrequently occurring transactions.		Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.	
2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.	**N/A**	Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs: 1. Name of the related counterparty; 2. Relationship with the party; 3. Transaction date; 4. Type/nature of transaction; 5. Amount or contract price; 6. Terms of the transaction; 7. Rationale for entering into the transaction; 8. The required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. Other terms and conditions	
tillRecommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	**Compliant**	Provide link to the company's website where the Manual on Corporate Governance is posted.	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Company's MCG is posted on its company website.	**Compliant**		Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	**Compliant**	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	Under the Charter of the Audit Committee, it is responsible for the appointment of the internal and external auditors. Please refer to the Chater of the Audit Committee as uploaded in the Documents Page at www.afdr-insurancebrokers.com
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	**Compliant**	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	The Audit Committee recommends the appointment/re-appointment of the external auditor on an annual basis. In the previous years, the Board and the shareholders of the Company unanimously approved the appointment/re-appointment of the external auditor.
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	**Compliant**	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	For the past recent years, the Company has not removed or changed its appointed external auditor. In 2025, the Company engaged Diaz Murillo Dalupan ("DMD") to replace Sycip Gorres Velayo & Co. ("SGV") as its external auditor. This change reinforces the Company's commitment to independence and strengthens the integrity of the audit process.

			The change in external auditor ensures that the audit is conducted with an objective and independent perspective, without reliance on prior assumptions.
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	**Compliant**	Provide link/reference to the company's Audit Committee Charter	Please refer to the Chater of the Audit Committee as uploaded in the Documents Page at www.afdr-insurancebrokers.com
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	**Compliant**	Provide link/reference to the company's Audit Committee Charter	Please refer to the Charter of the Audit Committee as uploaded in the Documents Page at www.afdr-insurancebrokers.com
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**		Please refer to the Company's Manual on Corporate Governance as uploaded in the Documents Page at www.afdr-insurancebrokers.com
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit	**Compliant**	Provide link or reference to guidelines or policies on non-audit services	Please refer to the Company's Manual on Corporate Governance as uploaded in

services, which could be viewed as impairing the external auditor's objectivity.			the Documents Page at www.afdr-insurancebrokers.com
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**	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	Please refer to the Company's Manual on Corporate Governance as uploaded in the Documents Page at www.afdr-insurancebrokers.com
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	**Compliant**	Provide link to Sustainability Report, if any. Disclose the standards used.	Report on Sustainability as uploaded in the Company's website and accessible at www.afdr-insurancebrokers.com.
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	**Compliant**	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.	Please refer to www.afdr-insurancebrokers.com
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			

Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	**Compliant**	List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system	The Company notes the following Important Programs of the Internal Audit System: 1. Effective performance management and accounting practices within the organization; 2. Regular and special audit as contained in the annual audit plan and/or based on the Company's risk assessment; and 3. Conduct a Compliance audit of relevant laws, rules and regulations contractual obligations and other commitments, that could significantly impact on the organization.
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	**Compliant**	identify international framework used for Enterprise Risk Management Provide information or reference to a document containing information on: 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks	For the Company's Enterprise Risk Management Framework, please refer to the Manual on Corporate Governance of the Company, accessible at www.afdr-insurancebrokers.com The following are the Key Risks the Company is currently exposed to: 1. Market risk 2. Client satisfaction risk 3. Employee retention risk 4. Regulatory risk

		Indicate frequency of review of the enterprise risk management framework.	The Company has implemented the following initiatives to manage or mitigate the risks mentioned above: 1. The Company maintains excellent business relations with its partners and insurers. 2. The Company guarantees that clients receive the best terms at the most reasonable prices to ensure their satisfaction. 3. The Company optimizes its resources to benefit its employees, which includes not only paying salaries but also providing benefits. 4.The Company adheres to statutory requirements to avoid penalties and sanctions. The Company reviews its ERM annually.

Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	**Compliant**	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.	The Company's internal audit is in-house. This is headed by the Company's Audit Committee Chairman.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. 2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	**Compliant**	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to e document containing his/her responsibilities.	The Company's Chief Audit Executive is Ms. Marichu C. Hao, who is responsible for overseeing all internal audit functions. Her duties also include evaluating internal controls, risk management and compliance, while guiding and directing internal audit processes. Additionally, she communicates with the Audit Committee and Senior Management to ensure the organization's financial and operational performance.
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	**N/A**		**N/A**
Recommendation 12.4			

1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	**Compliant**	Provide information on company's risk management function.	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	**Compliant**	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	The company's Chief Risk Officers (CRO) are Ms. Maria Rowena R. Nicolas – SVP for Employee Benefits and Mr. Jay H. Inocentes – SVP for Property and Casualty. The CRO's main responsibilities are the following: 1.Overseeing daily operations and performance for her division. 2.Assessing, evaluating, and reporting on staff as well as key business indicators. 3.Strategizing and implementing operational and structural changes with other senior executives. 4.Providing oversight and support to the division's VPs and managers. 5.Researching and identifying new business ventures for the company. 6.Performing regular analyses of business
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	**Compliant**		

			operations and enhancing current business practices. 7. Preparing, delivering, and presenting reports at key executive meetings. 8. Assisting the president and the board of directors to design the company's overall mission, values, and strategic goals. 9. Attending meetings with the board of directors and sharing company information. 10. Leading, guiding, directing, and evaluating the work of other employees, such as senior directors and managers, and ensuring a healthy working environment. 11. Contributing to sales innovations, strategic business development, and the profitability of the company as determined by the company's strategic goals. 12. Evaluating the success of the company in achieving its goals and formulating plans to correct any issues if the company is not achieving its goals. 13. Managing the daily operations and revenue generation of the company and ensuring its continual growth. 14. Assisting in maximizing the company's operating performance and achieving its

			financial goals. Please also refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	**Compliant**	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Board ensures that basic shareholder rights are disclosed on the company's website.	**Compliant**	Provide link to company's website	The basic shareholder rights are provided in the Company's By-Laws. Please refer to the Company's By-Laws as uploaded in the Documents Page at www.afdr-insurancebrokers.com
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.	**Non - Compliant**	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out	As per the Company's By Laws, notice of the Annual Stockholders Meeting shall be sent out not less than 15 days before the meeting. For Special Meetings, notice shall be sent out not less than 5 days before the meeting.

		Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.	Please refer to the Company's By-Laws at www.afdr-insurancebrokers.com
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	**Non-Compliant**	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.	The Company is not a publicly listed company. Hence, not all questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM are uploaded in its website. Nonetheless, the Shareholders are either present or represented at the Meeting of the Board and Meeting of the Shareholders, and therefore, the Shareholders are aware of the votes taken during such meetings and are appraised of all decisions.
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	**Non-Compliant**	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any	Minutes of the Annual and Special Shareholders' Meeting are not uploaded to the Company's website within 5 business days from the end of such meetings, as such minutes remain subject to the review and approval of the Board, which approval is usually provided in the immediately succeeding meeting of the Shareholders.
Recommendation 13.4			

1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	**Compliant**	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes	In matters relating to intra-corporate disputes, on the basis of the recommendation of the Company's external legal counsel and after thorough evaluation, the Board will decide on intra-corporate disputes. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	**Compliant**	Provide link/reference to where it is found in the Manual on Corporate Governance	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	**Compliant**	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.	Please refer to the Company's General Information Sheet at www.afdr-insurancebrokers.com
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the	**Compliant**	Identify policies and programs for the protection and fair treatment of company's stakeholders	The Company has a policy on respecting and effective redress for any violation of the rights of its stakeholders.

fair treatment and protection of stakeholders.			Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	**Compliant**	Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders	Stakeholders may contact the Company's Hotline through 09989970346 / 09209606991. Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	**Compliant**	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	The Company has a policy on encouraging employee participation. It has employed programs such as: 1. Annual company outing 2. Annual Christmas Party 3 Annual performance appraisal or rating 4. Department bowling competition 5. Regular seminars or webinars 6. Annual physical examination and flu vaccines
Recommendation 15.2			

1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	**Compliant**	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	**Compliant**	Identify how the board disseminated the policy and program to employees across the organization	The Company disseminates information on the anti-corruption policy and program through Company Memorandums and/or emails to employees. Such Company Memorandums are likewise posted on Company bulletin boards.
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	**Compliant**	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.	Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	**Compliant**		Please refer to the Company's Manual on Corporate Governance at www.afdr-insurancebrokers.com Employees may report any illegal or unethical behavior through **8662-3632.**
3. Board supervises and ensures the enforcement of the whistleblowing framework.	**Compliant**	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.	The Company has not encountered any whistleblowing incidents.

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.			
1. Company recognizes and places importance on the interdependence between business and society and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	**Compliant**	Provide information or reference to a document containing information on the company's community involvement and environment-related programs.	AFDR's 2025 CSR Program Beneficiaries: 1. Kanlungan ni Maria Home for the Aged (Antipolo City) – program for residents, engagement activities, donations to the home. 2. Virlanie Foundation • Elizabeth Home (Sept. 2025) – program to include talk & engagement activities with 7 young ladies from disadvantaged backgrounds. • AIME Home (Nov. 2025) – 18 children with special needs a) Christmas ornament decorating activity b) Repair of flooring at room used for learning & recreation. Donations of gift, bags to both volunteer workers & residents.

CERTIFICATION

The undersigned certify that the responses and explanations set forth in the above Company's Annual Corporate Governance Report are true, complete and correct of our own personal knowledge and/or based on authentic records.

Signed in the City of MAKATI CITY on the JUN 30 2026 of _____ 20 ____.

Antonio G. Cumagun
CHAIRMAN OF THE BOARD
INDEPENDENT DIRECTOR
Signature over printed name

Maria Rowena R. Nicolas
PRESIDENT & CEO
Signature over printed name

Ma. Adelina S. Gatdula
CORPORATE SECRETARY
Signature over printed name

Havenlynne F. Garcia
CORPORATE GOVERNANCE COMPLIANCE OFFICER
Signature over printed name

Jose Ramon T. Villarin, S.J.
INDEPENDENT DIRECTOR
Signature over printed name

SUBSCRIBED AND SWORN to before me this JUN 30 2026 day of _____, 20_____, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

NAME	ID NO.	DATE/ PLACED ISSUED
1. Antonio G. Cumagun	Passport No. P0404433C	05 Jun 2032 / DFA Manila
2. Maria Rowena R. Nicolas	Passport No. P7733916A	15 Jul 2028 / DFA NCR
3. Ma. Adelina S. Gatdula	DL No. N04-85-005714	10 May 2032 / LTO
4. Havenlynne F. Garcia	DL No. D04-17-017344	25 Jul 2032 / LTO
5. Jose Ramon T. Villarin, S.J.	Passport No. P5653997A	16 Jan 2028/ DFA Manila

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Book No. VIII;
Series of 2026

STEFFI MARTINA S. VALLE
Appointment No. M-317
Notary Public for Makati City
Until December 31, 2026
Liberty Center-Picazo Law
104 H.V. Dela Costa Street, Makati City
Roll of Attorney's No. 91591
PTR No. 10766613/Makati City/01-02-2026
IBP No. 536191/Iloilo City/12-23-2025
MCLE No. VIII-0032752/May 8. 2025