

ANNUAL CORPORATE GOVERNANCE REPORT OF
Cooperative Alliance for Responsive Endeavor Mutual Benefit Association
(CAREMBA), Inc.

1. For the Fiscal Year Ended **2025**
2. Certificate Authority Number **2025-18-R**
3. Quezon Province, Philippines
4. 39 Ilang-ilang St. Zaballero Subd., Brgy. Gulang-gulang, Lucena City, 4301
5. 042-373-7789
6. www.caremba.org



Name of MBA: **Cooperative Alliance for Responsive Endeavor Mutual Benefit Association (CAREMBA), Inc.**
2025 Annual Corporate Governance Report

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| The Board's Governance Responsibilities | | | |
| Principle 1: The company should be headed by a competent, working Board to foster the long-term success and sustainability of the Corporation in a manner consistent with its corporate objectives and the long term best interests of its shareholders and other stakeholders. | | | |
| Recommendation 1.1 | | | |
| 1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector. | Compliant | <p>The Board of Trustees of CARE MBA, Inc. is composed of officers with relevant educational backgrounds and extensive experience. They demonstrate strong dedication to their roles and responsibilities, consistently upholding and promoting the association's vision and mission. Their professional profiles clearly reflect their qualifications and competence to serve effectively as members of the Board. Moreover, each trustee exhibits positive character traits and has earned the trust and confidence of both partners and members who elected them.</p> <p>Links/References: 2025 Annual Report, The Board of Trustees Profile of the Board of Trustees Corporate Governance Manual, Qualifications and Disqualifications of the Board.pdf</p> | |
| 2. Board has an appropriate mix of competence and expertise. | Compliant | <p>The Board of Trustees of CARE MBA, Inc. is composed of officers with relevant educational backgrounds and extensive experience. They demonstrate strong dedication to their roles and responsibilities, consistently upholding and promoting the association's vision and mission. Their professional profiles clearly reflect their qualifications and competence to serve effectively as members of the Board. Moreover, each trustee exhibits positive character traits and has earned the trust and confidence of both partners and members who elected them.</p> <p>Links/References: 2025 Annual Report, The Board of Trustees Profile of the Board of Trustees</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| <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> | Compliant | <p>Corporate Governance Manual, Qualifications and Disqualifications of the Board.pdf</p> <p>The Board of Trustees serves as the governing body of the Association and holds a position of trust and confidence. As such, its members are expected to act with transparency, accountability, and fairness, always promoting the best interests of the members and stakeholders.</p> <p>The qualifications of Trustees who are nominated and elected to the Board are set forth in the Association’s Corporate Governance Manual, which is publicly disclosed on its website. During elections and re-elections, the Election Committee is responsible for assessing and evaluating candidates for the Board of Trustees to ensure that they meet the prescribed qualifications and standards.</p> <p>Links/References: 2025 Annual Report Duties and Responsibilities of the Board CGC Manual, Qualifications of the Board.pdf</p> | |
| Recommendation 1.2 | | | |
| <p>1. Board is composed of a majority of non-executive directors.</p> | Compliant | <p>The Board of Trustees of CARE MBA, Inc. is composed of seven. Five of whom are regular Board of Trustees and two are Independent Trustees.</p> <p>They are all non-executive trustees and not associated with any employees nor involved in the day-to-day operations of the association.</p> <p>Links/References: 2025 Annual Report, The Board of Trustees Profile of the Board of Trustees</p> | |
| Recommendation 1.3 | | | |
| <p>1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.</p> | Compliant | <p>CARE MBA prioritizes trustee training. All newly elected trustees undergo onboarding or Board orientation and must complete mandatory training on Good Governance and the Anti-Money Laundering Act (AMLA) and other relevant trainings. This continuing education strengthens leadership and improves association management, aligning with CARE MBA, Inc.'s policy for continuous growth and development.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Link/Reference: Policy on Orientation and Training of the Board of Trustees | |
| 2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors. | Compliant | It is mandatory that all newly elected member of the board of trustees and election committee undergo onboarding or Board orientation to familiarize them with CARE MBA, Inc. and their role and responsibilities. Links/References: Policy on Orientation and Training of the Board of Trustees Corporate Governance Manual, Orientation for New Set of Trustees.pdf Photos During the On-boarding of New Set of Board of Trustees and Officers | |
| 3. Company has relevant annual continuing training for all directors. | Compliant | The CARE MBA Board of Trustees consistently participates in annual training programs, seminars and webinars relevant to the association's operations. These activities are designed to further enhance their leadership capabilities, strengthen motivation, boost confidence and promote a proactive approach to managing and improving its business operations. The Board of Trustees attended trainings, seminars and workshops as part of their continuing education and to provide good corporate governance to the association. Links/Reference: 2025 Annual Report, Continuing Education and Training of the Board of Trustees | |
| Recommendation 1.4 | | | |
| 1. Board has a policy on board diversity | Compliant | CARE MBA, Inc. demonstrates its commitment to good governance through the implementation of a board diversity policy. The association recognizes that a diverse set of skills, perspectives and capabilities within the Board is important to its overall success. The association is governed of seven (7) Board of Trustees, composed of five (5) Regular Trustees and two (2) Independent Trustees, all duly elected during the Annual General Assembly. The Board includes professionals such as a lawyer, a licensed professional teacher, a chief executive officer and managers, with | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|-------------|
| | | <p>expertise spanning law, accountancy, statistics, education and social development.</p> <p>The Board's diverse composition reflects a range of expertise and educational background which strengthens governance, and enhances flexibility and competitiveness as a micro-insurance provider.</p> <p>Link/Reference: Board Diversity Policy</p> <p>2025 Annual Report, The Board of Trustees</p> | |
| Recommendation 1.5 | | | |
| 1. Board is assisted in its duties by a Corporate Secretary | Compliant | <p>The Corporate Secretary of the Association plays a vital role in supporting the Board of Trustees in execution of their duties and responsibilities.</p> <p>During the organizational meeting the Board of trustees appointed a corporate secretary that support them in execution of their duties and responsibilities.</p> <p>Links/References: Profile of the Corporate Secretary</p> <p>Amended By-Laws, Section 3. The Secretary</p> | |
| 2. Corporate Secretary is a separate individual from the Compliance Officer | Compliant | <p>The role of Corporate Secretary (<i>Ms. Erlene E. Barandino</i>) and Compliance Officer (<i>Ma. Lourdes E. Quesea</i>) are held by different individual within the association.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 3 Officers of the Board, No. 3 Secretary</p> <p>Profile of the Corporate Secretary</p> <p>Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 9, The Management, No. 4 Compliance Officer</p> <p>Profile of the Compliance Officer</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| 3. Corporate Secretary is not a member of the Board of Directors | Compliant | <p>The Corporate Secretary is not a member of the Board of Trustees. She was appointed by the Board during the Organizational Meeting, which took place immediately following the 15th Annual General Meeting held on May 30, 2025 held at the St. Jude Cooperative Hotel and Event Center, Tayabas City.</p> <p>Links/References: Profile of the Corporate Secretary</p> <p>Excerpts from the Minutes of the Organizational Meeting, BOT Resolution No. 022-2025, Appointment of the Corporate Secretary</p> | |
| 4. Corporate Secretary attends training/s on corporate governance. | Compliant | <p>The Corporate Secretary has attended various trainings on Corporate Governance, as detailed in her profile below. These programs have further strengthened her expertise and enhanced her capacity to effectively support the Board of Trustees in promoting and upholding good governance within CARE MBA, Inc.</p> <p>Link/Reference: Profile of the Corporate Secretary</p> | |
| Recommendation 1.6 | | | |
| 1. Board is assisted by a Compliance Officer | Compliant | <p>The Board of Trustees of CARE MBA, Inc. is assisted by its Compliance Officer, Ma. Lourdes E. Quesea, a senior member of the association's staff. She performs the duties and responsibilities prescribed in the association's Corporate Governance Manual.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 9, The Management, No. 4 Compliance Officer</p> <p>Profile of the Compliance Officer</p> | |
| 2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation | Compliant | <p>The Admin and Operations Manager, Mrs. Ma. Lourdes E. Quesea, who is also a senior officer of the Association, assumes the role and responsibilities of the Compliance Officer of CARE MBA, Inc.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 9, The Management, No. 4 Compliance Officer</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| 3. Compliance Officer is not a member of the board | Compliant | Profile of the Compliance Officer The Compliance Officer of the Association is not a member of the Board of Trustees. She is a senior officer of CARE MBA, Inc. Links/References: Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 9, The Management, No. 4 Compliance Officer Profile of the Compliance Officer | |
| 4. Compliance Officer attends training/s on corporate governance annually | Compliant | Profile of the Compliance Officer Our Compliance Officer has attended training sessions on corporate governance, as well as other seminars related to updated reportorial compliance requirements of government-regulated agencies. Link/Reference: 2025 Trainings and Seminars Attended by the Compliance Officer- Ma. Lourdes E. Quesa Trainings Attended by the Compliance Officer, Certificates | |
| 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 Board of Trustees of CARE MBA is required to act in good faith, with due diligence, and care, and in the best interest of the Association. Notices of meetings, including the agenda, are distributed to each member of the Board at least five (5) days prior to the scheduled meeting. These are accompanied by all relevant materials and documents necessary for informed decision-making during the actual board meeting. Attached are the board resolutions passed and approved in 2024, along with the minutes of meetings for the entire year. These resolutions and actions have been duly adopted and implemented by the Association. Links/References: Excerpts from the Amended By-Laws, Article XI-Board Meetings Corporate Governance Manual, 5. Duties, Functions and Responsibilities of the Board | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | 2025 Annual Report, Board Resolutions for year 2025 2025 Minutes of Regular Board of Trustees Meetings Excerpts from Corporate Governance Manual, Section 6. Board Meetings | |
| Recommendation 2.2 | | | |
| <p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p> | Compliant | <p>CARE MBA, Inc. reviewed its vision and mission on October 30, 2025, during the association's assessment and planning session, which was attended by the Board of Trustees, Officers and Staff. It was unanimously agreed to retain the existing vision and mission, as they remain aligned with the association's strategic goals.</p> <p>CARE MBA's vision defines the Association's ultimate goal it aspires to achieve, while its mission supports this vision by offering purpose and clear guidelines for its employees, board of trustees, officers, partners, stakeholders and members.</p> <p>Links/References: Corporate Governance Manual, 5. Duties, Functions and Responsibilities of the Board Five-Year-Development Plan 2025 Minutes of Regular Board of Trustees Meetings CAREMBAI Vision, Mission and Philosophy of Success</p> | |
| <p>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.</p> | Compliant | <p>The Board of Trustees undertakes regular monitoring through:</p> <ul style="list-style-type: none"> ▪ Membership-Checking - Increase or decrease ▪ Financial Performance-Ratio ▪ Checking of Timely Claims Settlement ▪ Submission of Mandatory Compliance Reports ▪ Unannounced visits by the Board of Trustees ▪ Accomplishment of Yearly Workplan <p>Links/References: Corporate Governance Manual, 5. Duties, Functions and Responsibilities of the Board 2025 Accomplishment Report</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | Five-Year-Development Plan | |
| Recommendation 2.3 | | | |
| 1. Board is headed by a competent and qualified Chairperson. | Compliant | <p>The Chairperson/President of the Board of Trustees of CARE MBA, Inc. is Atty. Joycee M. Sio. She has sixteen years of experience as a lawyer and possesses extensive leadership expertise. She has demonstrated strong managerial capability through her role as a former Chief Executive Officer of a cooperative. In addition, she serves as an accredited trainer and an on-call operations consultant for cooperatives.</p> <p>See attached biographical data, her educational background and, professional experiences show that she is exceptionally well-qualified to be the head of the Board of Trustees of CARE MBA, Inc.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 3. Officers of the Board. No. 1 President Profile of the President of CARE MBA, Inc., Atty. Joycee M. Sio</p> | |
| Recommendation 2.4 | | | |
| 1. Board ensures and adopts an effective succession planning program for directors, key officers and management. | Compliant | <p>CARE MBA, Inc. is committed to ensuring leadership continuity through the implementation of a Succession Planning Policy for key officers and senior management, enabling the organization to sustain its mission, vision and goals even in the event of resignation or retirement.</p> <p>This policy guarantees key officers and senior management that transitions will be organized and anticipated as possible, which makes it easier for CARE MBA, Inc. to create its strategic plan even in the face of unforeseen circumstances.</p> <p>Link/References: Succession Planning Policy Excerpts from the Corporate Governance Manual, Chapter III. Succession Planning</p> | |
| 2. Board adopts a policy on the retirement for directors and key officers. | Compliant | <p>The Association has in place a Retirement Policy duly studied and approved by the board to honor and support its employees upon completion of their dedicated service.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Link/Reference: Retirement Policy | |
| Recommendation 2.5 | | | |
| 1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members. | Compliant | <p>CARE MBA, Inc. is a non-stock, non-profit Association owned and managed by its members. Board of Trustees volunteers their time, resources and expertise for the furtherance of the mission of the organization.</p> <p>As stated in CARE MBA Articles of incorporation and By-Laws that Officers and members of the Board shall not be entitled to any remuneration. To support the Board in fulfilling its role to formulate strategy and policy and ensuring monitoring and accountability, the Association provides communication/travel expense for their actual attendance of meetings either via videoconferencing or face to face meetings.</p> <p>Links/References: Excerpts from the Amended Articles of Incorporation, Article Sixth 2025 Annual Report, Communications and Travel Expense Reimbursement of the Board of Trustees Board of Trustees Performance Evaluation for Year 2025</p> | |
| 2. Board aligns the remuneration of key officers and board members with long-term interests of the company. | Compliant | <p>As per Articles of Incorporation the Board of Trustees understood that they SHALL NOT receive any remuneration for their services rendered to the association.</p> <p>Links/References: Excerpts from the Amended Articles of Incorporation, Article Sixth</p> <p>See attached remuneration and performance evaluation of CAREMBA's key officers.</p> <p>Performance Evaluation of the General Manager 2025 Annual Report, Remuneration of the General Manager 2025 Annual Report Remuneration of the General Manager Remuneration of the General Manager for the Year 2025</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | 2025 Annual Report, Communications and Travel Expense Reimbursement of the Board of Trustees | |
| 3. Directors do not participate in discussion or deliberations involving his/her own remuneration. | Compliant | <p>Members of the Board of Trustees do not receive any remuneration and do not participate in discussions or deliberations regarding compensation.</p> <p>Link/References: Excerpts from the Amended Articles of Incorporation, Article Sixth Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 7. Reimbursement of the Board</p> | |
| Recommendation 2.6 | | | |
| 1. Board has a formal and transparent board nomination and election policy. | Compliant | <p>CARE MBA, Inc. have an Election Committee composed of three (3) members: a Chairperson, a Vice-Chairperson, and a Secretary. The members of the Election Committee are being elected during the Annual General Meeting (AGM) and they serve for a term of two (2) years, the functions of which include nomination, screening of nominees and selection of candidates through coordination with partners organizations.</p> <p>Link/Reference: 2025 Annual Report, Election Committee Report for year 2025 Excerpts from Election Guidelines, Section 2. Powers, Duties and Responsibilities of the Election Committee and Section 7. Period of Acceptance of the Nomination</p> | |
| 2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance. | Compliant | <p>The Association has its own separate Election Guidelines, which outlines the nomination and election policies of CARE MBA, Inc. These policies are not incorporated into the Corporate Governance Manual because they are subject to periodic review and amendment by Election Committee to ensure flexibility and independence of the election process.</p> <p>Links/References: CARE MBA, Inc., Election Guidelines Excerpts from Amended By-laws, Article VI-Election Committee</p> | |
| 3. Board nomination and election policy includes how the company accepts | Compliant | CARE MBA Election Guidelines, disclosed how the Association accepts nominations from its partners. It can be found on Section 4. | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| nominations from minority shareholders. | | <p>General Consideration Accepting Candidacy, page 1 of the Election Guidelines.</p> <p>Link/Reference: Excerpts from CARE MBA, Inc. Election Guidelines, Section 4. General Consideration in Accepting Candidacy CARE MBA, Inc., Election Guidelines</p> | |
| 4. Board nomination and election policy includes how the board reviews nominated candidates. | Compliant | <p>The Election Committee conducted a thorough review of the qualifications and disqualifications of all nominated candidates, as provided in the Amended By-laws (Article VI – Election Committee) and as set forth in the Corporate Governance Manual (Section 5: Committees of the Board of Trustees, No. 1 – Election Committee).</p> <p>Link/References: Excerpts from Amended By-laws, Article VI-Election Committee</p> <p>Excerpts from the Corporate Governance Manual, Section 5. Committee of the Board of Trustees, No. 1. Election Committee</p> | |
| 5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director. | Compliant | <p>CARE MBA, Inc. has its own Election Committee with members who are elected during its Annual General Meeting. They are in-charge of the Board’s processes in the nomination, election or replacement of a trustee. The Election Committee reviews annually the effectiveness of its processes. Nominees and candidates are then formally notified to the board.</p> <p>The results of the 2025 Annual General Meeting election were validated by Mr. Gaudioso A. Lavadia, Chairperson of the Audit Committee and attested by Mr. Leomar Villapando, CPA, President of the Philippine Institute of Certified Public Accountants (Quezon Province Chapter), who served as the Independent Party Examiner invited by the Election Committee.</p> <p>Link/References: 2025 Annual Report, Excerpts from the Minutes of the 15th AGM, XV. Results of Election 2025</p> <p>CARE MBA, Inc., Election Guidelines</p> <p>Mr. Sedfrey R. Potestades, Chairperson of the Election Committee, thoroughly discusses the Election Guidelines and Voting System with the members and representatives who attended the 2025</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Annual General Meetinf. Photos of the Election Committee members and Mr. Leomar Villapando, CPA, who served as the Independent Party Examiner, were also attached. | |
| <p>6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.</p> | Compliant | <p>The Election Guidelines of CARE MBA, Inc. set forth the qualifications and disqualifications for candidates to the Board of Trustees, as required to promote and uphold the good governance of the Association. These guidelines likewise ensure that all nominees meet the standards of competence, integrity and accountability expected of the Association’s leadership.</p> <p>Link/Reference: CARE MBA, Inc. Election Guidelines, Section 6. Qualifications and Disqualifications of Candidates</p> | |
| Recommendation 2.7 | | | |
| <p>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.</p> | Compliant | <p>CARE MBA Board crafted the Related Party Transaction Policy to ensure that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p> <p>Link/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees, No. 5. Related Party Transactions Committee Policy on Related Party Transactions</p> | |
| <p>2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p> | Compliant | <p>The Related Party Transaction Committee is the one responsible in handling and reviewing all material Related Party Transactions of the Association which guarantee fairness and transparency of the transactions. The policy disclosed that the RPT Committee is the one who handles it with the approval and corrective measures if needed to be checked by the Board of Trustees.</p> <p>Link/References: Policy on Related Party Transactions 2025 Annual Report, Related Party Transactions Committee Report for Year 2025</p> | |
| <p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p> | Compliant | <p>Considering the nature and size of CARE MBA, Inc., its Related Party Transactions Policy is designed to be simple and appropriate to its scope of operations.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | <p>The members of the Board of Trustees, who concurrently serve as committee members, have duly executed their respective Declarations of Material Personal Interest in furtherance of transparency and good governance within the Association.</p> <p>Link/References: Policy on Related Party Transactions</p> <p>2025 Annual Report, Related Party Transactions Committee Report for Year 2025</p> <p>Declaration of Material Personal Interest of the Board of Trustees</p> | |
| Recommendation 2.8 | | | |
| 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) | Compliant | <p>CARE MBA's Board of Trustees oversees the selection and appointment of the General Manager and key officers.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, No. 5. Duties and Responsibilities of the Board</p> <p>2025 Annual Report, Organizational Structure, Management Staff</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). | Compliant | <p>The Board of Trustees of CARE MBA is responsible for the regular assessment of the Management's performance. The General Manager including its key officers are being evaluated by the BOT to accordingly comply with the Association's core values and philosophy of success.</p> <p>The performance appraisals are conducted annually to provide feedback on job performances and to support the professional development of employees.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, No. 5 Duties and Responsibilities of the Board</p> <p>Performance Evaluation of the General Manager</p> | |
| Recommendation 2.9 | | | |
| 1. Board establishes an effective performance management framework | Compliant | The Board of Trustees establishes an effective performance management framework. It is measured annually by doing the | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| <p>that ensures that Management, including the Chief Executive Officer performance is a part with the standards set by the Board and Senior Management.</p> | | <p>performance appraisal to provide feedback about job performances and to contribute to professional development of employees.</p> <p>Link/Reference: Excerpts from the 2025 Annual Report, Performance Evaluation of the Board of Trustees, Committee Members and General Manager</p> <p>Excerpts from Human Resource Manual, Article IV, Performance Development, Section 4.02 Performance Evaluation, page 32-33</p> <p>Performance Evaluation of the General Manager</p> | |
| <p>2. Board establishes an effective performance management framework that ensures personnel's performance is a par with the standards set by the Board and Senior Management.</p> | Compliant | <p>The Board of Trustees evaluates management's performance through annual employee appraisals and yearly performance reviews. The results are used to identify areas for improvement and to guide decision-making on leadership development and organizational priorities.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, No. 5 Duties and Responsibilities of the Board</p> <p>Excerpts from Human Resource Manual, Article IV, Performance Development, Section 4.02 Performance Evaluation, page 32-33</p> <p>Performance Evaluation Report (For Rank and File Positions)</p> <p>Management Performance Evaluation Report (Self-Evaluation)</p> | |
| Recommendation 2.10 | | | |
| <p>1. Board oversees that an appropriate internal control system is in place,</p> | Compliant | <p>The Board ensures that an effective internal control system is in place by monitoring internal operations and the financial stability of the association through management reports presented during regular meetings. It also maintains appropriate internal control mechanisms, including a policy on Codified Approving and Signing Authority (CASA), to ensure the proper management and safeguarding of the association's assets. Regular reviews of these controls are conducted to ensure their continued effectiveness and compliance with regulatory and organizational requirements.</p> <p>Links/References:</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 1. The Board of Trustees, No. 6. Internal Control Responsibilities of the Board Policy on Codified Approving Signing Authority (CASA) | |
| <p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p> | Compliant | <p>The Board ensures that minimum internal control mechanisms, including the segregation of duties, are implemented in accordance with the defined control environment of CARE MBA, Inc. This helps reduce the risk of errors and irregularities while promoting accountability and transparency in all operational processes.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 1. The Board of Trustees, No. 6. Internal Control Responsibilities of the Board Policy on Codified Approving Signing Authority (CASA)</p> | |
| <p>3. Board approves the Internal Audit Charter.</p> | Compliant | <p>The Board of Trustees approves the Internal Audit Charter, as embodied in the Terms of Reference of the Outsourced Internal Auditor. This charter defines the roles, responsibilities, and authority of the Internal Auditor in carrying out independent and objective assurance activities. It also ensures that the internal audit function operates with sufficient independence and is provided with the necessary resources to effectively perform its duties.</p> <p>Link/Reference: Contract of Service-Internal Auditor</p> | |
| Recommendation 2.11 | | | |
| <p>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.</p> | Compliant | <p>CARE MBA, Inc. has approved an Enterprise Risk Management Manual to provide management and staff with a consistent and comprehensive approach to risk management. This manual guide them in identifying, assessing, and mitigating potential risks faced by the association. It also promotes a proactive risk culture and supports informed decision-making across all levels of the association. Regular monitoring and reporting mechanisms are established to ensure that risks are effectively managed and aligned with the association's strategic objectives.</p> <p>Link/References: Enterprise Risk Management Manual</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | 2025 Annual Report, Risk Assessment and Mitigation | |
| 2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. | Compliant | <p>The Board Risk Oversight Committee identified both internal (people, processes, and systems) and external risks faced by CARE MBA, Inc., along with corresponding action plans to mitigate these potential threats. These findings were disclosed in the Association's 2025 Annual Report, which was distributed to partners and members during the Annual General Meeting. This ensures transparency and allows stakeholders to better understand the association's risk exposure and management strategies.</p> <p>Links/Reference: Enterprise Risk Management Manual</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 duties. | Compliant | <p>The Board Charter is disclosed in the Corporate Governance Manual, where the roles and responsibilities required to comply with CARE MBA's vision, mission and philosophy of success are clearly stated. It serves as a guiding framework that ensures the Board's actions are aligned with sound governance principles and organizational objectives.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II, The Governance Structure, Section 1. The Board of Trustees.pdf</p> | |
| 2. Board Charter serves a guide to the directors in the performance of their functions. | Compliant | <p>The Board Charter serves as a tool to guide the Board of Trustees in performing their duties and responsibilities.</p> <p>The Board of Trustees of CARE MBA shall perform and follow the standards written in the Association's board charter. This ensures consistency in decision-making and strengthens adherence to good governance practices across all Board activities.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II, The Governance Structure, Section 1. The Board of Trustees.pdf</p> | |
| 3. Board Charter is publicly available and posted on the company's website. | Compliant | <p>The Board Charter of the Association is publicly available and posted on CARE MBA's website. This promotes transparency and allows stakeholders to easily access and understand the governance framework of the organization.</p> <p>Links/References:</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | <p>Excerpts from the Corporate Governance Manual, Chapter II, The Governance Structure, Section 1. The Board of Trustees.pdf</p> <p>The Corporate Governance Manual, Chapter II – The Governance Structure is publicly disclosed in the association’s website under Corporate Governance, Policies and Manuals, Corporate Governance Manual Chapter II-The Governance Structure</p> | |
| <p>Principle 3 Board Committees should set up to the extent possible 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 function and responsibilities of all committees established should be contained in a publicity available Committee Charter.</p> | | | |
| <p>Recommendations 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> | <p>Compliant</p> | <p>CARE MBA, Inc. has established various committees, each tasked with focusing on specific functional areas to support the effective performance of its roles and responsibilities.</p> <p>These committees address relevant and emerging issues within their respective scopes and present their findings and recommendations to the Board of Trustees for review, action and approval.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees</p> <p>Excerpts from the Minutes of the Organizational Meeting held on May 30, 2025 at St. Jude Coop Hotel and Event Center, The Working Committees for the Term 2025-2026</p> | |
| <p>Recommendations 3.2</p> | | | |
| <p>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.</p> | <p>Compliant</p> | <p>CARE MBA, Inc. has established an Audit Committee responsible for overseeing the financial reporting process and ensuring that audit procedures are conducted in compliance with applicable laws and regulations.</p> <p>The Committee monitors, evaluates and reviews the reports of the internal auditor and recommends the appointment of the external auditor of CARE MBA, Inc.</p> <p>Link/References:</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|---|
| | | Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees, 2. Audit Committee 2025 Annual Report, Audit Committee Report | |
| <p>2. Audit Committee is composed of at least three appropriate qualified non-executive directors, the majority of whom, including the Chairman is independent.</p> | Compliant | <p>The Audit Committee of CARE MBA, Inc. is composed of non-executive Board of Trustees two (2) of whom are Certified Public Accountants. The association has selected former members of the Board of Trustees in order to produce honest and accurate reports. The committee is chaired by an Independent Trustee and all members are well-versed in finance and with excellent backgrounds in accounting.</p> <p>Link/Reference: Profile of the Audit Committee Members</p> | |
| <p>3. All the members of the committee have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance.</p> | Compliant | <p>CARE MBA's Audit Committee is composed of five (5) members, two (2) of whom are Certified Public Accountants. The Chairperson-Mr. Gaudioso A. Lavadia, serves as an Independent Trustee with background in bank management. All Committee members have excellent background, knowledge, skills and experience in the areas of accounting, auditing and finance.</p> <p>Link/Reference: Profile of the Audit Committee Members</p> | |
| <p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p> | Non-Compliant | <p>The Chairperson of the Audit Committee is Mr. Gaudioso A. Lavadia, Independent Trustee of CARE MBA, Inc.</p> | <p>Given the nature and size of CARE MBA, Inc., the Association has only two (2) elected Independent Trustees: Mr. Gaudioso A. Lavadia and Mrs. Mary Juliet D. R. Labitigan.</p> <p>Mr. Lavadia serves as the Chairperson of both the Audit and Related Party Transactions Committee and the Board Risk Oversight Committee.</p> <p>Given the limited number of Independent Trustees, it is necessary for him to assume multiple committee chairmanships to maintain effective oversight and compliance with governance requirements.</p> |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|--|
| | | | <p>There will be an amendment in the by-laws of CARE MBA, Inc. as to the composition of the Board of Trustees as follows:</p> <ul style="list-style-type: none"> ▪ 3 Independent Trustees, each to chair the following Committees: <ul style="list-style-type: none"> ➢ Audit and Related Party Transactions ➢ Board Risk Oversight ➢ Corporate Governance ▪ 3 Regular Board of Trustees ▪ 1 Board of Trustee from the underrepresented associations classified also as regular trustee |
| Recommendations 3.3 | | | |
| <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> | Compliant | <p>CARE MBA, Inc. has established a Corporate Governance Committee assigned to assist the Board in the performance of its corporate governance responsibilities. The committee is accountable for overseeing the governance guidelines and policies of both the Board of Trustees and the association.</p> <p>The members of the Corporate Governance Committee are highly educated, competent, with wide range of understanding of its products and services. They possessed integrity and leadership expected of those in governance roles within the association.</p> <p>Link/Reference: Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees, 4. Corporate governance Committee</p> | |
| <p>2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.</p> | Compliant | <p>The Corporate Governance Committee of CARE MBA, Inc. is composed of five (5) members. The Committee is chaired by an Independent Trustee, while the remaining four (4) members are non-executive trustees. All members possess strong educational backgrounds and demonstrate competence, with a broad understanding of the association's products and services. This composition ensures that the Committee is able to effectively carry out its oversight and governance functions.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|-------------|
| | | <p>Given the size and nature of the association, CARE MBA, Inc. has only two (2) Independent Trustees. Both serve as chairpersons of the Board's key committees, namely:</p> <ul style="list-style-type: none"> • Audit and Related Party Transactions Committee • Corporate Governance Committee • Board Risk Oversight Committee <p>Link/Reference: Profile of the Corporate Governance Committee Members</p> | |
| <p>3. Chairman of the Corporate Governance Committee is an independent director.</p> | <p>Compliant</p> | <p>The Chairperson of the Corporate Governance Committee is Mrs. Mary Juliet D. R. Labitigan an Independent Trustee that has an excellent educational background and broad professional experience in corporate governance, risk management and other regulatory compliance which effectively guide the committee in its mandates.</p> <p>Link/Reference: Profile of the Corporate Governance Committee Members</p> | |
| <p>Recommendations 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>CARE MBA, Inc. has established a Board Risk Oversight Committee responsible for defining CARE MBA's level of risk tolerance and overseeing its risk management policies and procedures.</p> <p>The Committee reviews and evaluates potential risks that may impact the operational and financial viability of the association and provides strategic recommendations to the Board of Trustees on appropriate measures to mitigate, manage and control potential risks.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees, 3. Board Risk Oversight Committee</p> | |
| <p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p> | <p>Compliant</p> | <p>The Board Risk Oversight Committee of CARE MBA, Inc. is composed of five (5) members. The Chairperson of the Committee is an Independent Trustee and all members are all non-executive trustees.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|--|
| | | <p>Each member possesses a strong educational background and a comprehensive understanding of CARE MBA's products and services.</p> <p>Link/Reference: Profile of the Board Risk Oversight Committee Members</p> | |
| <p>3. The Chairman of the BROC is not the Chairman of the Board or any other committee.</p> | <p>Non-Compliant</p> | <p>The Chairperson of the Board Risk Oversight Committee is Mr. Gaudioso A. Lavadia, Independent Trustee of CARE MBA, Inc.</p> | <p>Given the nature and size of CARE MBA, Inc., the Association has only two (2) elected Independent Trustees: Mr. Gaudioso A. Lavadia and Mrs. Mary Juliet D. R. Labitigan.</p> <p>Mr. Lavadia serves as the Chairperson of both the Audit and Related Party Transactions Committee and the Board Risk Oversight Committee.</p> <p>Given the limited number of Independent Trustees, it is necessary for him to assume multiple committee chairmanships to maintain effective oversight and compliance with governance requirements.</p> <p>There will be an amendment in the by-laws of CARE MBA, Inc. as to the composition of the Board of Trustees as follows:</p> <ul style="list-style-type: none"> ▪ 3 Independent Trustees, each to chair the following Committees: <ul style="list-style-type: none"> ➤ Audit and Related Party Transactions ➤ Board Risk Oversight ➤ Corporate Governance ▪ 3 Regular Board of Trustees ▪ 1 Board of Trustee from the underrepresented associations classified also as regular trustee |
| <p>4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.</p> | <p>Compliant</p> | <p>The Chairperson of the Board Risk Oversight Committee, Mr. Gaudioso A. Lavadia, possesses in-depth knowledge and extensive experience in risk management. Spanning twenty-seven (27) years of solid banking and finance background, he began his career in 1994 and retired in 2021 from the Cooperative Bank of Quezon Province (CBQP).</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | <p>Atty. Joyce M. Sio, a member of the Committee, is a lawyer by profession with extensive exposure to risk management and over sixteen (16) years of experience in legal practice.</p> <p>Link/Reference: Profile of the Board Risk Oversight Committee Members</p> | |
| Recommendations 3.5 | | | |
| <p>1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p> | Compliant | <p>CARE MBA, Inc. has established a Related Party Transaction Committee, duly authorized by the Board to consider, review, evaluate and provide oversight on any Related Party Transactions of the association. The committee guarantees that such transactions are done in a transparent manner at arm's length and in the best interest of the association in accordance with internal policies of CARE MBA, Inc.</p> <p>The Board of Trustees of CARE MBA, Inc. has unanimously agreed to merge the Related Party Transactions Committee with the Audit Committee, maintaining the same membership for both committees.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees, 5. Related Party Transactions Committee</p> | |
| <p>2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.</p> | Compliant | <p>The Related Party Transaction Committee is composed of five (5) members. Its Chairperson is an Independent Trustee and all the members are non-executive trustees.</p> <p>During the Related Party Transactions Committee meeting held on September 4, 2020, via Zoom videoconferencing, the members unanimously approved the merger of the Related Party Transactions Committee with the Audit Committee. This arrangement remains in practice to date, considering the Association's limited number of Independent Trustees.</p> <p>As a result, Mr. Gaudioso A. Lavadia, an Independent Trustee, currently serves as the Chairperson of both committees.</p> <p>Link/References: Profile of the Related Party Transactions Committee</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Excerpts from the Minutes of Related Party Transactions Committee Meeting dated Sept. 04, 2020 | |
| Recommendations 3.6 | | | |
| <p>1. All established committees have a Committee Charters stating in plain terms their respective purposes, membership, structures, operations, reporting process, resources and other relevant information.</p> | Compliant | <p>Each Committee of CARE MBA, Inc. operates under its own Charter which defines its functions, responsibilities, mission, composition and duties.</p> <p>The functions of each Committee are disclosed in the Association's Corporate Governance Manual and are publicly available on its official website.</p> <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees</p> | |
| <p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p> | Compliant | <p>To evaluate the performance of Committee members in the iexecution of their duties and responsibilities, the Association conducts an annual performance evaluation for each Committee.</p> <p>Please see the attached performance evaluation of Committee members for the year 2025.</p> <p>Links/References: Performance Evaluation, Audit and Related Party Transactions Committee for Year 2025 Performance Evaluation, Board Risk Oversight Committee for Year 2025 Performance Evaluation, Corporate Governance Committee for Year 2025</p> | |
| <p>3. Committee Charters were fully disclosed on the company's website.</p> | Compliant | <p>The Committee Charter is publicly available on the CARE MBA, Inc. website.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board of Trustees</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|-------------|
| | | The Committees of the Board of Trustees are made publicly accessible on the association's website to promote transparency for all partners and members. | |
| 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. | | | |
| Recommendations 4.1 | | | |
| 1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission. | Compliant | It is essential to all the board of trustees to attend and actively participate in all meetings of the board and committees either face to face or virtual and actively participate during the Annual General Meeting. Links/References: 2025 Annual Report, Attendance of the Board of Trustees Internal Procedures for the Conduct of Meetings through Remote Communication Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 6. Board Meetings | |
| 2. The directors review meeting in materials for all Board and Committee meetings. | Compliant | The Board of Trustees receives the notice of meeting, agenda, minutes, and other related materials at least five (5) days prior to board and committee meetings, providing sufficient time for review in advance. Links/References: Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 6. Board Meetings Notice of Meeting, Agenda 2025 Minutes of Board of Trustees Meeting | |
| 3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings. | Compliant | Members of the Board of Trustees and Committees are encouraged to actively participate in meetings by raising questions and seeking clarifications to promote informed decision-making and ensure effective governance. Links/References: Minutes of the Corporate Governance Committee Meeting, pages 2 & 3 | |

| | Compliant / Non-Compliant | Additional Information | Explanation | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---------------------------|---|-------------|---------------------|-----------------------------|---------------------|-----------|---|----------------|----------------|---|-------------------------|-----------|---|-------------------|---------|---|--------------------|---------|---|---------------------|---------------------|---|-----------------------------|---------------------|---|--|
| | | Minutes of the Audit and Related Party Transactions Committee Meeting, pages 2 & 3 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Recommendations 4.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views and oversee the long-term strategy of the company.</p> | Compliant | <p>To effectively fulfill their duties and responsibilities, and to allow sufficient time to focus and concentrate on their work, CARE MBA, Inc. Board of Trustees shall be limited to a maximum of three (3) directorships in other institutions. See table below:</p> <table border="1" data-bbox="786 464 1601 719"> <thead> <tr> <th>Names</th> <th>Position at CAREMBA</th> <th>No. of Other Directorship/s</th> </tr> </thead> <tbody> <tr> <td>Atty. Joycee M. Sio</td> <td>President</td> <td>3</td> </tr> <tr> <td>Armiel A. Azul</td> <td>Vice-President</td> <td>-</td> </tr> <tr> <td>Perseverando C. Fajardo</td> <td>Treasurer</td> <td>2</td> </tr> <tr> <td>Lucilo G. Jimenez</td> <td>Trustee</td> <td>-</td> </tr> <tr> <td>Isagani H. Matibag</td> <td>Trustee</td> <td>1</td> </tr> <tr> <td>Gaudioso A. Lavadia</td> <td>Independent Trustee</td> <td>1</td> </tr> <tr> <td>Mary Juliet D. R. Labitigan</td> <td>Independent Trustee</td> <td>1</td> </tr> </tbody> </table> <p>Link/Reference: Profile of the Board of Trustees</p> | Names | Position at CAREMBA | No. of Other Directorship/s | Atty. Joycee M. Sio | President | 3 | Armiel A. Azul | Vice-President | - | Perseverando C. Fajardo | Treasurer | 2 | Lucilo G. Jimenez | Trustee | - | Isagani H. Matibag | Trustee | 1 | Gaudioso A. Lavadia | Independent Trustee | 1 | Mary Juliet D. R. Labitigan | Independent Trustee | 1 | |
| Names | Position at CAREMBA | No. of Other Directorship/s | | | | | | | | | | | | | | | | | | | | | | | | | |
| Atty. Joycee M. Sio | President | 3 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Armiel A. Azul | Vice-President | - | | | | | | | | | | | | | | | | | | | | | | | | | |
| Perseverando C. Fajardo | Treasurer | 2 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lucilo G. Jimenez | Trustee | - | | | | | | | | | | | | | | | | | | | | | | | | | |
| Isagani H. Matibag | Trustee | 1 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gaudioso A. Lavadia | Independent Trustee | 1 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mary Juliet D. R. Labitigan | Independent Trustee | 1 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Recommendations 4.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in other company.</p> | Compliant | <p>In line with the principles of transparency and accountability, the Board of Trustees' disclosed in their Biographical Data their other affiliations and directorships in other institutions.</p> <p>To further uphold good governance practices, all trustees are required to submit a formal letter indicating their acceptance directorships or trusteeships in other entities, if any.</p> <p>Links/References: Profile of the Board of Trustees</p> <p>Notice of Directorship to Other Institutions Atty. Joycee M. Sio</p> <p>Mr. Perseverando C. Fajardo</p> <p>Mr. Isagani H. Matibag</p> <p>Mr. Gaudioso A. Lavadia</p> <p>Mrs. Mary Juliet D. R. Labitigan</p> | | | | | | | | | | | | | | | | | | | | | | | | | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| Principle 5: The board should endeavor to execute an objective and independent-judgment on all corporate affairs. | | | |
| Recommendations 5.1 | | | |
| 1. The Board is composed of at least twenty percent (20%) independent directors. | Compliant | <p>CARE MBA, Inc. is governed by a seven-member Board of Trustees, two (2) of whom are Independent Trustees, representing 29% of the total Board composition.</p> <p>Link/Reference: The Board of Trustees of CARE MBA, Inc. is publicly listed on the association's official website.</p> | |
| Recommendations 5.2 | | | |
| 1. The independent directors possess all the necessary qualifications and none of all the disqualifications to hold the position. | Compliant | <p>The association's Independent Trustee is a person who does not hold any business or other position in any of CARE MBA, Inc.'s partner organizations. The Independent Trustee possesses all the qualifications required by the Association and performs their duties independently, in good faith and in the best interest of CARE MBA, Inc. They must also remain free from any conflict of interest that could impair their objectivity or influence their decision-making.</p> <p>The qualifications and term limits of Independent Trustees are outlined in CAREMBA's Corporate Governance Manual.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 2. Independent Trustee Profile of the Independent Trustees</p> | |
| Recommendations 5.3 | | | |
| <p>1. The independent directors serve for a maximum cumulative term of nine years.</p> <p>As far as insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016.</p> | Compliant | <p>CARE MBA, Inc. adheres to the Insurance Commission's guidelines, which limit Independent Trustees to a maximum cumulative term of nine years.</p> <p>The Association's two Independent Trustees are Mr. Gaudioso A. Lavadia, who has served for five years (first elected on June 11, 2021, and re-elected for a second term on May 31, 2024) and Mrs. Mary Juliet D. R. Labitigan, who has served for three years (elected on May 26, 2023).</p> <p>Links/References: Profile of the Independent Trustees</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| For other covered entities, all previous terms served by existing independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item. | | Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 2. Independent Trustee | |
| 2. The company bans an independent director from serving in such capacity after the term limit of nine years. | Compliant | <p>CARE MBA, Inc. adheres to the Insurance Commission's guidelines, which limit Independent Trustees to a maximum cumulative term of nine years.</p> <p>This term limit is stipulated in the Association's Corporate Governance Manual.</p> <p>Link/Reference Excerpts from Corporate Governance Manual, Chapter II, Governance Structure, Section 2. Independent Trustee</p> | |
| 3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting. | Compliant | <p>The Association strictly adheres to the guidelines set by the Insurance Commission, which require that an Independent Trustee may only serve for a maximum cumulative term of nine years.</p> <p>To date, CARE MBA, Inc. has never encountered a situation where an Independent Trustee has remained in the Association beyond the nine-year limit.</p> <p>Link/Reference: Profile of the Independent Trustees</p> | |
| Recommendations 5.4 | | | |
| 1. The position of Chairman of the Board and Chief Executive Officer are held by separate individuals. | Compliant | <p>The Chairman/President of the Board of Trustees is Atty. Joyce M. Sio, while the General Manager is Mrs. Pelagia C. Mendones. The positions of Chairman of the Board and Chief Executive Officer/General Manager are held by separate individuals.</p> <p>Links/References: Profile of the President of CARE MBA, Inc., Atty. Joyce M. Sio Profile of the General Manager of CARE MBA, Inc., Mrs. Pelagia C. Mendones</p> | |
| 2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities. | Compliant | <p>The Chairman/President of the Board of Trustees is Atty. Joyce M. Sio, who also serves as the President of CARE MBA, Inc., with duties and responsibilities as defined in the Corporate Governance Manual, Chapter II (Governance Structure), Section 3 (Officers of the Board).</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | <p>Link/Reference: Excerpts from the Corporate Governance Manual, Chapter II, Governance Structure, Section 3. Officers of the Board, 1. President</p> <p>The Chief Executive Officer/General Manager of CARE MBA, Inc. is Mrs. Pelagia C. Mendones. Her specific duties and responsibilities are outlined in the Corporate Governance Manual, Chapter II (Governance Structure), Section 9 (Management).</p> <p>Link/Reference: Excerpts from Corporate Governance Manual, Chapter II Governance Structure, Section 9. The Management, 1. The General Manager</p> <p>The positions of Chairman of the Board/President and Chief Executive Officer/General Manager are held by separate individuals.</p> | |
| Recommendation 5.5 | | | |
| <p>1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.</p> | Compliant | <p>The positions of Chairman of the Board of Trustees/President and Chief Executive Officer/General Manager are held by separate individuals. Atty. Joyce M. Sio serves as the President of CARE MBA, Inc., while Mrs. Pelagia C. Mendones holds the position of Chief Executive Officer/General Manager of the Association.</p> <p>The Chairman of the Board/President is not an Independent Trustee.</p> <p>Link/References: Profile of the President of CARE MBA, Inc., Atty. Joyce M. Sio</p> <p>Profile of the General Manager of CARE MBA, Inc., Mrs. Pelagia C. Mendones</p> | |
| Recommendation 5.6 | | | |
| <p>1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.</p> | Compliant | <p>The Board of Trustees of CARE MBA, Inc. has no conflict of interest nor material interest in any transactions within the Association.</p> <p>Link/Reference: Declaration of Material Personal Interest of the Board of Trustees</p> | |
| Recommendation 5.7 | | | |
| <p>1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the</p> | Compliant | <p>The non-executive trustees meet at least once a year to review the performance of the General Manager. However, the formal</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| <p>internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.</p> | | <p>performance evaluation of the General Manager is conducted by the President of CARE MBA, Inc.</p> <p>Links/Reference: 2025 Annual Report, Performance Evaluation of the Board of Trustees, Committee Members and General Manager</p> <p>There is a separate meeting with the external auditor and head of the Audit Committee and Compliance Officer through video conferencing. The audit results and recommendations for year 2025 were discussed.</p> <p>Links/References: Audit Results and Recommendations from the External Auditor as of December 31, 2025</p> <p>Meeting of the Audit Committee, Compliance Officer and the External Auditors was held via Zoom videoconferencing</p> | |
| <p>2. The meetings are chaired by the lead independent director.</p> | Compliant | <p>The external auditor met separately with the Audit Committee and the Compliance Officer via video conferencing to discuss the audit results and recommendations for the year 2025. The Audit Committee is chaired by Mr. Gaudioso A. Lavadia, Independent Trustee of CARE MBA, Inc.</p> <p>Link/References: Meeting of the Audit Committee, Compliance Officer and the External Auditors was held via Zoom videoconferencing</p> <p>Audit Results and Recommendations from the External Auditor as of December 31, 2025</p> | |
| <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. The Board conducts an annual assessment of its performance as a whole.</p> | Compliant | <p>The Board of Trustees conducts an annual self-assessment to evaluate its performance, accomplishments and achievements over the year. The results of this evaluation are reviewed by the Corporate Governance Committee and subsequently confirmed by the Board of Trustees during its first regular meeting of the year.</p> <p>Links/References:</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Board of Trustees Performance Evaluation for Year 2025 Excerpts from Corporate Governance Manual Chapter VII Performance Evaluation, Section 1. Board and Committee Performance Evaluation | |
| 2. The performance of the Chairman is assessed annually by the Board. | Compliant | The Board of Trustees evaluates the performance of the President of CARE MBA, Inc. Link/Reference: Performance Evaluation of CARE MBA, Inc. President for Year 2025 | |
| 3. The performance of the individual member of the Board is assessed annually by the Board. | Compliant | The Board of Trustees conducts an annual self-assessment to evaluate its performance, accomplishments and achievements over the year. The results of this evaluation are reviewed by the Corporate Governance Committee and subsequently confirmed by the Board of Trustees during its first regular meeting of the year. The performance of the Board of Trustees is assessed by the Corporate Governance Committee, in coordination with the General Manager and the Compliance Officer. Link/Reference: Board of Trustees Performance Evaluation for Year 2025 | |
| 4. The performance of each committee is assessed annually by the Board. | Compliant | Each committee members was given a performance evaluation via Google form and they submitted them on time. The management summarized the result of their assessment duly verified by the Corporate Governance Committee and subsequently confirmed by the Board of Trustees during its first regular meeting of the year. Links/References: Performance Evaluation, Audit and Related Party Transactions Committee for Year 2025 Performance Evaluation, Board Risk Oversight Committee for Year 2025 Performance Evaluation, Corporate Governance Committee for Year 2025 | |
| 5. Every three years, the assessments are supported by an external facilitator. | Compliant | CARE MBA, Inc. engaged an external facilitator to evaluate the performance of the Board of Trustees and the Association. This initiative was conducted in coordination with MIMAP, during which | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | <p>the external facilitator reviewed the association’s manuals and policies.</p> <p>On October 6–7, 2023, the Association conducted a Strategic Planning session facilitated by Mr. Camilo Casals, Independent Trustee of MIMAP, with the assistance of Ms. Allelie Ruth M. Azucinas, former Operations Director of MIMAP.</p> <p>Links/references: Activities/Program-Strategic Planning Five-Year-Development Plan</p> | |
| Recommendation 6.2 | | | |
| <p>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.</p> | Compliant | <p>The performance of the Board of Trustees and Committee members is measured and done by board Self-Assessment. The results of this evaluation are reviewed by the Corporate Governance Committee and subsequently confirmed by the Board of Trustees during its first regular meeting of the year.</p> <p>Links/References: Board of Trustees Performance Evaluation for Year 2025 Performance Evaluation, Audit and Related Party Transactions Committee for Year 2025 Performance Evaluation, Board Risk Oversight Committee for Year 2025 Performance Evaluation, Corporate Governance Committee for Year 2025 Excerpts from the 2025 Annual Report, Performance Evaluation of the Board of Trustees and Committee Members</p> | |
| <p>2. The system allows for a feedback mechanism from the shareholders.</p> | Compliant | <p>The Association welcomes feedback mechanism from our partners, members and stakeholders. They can reach us by contacting our given telephone and e-mail address that are also disclosed in CARE MBA, Inc.'s website and face book account.</p> <p>Links/References: CARE MBA, Inc. Website, Contact Us</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | Excerpts from Corporate Governance Manual, Chapter VI, Disclosure and Transparency | |
| Principle 7: Members of the board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders. | | | |
| Recommendation 7.1 | | | |
| 1. Board adopts a Code of Business Conduct and Ethics which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company. | Compliant | <p>CARE MBA, Inc. adheres to the Code of Ethics and Conduct that is required to all members, Board of Trustees, officers, and employees. This code aligns with the Association's core values and philosophy of success.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 8. Code of Ethics and Conduct Code of Conduct and Ethics of CARE MBA, Inc. Code of Ethics and Conduct</p> | |
| 2. The Code is properly disseminated to the Board, senior management and employees. | Compliant | <p>The Association practices providing the Code of Ethics and Conduct to newly elected Trustees and members of the Election Committee during their orientation or onboarding, as well as to newly hired employees during their introductory and office orientation sessions.</p> <p>Links/References: Code of Conduct and Ethics of CARE MBA, Inc. Code of Ethics and Conduct During the onboarding and orientation of new set of trustees and election committee, the code of ethics and conduct of CARE MBA, Inc. was discussed.</p> | |
| 3. The Code is disclosed and made available to the public through the company website. | Compliant | <p>The Code of Ethics and Conduct is publicly available on the Association's website for public viewing. It is also readily accessible to its members, Board of Trustees, officers, employees and other stakeholders.</p> <p>Link/Reference: CARE MBA, Inc. Website - Code of Ethics and Conduct Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 8. Code of Ethics and Conduct</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | Code of Conduct and Ethics of CARE MBA, Inc. Code of Ethics and Conduct | |
| Recommendation 7.2 | | | |
| 1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | Compliant | <p>The Board of Trustees recommends full compliance with the Code of Ethics and Conduct through its implementation by management, which is primarily responsible for disseminating the code. Newly elected members of the Board of Trustees, the Election Committee, and newly hired employees are provided with a copy of the code during their orientation and familiarization with CARE MBA, Inc. The code is also discussed and presented as part of the orientation process. Any violation of the Code shall be acted upon based on the recommendation of the Remuneration Committee, subject to confirmation by the Board of Trustees.</p> <p>Links/References: During the onboarding and orientation of new set of trustees and election committee, the code of ethics and conduct of CARE MBA, Inc. was discussed.</p> <p>Code of Conduct and Ethics Code of Ethics and Conduct</p> | |
| 2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies. | Compliant | <p>The General Manager of CARE MBA, Inc. regularly reports to the Board of Trustees during monthly meetings on the implementation of and compliance with the Code of Ethics and Conduct. This enables the Board to effectively monitor and ensure compliance with the Association's internal policies and the proper execution of the Code.</p> <p>Links/References: Code of Conduct and Ethics Code of Ethics and Conduct</p> | |
| 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. | | | |
| Recommendations 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 | Compliant | The board reviewed the Annual Report ensuring to provide relevant information on the Association's operations and financial activities over the past year. It is given to members during the Annual General Meeting, and can also be seen and downloaded by members and partners through the association's website. | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| complete picture of a company's financial condition, results and business operations. | | <p>Links/References: Excerpts from Corporate Governance Manual, Chapter VI, Disclosure and Transparency 2025 Annual Report of CARE MBA, Inc.</p> | |
| Recommendations 8.2 | | | |
| 1. Board fully discloses all relevant and material information in individual board members to evaluate their experience and qualifications and assess any potential conflict of interest that might affect their judgment. | Compliant | <p>All important and relevant information of the Board of Trustees are posted on the Association's website for transparency and accessibility.</p> <p>Link/Reference: Profile of the Board of Trustees are Posted on the Association's Website for Public Viewing and Transparency Profile of the Board of Trustees Declaration of Material Personal Interest of the Board of Trustees</p> | |
| 2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflict of interest that might affect their judgment. | Compliant | <p>All important and relevant information regarding the key officers of CARE MBA, Inc. is posted on the Association's website to promote transparency and allow public access for its partners and members.</p> <p>Links/References: Profile of CARE MBA, Inc. officers are publicly posted in the association's website. Profile of CARE MBA, Inc. Officers</p> | |
| Recommendations 8.3 | | | |
| 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 | <p>The Board of Trustees is duly notified that they shall NOT receive any remuneration for their services rendered as indicated in the Amended Articles of Incorporation, Article Sixth</p> <p>Link/Reference: Excerpts from the Amended Articles of Incorporation, Article Sixth</p> | |
| 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 | Compliant | <p>The performance of the General Manager of the Association is assessed annually by the President. Her remuneration is reviewed by the Remuneration Committee, which recommends any proposed changes for approval by the Board of Trustees.</p> <p>Links/References: Performance Evaluation of the General Manager</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|-------------|
| Governance Scorecard (ACGS) and the Revised Corporation Code. | | 2025 Annual Report Remuneration of the General Manager Remuneration of the General Manager for the Year 2025 | |
| 3. Company discloses the remuneration on an individual basis, including termination and retirement provisions. | Compliant | <p>The remuneration of the General Manager-Mrs. Pelagia C. Mendones is disclosed in the 2025 Annual Report which is publicly posted in the association's website.</p> <p>Link/References: 2025 Annual Report Remuneration of the General Manager Remuneration of the General Manager for the Year 2025</p> | |
| Recommendations 8.4 | | | |
| 1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions. | Compliant | <p>CARE MBA, Inc. maintains a Related Party Transaction (RPT) policy, accessible on the Association's website and incorporated into the Corporate Governance Manual. The policy explicitly states that any member of the Related Party Transactions Committee with a conflict of interest in a specific transaction must abstain from participating in its review and approval process.</p> <p>Link/Reference: CARE MBA, Inc. Website - Policy on Related Party Transactions Excerpts from the Corporate Governance Manual, Chapter V Stakeholders, Section 2. Related Party Transactions</p> | |
| 2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board and submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year. | Compliant | <p>CARE MBA, Inc. disclosed all material or significant Related Party Transactions in its 2025 Annual Report. Such disclosures were made in accordance with the Association's commitment to transparency, accountability and good corporate governance.</p> <p>Link/References: 2025 Annual Report, Related Party Transactions Committee Report 2025 Annual Report, Note 19 Related Party Transactions</p> | |
| Recommendations 8.5 | | | |
| 1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG) | Compliant | <p>The Corporate Governance Manual of CARE MBA, Inc. discloses the governance policies and procedures of the Association. It serves as a guide in promoting transparency, accountability and ethical conduct in all the association's activities and decision-making processes. The Manual also</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|---|-------------|
| | | <p>outlines the roles and responsibilities of the Board of Trustees, management, and committees in ensuring effective corporate governance practices.</p> <p>Link/Reference: Corporate Governance Manual</p> | |
| <p>2. Company's MCG is posted on its company's website.</p> | <p>Compliant</p> | <p>The Corporate Governance Manual is posted on the Association's website for public viewing of members, partners and stakeholders.</p> <p>Links/References: CARE MBA, Inc. Website - Corporate Governance Manual Corporate Governance Manual</p> | |
| <p>Principle 9: Board fully discloses all relevant and material information in individual board members to evaluate their experience and qualifications and assess any potential conflict of interest that might affect their judgment.</p> | | | |
| <p>Recommendations 9.1</p> | | | |
| <p>1. Audit Committee has a robust process for approving and recommending the appointment, re-appointment, removal and fees of the external auditors.</p> | <p>Compliant</p> | <p>The Audit Committee plays a vital role in assisting the board of trustee in fulfilling specific roles assigned to them specifically on recommending the appointment, re-appointment fees and removal of the external auditor.</p> <p>Their action is being presented and the Board of Trustees approved the recommendation of the Audit Committee on process and hiring of the external auditor during their board meeting.</p> <p>This appointment was subsequently confirmed at the 15th Annual General Meeting on May 30, 2025.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 5. Committees of the Board 2. Audit Committee 2025 Annual Report, Excerpts from the Minutes of the 15th Annual General Meeting, General Assembly Resolution No. 008-2025 Approval of the Audit Engagement with Quilab and Garsuta CPAs</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| 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 | The Audit Committee recommended the audit engagement of an external auditor during its committee meeting, subject to the approval of the Board of Trustees. The appointment of the external auditor was unanimously approved by the members/representatives during the Annual General Meeting held on May 30, 2025. Link/Reference: 2025 Annual Report, Excerpts from the Minutes of the 15th Annual General Meeting, General Assembly Resolution No. 008-2025 Approval of the Audit Engagement with Quilab and Garsuta CPAs | |
| 3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company's website and required disclosures. | Compliant | With regard to the external auditor's audit engagement, the Association has not experienced any unsatisfactory audit reports that led to the removal or termination of audit services. This reflects the consistent quality and reliability of the external auditor's professional services in supporting the Association's financial reporting and compliance requirements. | |
| Recommendations 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 | The Audit Committee has its own Terms of Reference which includes their roles, duties and responsibilities to effectively assist the board of trustees. Link/Reference: Terms of Reference - Audit Committee | |
| 2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's sustainability and effectiveness on an annual basis. | Compliant | The Terms of Reference of the Audit Committee disclose the Committee's responsibility for reviewing the performance of the external auditor. This ensures that the audit process remains independent, effective, and aligned with the Association's governance and reporting standards. Link/Reference: Terms of Reference - Audit Committee | |
| Recommendations 9.3 | | | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| 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>Quilab and Garsuta CPAs did not perform any non-audit services for CARE MBA, Inc., and no non-audit fees were paid. This helps maintain the auditor's independence and ensures the objectivity of the audit process.</p> <p>Link/Reference: 2025 Annual Report, External Auditor</p> | |
| 2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity. | Compliant | <p>The Audit Committee recommended to the Board of Trustees the re-engagement of Quilab and Garsuta, CPAs for audit services. This recommendation was formally ratified through Board Resolution No. 056-2025 during the regular meeting of the Board of Trustees held on December 11, 2025 at the CARE MBA, Inc. office.</p> <p>Link/References: Excerpts from the Minutes of Meeting held on December 11, 2025 BOT Resolution No. 056-2025 A Resolution to Enter into Audit Engagement with Quilab & Garsuta, CPAs for the Conduct of Audit and Examination of the Result of Operations for the Year 2025 Audit Proposal from External Auditor Quilab and Garsuta CPAs for year 2025</p> | |
| <p>Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</p> | | | |
| <p>Recommendations 10.1</p> | | | |
| 1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. | Compliant | <p>CARE MBA, Inc. has a firm commitment to being socially responsible and accountable to itself, members, partners and stakeholders. We value our solid engagement to our affiliates that give back to our community and support various campaign on social, community and environmental issues.</p> <p>Our Policy on Social Responsibility to the Community reflects our ongoing commitment to community engagement, and outlines the meaningful services and campaigns we support. This policy not only demonstrates our involvement in key social issues but also ensures that we remain accountable to our partners, members and stakeholders.</p> <p>Links/References: 2025 Annual Report, Social Responsibility to the Community Scholarship Program 2025 Annual Report Social Responsibility to the Community Photos</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| <p>2. Company adopts a global recognized standard/framework in reporting sustainability and non-financial issues.</p> | Compliant | <p>2025 Annual Report, CARE MBA, Inc. Photos of Scholars</p> <p>To provide transparency to all partners and members, the association publishes its Sustainability Report included in the 2025 Annual Report of CARE MBA, Inc.</p> <p>The association's 2025 Annual Report highlights its governance practices, environmental and social initiatives, membership developments, non-financial disclosures, and financial performance for the year.</p> <p>The report also reflects the association's continued commitment to responsible growth, accountability and long-term value creation for members, partners and stakeholders.</p> <p>Links/References: 2025 Annual Report, Sustainability Report of CARE MBA, Inc. 2025 Annual Report of CARE MBA, Inc.</p> | |

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

Recommendations 11.1

| | | | |
|---|-----------|---|--|
| <p>1. The company should have a website to ensure a comprehensive, cost efficient, transparent and timely manner of disseminating relevant information to the public.</p> | Compliant | <p>CARE MBA, Inc. has its own official website, which serves as central hub for sharing important information with partners, members and stakeholders. All relevant content, including updates, announcements and compliance documents, are posted here.</p> <p>By maintaining our own website, we ensure transparency and credibility, demonstrating that we are a trustworthy and a professional association. Additionally, the website serves as our primary platform for communicating with government agencies and submitting required compliances.</p> <p>Link/Reference: CARE MBA, Inc. - Website</p> <p>In addition thereto, our Association also has its official Facebook account that is a good medium to show and extend our services to members, partners and stakeholders. This is a powerful way to communicate with them and to our potential partners and members</p> | |
|---|-----------|---|--|

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | <p>by allowing them to explore our products and services. It also serves as a valuable tool for promoting CARE MBA, Inc., especially since many of our stakeholders are active on Facebook.</p> <p>Link/Reference: CARE MBA, Inc. Official Face book Account</p> | |
| Internal Control System and Risk Management Framework | | | |
| <p>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.</p> | | | |
| Recommendations 12.1 | | | |
| <p>1. Company has an adequate and effective internal control system in the conduct of its business.</p> | Compliant | <p>CARE MBA, Inc. has implemented a broad internal control system that is regularly monitored by its Internal Auditor. This system aligns with the association's standards and aims to ensure efficient operation, financial accuracy, and regulatory compliance. One of the key components of this system is the Codified Approving Signing Authority (CASA) policy, which provides clear guidelines on approval and signing authority within the association.</p> <p>Links/References: Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 1. The Board of Trustees, No. 6. Internal Control Responsibilities of the Board Contract of Service-Internal Auditor Policy on Codified Approving Signing Authority (CASA)</p> | |
| <p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p> | Compliant | <p>CARE MBA, Inc. has established an Enterprise Risk Management Manual (ERM) that prepares the association in applying consistent and comprehensive risk management which includes identifying, evaluating and controlling possible risks effectively. The manual also promotes accountability, strengthens internal controls and supports the association's ability to achieve its strategic and operational objectives.</p> <p>Links/References: Enterprise Risk Management Manual The Risks Assessment and Mitigations are Included in our 2025 Annual Report</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|---|
| <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 Board of Trustees appointed an outsourced Internal Auditor during its Organizational Meeting held on May 30, 2025, as ratified through Board Resolution No. 023-2025, entitled "Approval of the Appointment of Melody L. Bringel as Internal Auditor for the Term 2025–2026." The appointment aims to strengthen the association's internal control system, ensure compliance with applicable regulations and policies and promote transparency and accountability in its operations.</p> <p>Links/References: Excerpts from the Minutes of Organizational Meeting held on May 30, 2025 Excerpts from the Corporate Governance Manual, Chapter II Governance Structure, Section 10. The Internal Auditor Contract of Service-Internal Auditor</p> | |
| <p>1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p> | Non-Compliant | | <p>The board of director has appointed an internal auditor to perform the functions of Chief Audit Executive. including overseeing compliance with the submission of financial reports.</p> |
| <p>2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party, service provider.</p> | Non-Compliant | | |
| <p>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.</p> | Compliant | <p>The association's Internal Auditor, Mrs. Melody L. Bringel, is responsible for the internal audit activities of CARE MBA, Inc. She reports directly to the Chairperson of the Audit Committee, Mr. Gaudioso A. Lavadia, and regularly attends Audit Committee meetings to present her findings and recommendations concerning the association's operations. Thereafter, the Chairperson of the Audit Committee reports the matters discussed, including the auditor's findings and recommendations, to the Board of Trustees.</p> <p>Links/References: Profile of the Chairperson of the Audit Committee Contract of Service-Internal Auditor</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | Profile of the Internal Auditor Audit Committee Meeting via videoconferencing with the attendance of the Internal Auditor-Mrs. Melody L. Bringel held on July 21, 2025 | |
| <p>1. The company has a separate risk management function to identify, assess and monitor key risk exposures.</p> | Compliant | <p>CARE MBA, Inc. has its Enterprise Risk Management Manual (ERM) which prepares the association to implement a consistent and comprehensive approach to risk management. The manual outlines processes for identifying, evaluating and controlling potential risks.</p> <p>Link/Reference: Enterprise Risk Management Manual</p> | |
| <p>1. In managing the company's Risk Management System, the company has a Chief Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).</p> | Compliant | <p>Mrs. Pelagia C. Mendones, the General Manager, assumes the duties and responsibilities of the Chief Risk Officer (CRO) of the association, as she oversees the day-to-day operations of CARE MBA, Inc. The specific duties and responsibilities of the CRO are outlined in the association's Enterprise Risk Management (ERM) Manual.</p> <p>Links/References: Excerpts from the Enterprise Risk Management Manual, The Chief Risk Officer Profile of the Chief Risk Officer</p> | |
| <p>2. CRO has educate authority, stature, resources and support to fulfill his/her responsibilities.</p> | Compliant | <p>Mrs. Pelagia C. Mendones, the General Manager, assumes the duties and responsibilities of the Chief Risk Officer (CRO) of the association, as she oversees the day-to-day operations of CARE MBA, Inc. The specific duties and responsibilities of the CRO are outlined in the association's Enterprise Risk Management (ERM) Manual.</p> <p>Links/References: Excerpts from the Enterprise Risk Management Manual, The Chief Risk Officer Profile of the Chief Risk Officer</p> | |
| Cultivating a Synergic Relationship with Shareholders | | | |
| Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. | | | |
| Recommendations 13.1 | | | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|---|-------------|
| <p>1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.</p> | Compliant | <p>CARE MBA, Inc. is a non-stock, non-profit association owned and managed by its members. In this context, the members are considered the owners of the association and their rights and responsibilities are defined in the Corporate Governance Manual. The association ensures that members are provided with equal opportunity to participate in governance processes and to be informed of significant matters affecting the association.</p> <p>Links/References: Excerpts from Amended by Laws, Article II Membership, Section 2. Rights of Members Excerpts from the Corporate Governance Manual, Chapter IV-Membership, Section 2. Rights of Members</p> | |
| <p>2. Board ensures that basic shareholder rights are disclosed on the company's website.</p> | Compliant | <p>CARE MBA, Inc. is a non-stock, non-profit association owned and managed by its members. In this context, the members are considered the owners of the association, and their rights and responsibilities are defined in the Corporate Governance Manual and By-Laws, which are both publicly available on the association's website to promote transparency and ensure members' awareness.</p> <p>Links/References: The rights of members are publicly disclosed on the association's website to promote transparency and ensure members' awareness. Excerpts from the Corporate Governance Manual, Chapter IV-Membership, Section 2. Rights of Members Excerpts from By-laws, Article III Membership, Section 2. Rights of Members</p> | |
| Recommendations 13.2 | | | |
| <p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholder's Meeting with sufficient and relevant information at least 21 days before the meeting.</p> | Compliant | <p>The Notice/Invitation containing relevant information for the 15th Annual General Meeting of CARE MBA, Inc. was posted on the association's website on April 16, 2025. Along with the notice, the list of candidates for Election 2025 was also publicly disclosed for the review of partners and members. In addition, emails were sent to members and partners, while printed Notices/Invitations were provided to members who visited the office. A 44-day advance notification period was likewise observed to ensure that all members and partners were adequately informed of the Annual General Meeting.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | Link/References: Notice of 15th Annual General Meeting and Notice of Candidacy for Election 2025 were posted on April 16, 2025 on the association's official website. 15th Annual General Meeting Invitation | |
| Recommendations 13.3 | | | |
| 1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders Meeting publicly available the next working day. | Compliant | The minutes of the 15th Annual General Meeting held on May 30, 2025 at St. Jude Coop Hotel and Event Center include relevant questions raised and the corresponding responses during the said meeting. The results of the votes were likewise recorded and reflected in the minutes. The minutes were posted on the same day, immediately following the conclusion of the meeting on May 30, 2025, to ensure timely disclosure and transparency. Link/References: The minutes of 15th Annual General Meeting were posted immediately right after the 15th AGM held on May 30, 2025. Minutes of 15th Annual General Meeting The results of the Election 2025 were disclosed in the minutes of the 15th Annual General Meeting, which were posted immediately after the conclusion of the AGM on May 30, 2025. | |
| 2. Minutes of the Annual and Special Shareholders' Meetings are available on the company's website within five business days from the end of the meeting. | Compliant | CARE MBA's minutes of the 15th Annual General Meeting held on May 30, 2025 at St. Jude Coop Hotel and Event Center were posted on the association's website on the same day, immediately following the conclusion of the meeting. The minutes also disclosed all agenda items, including approving and dissenting opinions, as well as the results of the election. The association utilized Google Forms as the official ballot for the election process. Members and representatives were likewise given the opportunity to raise their queries and concerns during the open forum, as reflected in the minutes. Link/References: The minutes of 15th Annual General Meeting were posted immediately right after the 15th AGM held on May 30, 2025. Minutes of 15th Annual General Meeting | |
| Recommendations 13.4 | | | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| 1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. | Compliant | <p>CARE MBA has feedback and grievance policy for stakeholders and is available to resolve intra-corporate disputes.</p> <p>Link/Reference: Excerpts from Corporate Governance Manual, Chapter V Stakeholders, Section 6, Feedback and Grievance Policy for Stakeholders</p> <p>Grievance Mechanism, CARE MBA, Inc.</p> | |
| 2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance. | Compliant | <p>The Corporate Governance Manual of the Association has its feedback and grievance policy for stakeholders and mechanism for redress of grievances that is available to resolve intra-corporate disputes. It is posted in the Association's website for public viewing of members, partners and stakeholders.</p> <p>Link/Reference: Excerpts from Corporate Governance Manual, Chapter V Stakeholders, Section 6, Feedback and Grievance Policy for Stakeholders</p> <p>Grievance Mechanism, CARE MBA, Inc.</p> | |
| Duties to Stockholders | | | |
| <p>Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.</p> | | | |
| Recommendations 14.1 | | | |
| 1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability. | Compliant | <p>CARE MBA, Inc. is a non-stock, non-profit mutual benefit association, owned and managed by its members. We uphold the rights of our members and, accordingly, the association clearly defines the duties and responsibilities of various stakeholders to foster cooperation among them.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter V, Stakeholders, Section 5. Role of Stakeholders</p> <p>2025 Annual Report, Minutes of 15th Annual General Meeting Delegates/Representatives</p> <p>Excerpts from CARE MBA, Inc. By-laws, Article III-Membership</p> | |
| Recommendations 14.2 | | | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| <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>CARE MBA, Inc. values and protects the rights of all its stakeholders, who are likewise its members. The roles, responsibilities, and rights of stakeholders are defined in the association's Corporate Governance Manual and CARE MBA By-Laws. The association is committed to promoting transparency, accountability and fair treatment in all its dealings with stakeholders.</p> <p>Links/References: Excerpts from Corporate Governance Manual, Chapter V, Stakeholders, Section 5. Role of Stakeholders Excerpts from CARE MBA, Inc. By-laws, Article III-Membership</p> | |
| <p>Recommendations 14.3</p> | | | |
| <p>1. Board adopts a transparent framework and process that allows stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p> | <p>Compliant</p> | <p>The office address, telephone and mobile numbers of CARE MBA, Inc. are publicly listed on the Association's website to promote transparency and accessibility for all partners, members and stakeholders.</p> <p>A dedicated section of the website allows partners, stakeholders, and members to submit their questions and concerns. The authorized individuals responsible for addressing these queries is Mrs. Ma. Lourdes E. Quesa, Admin and Operations Manager.</p> <p>The association also maintains an official Facebook account through which partners and members may directly send their queries, concerns and other communications. This platform serves as an additional channel for stakeholder engagement and timely communication.</p> <p>Links/References CARE MBA, Inc. Website-Contact Us CARE MBA INC. Official Facebook</p> <p>The whistle blowing policy is also disclosed and made publicly available on the Association's website to ensure transparency and accessibility to all partners, stakeholders and members.</p> <p>Link/Reference: Whistle Blowing Policy</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| Principle 15: A mechanism for employee participation should be developed to create a symbolic environment, realize the company's goals and participants in its corporate governance processes. | | | |
| Recommendations 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> | Compliant | <p>The Association has a Social Responsibility Policy that outlines the participation of Board of Trustees, Officers and Employees in various social, environmental and community development activities.</p> <p>These activities include initiatives such as tree planting, coastal clean-up, medical and dental missions, feeding programs, brigada eskwela, scholarship programs, health and wellness activities and similar community-oriented efforts.</p> <p>Links/References: 2025 Annual Report, Social Responsibility to the Community Scholarship Program CARE MBA, Inc. actively participated in various community programs such as brigada eskwela, gift-giving, dental mission and attended the women's month celebration. 2025 Annual Report, CARE MBA, Inc. Photos of Scholars</p> <p>CARE MBA, Inc. encourages its employees to participate in and attend various trainings and seminars to enhance and develop their skills and to gain a better understanding of their roles and responsibilities. The association recognizes that continuous learning and professional development contribute to improved efficiency, productivity and overall employee performance.</p> <p>Links/References: Summary of Employees Benefits 2025 Annual Report, Training and Development of Employees</p> | |
| Recommendations 15.2 | | | |
| <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> | Compliant | <p>The Association's Code of Ethics and Conduct clearly sets forth the principles of good practices and corporate governance that must be observed and complied with by its members, Board of Trustees, employees, and all stakeholders.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | <p>The Code likewise incorporates the association’s anti-corruption policy, which promotes transparency, integrity and accountability in all CARE MBA, Inc.’s dealings and activities.</p> <p>Links/References: Code of Ethics and Conduct of CARE MBA, Inc. 2025 Annual Report, Anti-Corruption Policy</p> | |
| <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>The Staff Training and Development Policy is being disseminated to the employees during their orientation. It is disclosed on the association’s website. Employees must comply and attend the designated trainings and seminars that will be given and assigned to them for self-improvement and additional knowledge that they may use within the association.</p> <p>Links/References: Staff Training and Development Policy 2025 Annual Report, Training and Development of Employees</p> | |
| <p>Recommendations 15.3</p> | | | |
| <p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear or retaliation.</p> | <p>Compliant</p> | <p>Whistleblowing is important in protecting the Association’s partners and members and directly protect CARE MBA Inc.’s fight against fraud, misconduct and corruption. In line with this, our Association created a whistleblowing policy that is publicly available on the Association’s website for transparency and for public viewing of members, partners and stakeholders.</p> <p>Links/References: Whistleblowing Policy is publicly available on CARE MBA, Inc. website CARE MBA, Inc. Website - Contact Us 2025 Annual Report, Whistleblowing Policy</p> | |
| <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 Association has established a Whistleblowing Policy that serves a critical mechanism for protecting the Association’s members and plays a key role in supporting CARE MBA, Inc.'s efforts to combat fraud, misconduct and corruption.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|---|---------------------------|--|-------------|
| | | <p>This policy is posted on the Association’s website to ensure transparency and provide public access for members, partners and stakeholders.</p> <p>Links/References: Whistleblowing Policy</p> <p>Whistleblowing Policy is publicly available on CARE MBA, Inc. website</p> <p>CARE MBA, Inc. Website - Contact Us</p> | |
| <p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p> | <p>Compliant</p> | <p>CAREMBA’s whistle blowing policy is posted on its website and it is also implemented by the Association.</p> <p>However, up to this date there is no specific incident of whistle blowing within the Association.</p> <p>Link/Reference: Whistleblowing Policy is publicly available on CARE MBA, Inc. website</p> <p>Whistleblowing Policy</p> <p>Complaints handling is included in the 2025 Annual Report, including the in-charge persons to contact if there are any complaints or issues within the association.</p> | |
| <p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operate. It should ensure that its interaction serve its environment and stakeholders in a positive and progressive manner that is fully supportive of it comprehensive and balance development.</p> | | | |
| <p>Recommendations 16.1</p> | | | |
| <p>1. Company recognizes and places importance on the independence 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>CARE MBA, Inc. is firmly committed to social responsibility and accountability to its members, stakeholders and the communities it serves. The association values its strong engagement with affiliates and partners in supporting initiatives and campaigns that address social, community, and environmental concerns.</p> <p>The association has also adopted a Policy on Social Responsibility to the Community, which highlights its participation and involvement in various community service activities led by its partners and associates.</p> | |

| | Compliant / Non-Compliant | Additional Information | Explanation |
|--|---------------------------|--|-------------|
| | | <p>In addition, CARE MBA, Inc. offers a Scholarship Program and a Calamity Assistance Policy for members in good standing. These programs demonstrate the association's continuing commitment to member welfare and community support. Further details of these policies are provided below.</p> <p>Links/References: Scholarship Program</p> <p>2025 Annual Report, Social Responsibility to the Community</p> <p>2025 Annual Report, Calamity and Scholarship Program</p> <p>CARE MBA, Inc. actively participated in various community programs such as brigada eskwela, gift-giving, dental mission and attended the women's month celebration.</p> <p>2025 Annual Report, CARE MBA, Inc. Photos of Scholars</p> | |

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 Lucena on the _____ of _____ 2026.

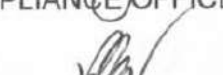

ATTY. JOYCEE M. SIO
PRESIDENT


PELAGIA C. MENDONES
GENERAL MANAGER


ERLENE E. BARANDINO
CORPORATE SECRETARY


MA. LOURDES E. QUESEA
CORPORATE GOVERNANCE
COMPLIANCE OFFICER



GAUDIOSO A. LAVADIA
INDEPENDENT TRUSTEE


MARY JULIET D. R. LABITIGAN
INDEPENDENT TRUSTEE

MAY 12 2026

SUBSCRIBED AND SWORN to before me this _____ day of May 2026, 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 documents as follows:

| NAME | ID NO. | DATE/PLACE ISSUED |
|--------------------------------|---------------------------------------|-------------------|
| 1. Atty. Joyce M. Sio | UMID 000-4305-0424-4 | Lucena City |
| 2. Pelagia C. Mendones | Passport-P3661619B | Lucena City |
| 3. Erlene E. Barandino | UMID 0033-4776389-0 | Lucena City |
| 4. Ma. Lourdes E. Quesea | UMID 0111-1668484-3 | Lucena City |
| 5. Gaudioso A. Lavadia | SSS I. D. 04-0466587-6 | Lucena City |
| 6. Mary Juliet D. R. Labitigan | Phi. Nat'l. I. D. 3278-3751-4684-1629 | Tayabas City |


ATTY. RONALDO A. SALAMILLAS
Notary Public
Until Dec. 31, 2027
Under APPN: 2026-38
IBP No. 584066; PTR No. 1415761; 1-05-2026 / Lucena City
TIN: 145-210-465; Atty.'s Roll No. 34768
MCLE Compliance No. VIII-0015087;
valid until April 14, 2028
G/F Henerosa Bldg., Barcelona St.,
Brgy. 1, Lucena City 4301

Doc. No. 499
Page No. 10
Book No. 914
Series of 2024