

ANNUAL CORPORATE GOVERNANCE REPORT OF
CLIMBS LIFE AND GENERAL INSURANCE COOPERATIVE

1. For the fiscal year ended: **DECEMBER 31, 2025**
2. Certificate Authority Number: **2025/20-R**
3. Province, Country or other jurisdiction of incorporation or organization: **MISAMIS ORIENTAL**
4. Address of Principal Office: **CLIMBS BLDG., ZONE-5 NATIONAL HIGHWAY, BULUA, CAGAYAN DE ORO CITY** Postal Code: **9000**
5. Company's Telephone number, including Area Code: **(088) 881-0275 or (+63)917 701 0662**
6. Company's Official Website: **<https://climbs.coop/>**
7. Former name, Former address, and Former fiscal year, if changed since last report: **NOT APPLICABLE**

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success 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	Provide information or link/reference to a document containing information on the following:	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	1. Cooperative Development Authority (CDA) Memorandum Circular No. 2011-14: Standard Training Curricula for Cooperative Officers	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	COMPLIANT	2. Amended Articles of Cooperation & By-Laws, Article IV, BOARD OF DIRECTORS (Page 17); Section 27. Qualifications of a Regular Director (RD) and an Independent Director (ID).	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	CLIMBS's directors and the type of their directorships: Board of Directors	
Recommendation 1.3			

<p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p>	<p>COMPLIANT</p>	<p>Policy on training of directors:</p> <ul style="list-style-type: none"> • Cooperative Governance Manual, Specific Duties and Responsibilities of a Director (Page 6) • CDA Memorandum Circular No. 2015-09: Revised Guidelines Implementing the New Training Requirements of Cooperative Officers • Insurance Commission (IC) Circular Letter No. 12-2004: Course on Corporate Governance 	
<p>2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Cooperative Governance Manual, GOVERNANCE STRUCTURE, Highlights of Mission and General Responsibility of the Board (Page 5) • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS; Section 5. Training Requirements for the Officers of the Cooperative. 	
<p>3. Company has relevant annual continuing training for all directors.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies 	

Recommendation 1.4

<p>1. Board has a policy on board diversity.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • <u>CDA Memorandum Circular No. 2013-22: Guidelines on Mainstreaming Gender and Development (GAD) in Cooperatives</u> • <u>CDA Memorandum Circular No. 2017-04: Tool for Assessing Progress of Gender Equality in Primary Cooperatives as Supplemental to Memorandum Circular 2013-22.</u> <p>Gender composition of CLIMBS's board: ♂ Males: 6 ♀ Females: 5 Independent Directors: 2 Males</p>	
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Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	CLIMBS's Cooperative Secretary - <ul style="list-style-type: none"> Name: Atty. Daniel O. Evangelio Jr. Qualifications: Member of the Board of Directors for Toril Community Cooperative Duties and Functions: <ol style="list-style-type: none"> Amended Articles of Cooperation & By-Laws, ARTICLE VII - OFFICERS OF CLIMBS (Page 21); Section 50. OFFICERS AND THEIR DUTIES. Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS; Section 4. Functions and Responsibilities of the Officers of the Cooperative. 	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	Corporate governance training attended: <ul style="list-style-type: none"> Co-operative Governance Program - a two-day experiential learning session for the Board and Management members of cooperatives, facilitated by Belgian Raiffeisen Foundation (BRS), from June 29 to 30, 2023 at CERA Building, Leuven, Belgium. Topics covered were: BankInsurance, Sustainability, MicroInsurance data management and strengthening of cooperative education in the Philippines. 	

Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	CLIMBS's Compliance Officer - <ul style="list-style-type: none"> • Name: Ms. Bernadeth N. Bernadas • Position: Vice President - Finance, Investment and Treasury (FIT), and Compliance • Qualifications: holds a degree in Accountancy • Duties & Functions: <ol style="list-style-type: none"> Cooperative Governance Manual, Compliance Office (Page 17) IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies (Page 7) 	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT		
3. Compliance Officer is not a member of the board.	COMPLIANT		
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT		Corporate governance training attended: <ul style="list-style-type: none"> • Post-Graduate Certification in Cooperative Management: Pivoting the Cooperatives in the New Normal. Facilitated by the Asian Institute of Management (AIM) from August 5 to November 10, 2021. Topics covered were: Pivoting the Business Model (Module 1), Leading Innovation and Change (Module 2), Leading the New Normal (Module 3), and Strategic Innovation Planning Workshop.
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			

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • RA 9520: Philippine Cooperative Code of 2008; [...] “ART. 45. Liability of Directors, Officers and Committee Members. <i>Directors, officers and committee members, who are willfully and knowingly vote for or assent to patently unlawful acts or who are guilty of gross negligence or bad faith in directing the affairs of the cooperative or acquire any personal or pecuniary interest in conflict with their duty as such directors, officers or committee members shall be liable jointly and severally for all damages or profits resulting therefrom to the cooperative, members, and other persons.</i>” [...] 	
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Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<ul style="list-style-type: none"> • Cooperative Governance Manual, GOVERNANCE STRUCTURE, Highlights of Mission and General Responsibility of the Board (Page 5) • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS (Page 28); Section 4. Functions and Responsibilities of the Officers of the Cooperative. <p>CLIMBS's review of its business objectives and strategy is its annual Strategic Planning & Review, which was held on November 21–22, 2025 in Cagayan de Oro City.</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.	COMPLIANT		
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>CLIMBS's Chairperson -</p> <ul style="list-style-type: none"> • Name: Rev. Fr. Elmo P. Manching • Qualifications: Chairperson of the Metro Ormoc Community Multi-Purpose Cooperative 	

Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	CLIMBS's succession planning policies and programs and its implementation: <ul style="list-style-type: none"> • Cooperative Governance Manual, GOVERNANCE STRUCTURE, Highlights of Mission and General Responsibility of the Board (Page 5) • RA 9520: Philippine Cooperative Code of 2008; ART. 41. Vacancy in the Board of Directors. 	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT		
Recommendation 2.5			
1. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 19); Section 33. DIRECTORS, COMMITTEES & OFFICERS RENUMERATIONS. • Cooperative Governance Manual, RENUMERATIONS (Page 8) • CDA Memorandum Circular No. 2013-17: Clarificatory Guidelines in the Implementation of Article 46 of Republic Act No. 9520 	
2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		

Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, » ARTICLE II - MEMBERSHIP (Page 10); Section 3. QUALIFICATION OF MEMBERSHIP. » ARTICLE II - MEMBERSHIP (Page 12); Section 8. MEMBER ENTITLED TO VOTE. » ARTICLE IV - BOARD OF DIRECTORS (Page 17); Section 27. Qualifications of a Regular Director (RD) and an Independent Director (ID). • Election Guidelines & Vacancies - CLIMBS Election of Officers, the document containing information on CLIMBS's nomination and election policy and process and its implementation, including the criteria used in selecting new directors. • IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies (Page 11) • Amended Articles of Cooperation & By-Laws, ARTICLE II - MEMBERSHIP (Page 12); Section 10. RIGHTS OF AN ASSOCIATE MEMBER. » Minority Shareholders are called "Associate Members". Unless granted by the General Assembly, they cannot nominate candidates to the board. 	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	NON-COMPLIANT		The inclusion of CLIMBS's Election Policy/Code in its Cooperative Governance Manual will be proposed in the next Board & Management Meeting.
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT		
4. Board nomination and election policy includes how the board reviews nominated candidates.	COMPLIANT		
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		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		

Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT	<ul style="list-style-type: none"> • Cooperative Governance Manual, » GOVERNANCE STRUCTURE, Highlights of Mission and General Responsibility of the Board (Page 5) » CODE OF BUSINESS CONDUCT & ETHICS, Related Policies, Related Party Transactions Policy (Page 14) • CDA Memorandum Circular No. 2022-25: Amended Philippine Financial Reporting Framework (PFRF) for Cooperatives • Transactions that have been categorized as Related Party Transactions (RPTs), which were approved by CLIMBS's BOD pursuant to the policy are in the Annual Report. 	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT		

Recommendation 2.8

<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none">• Amended Articles of Cooperation & By-Laws,<ul style="list-style-type: none">» ARTICLE VII - OFFICERS OF CLIMBS (Page 22); Section 52. APPOINTMENT AND COMPENSATION OF OFFICERS.» ARTICLE VII - OFFICERS OF CLIMBS (Page 23); Section 53. PRESIDENT OF CLIMBS.• Cooperative Governance Manual, GOVERNANCE STRUCTURE, Board of Directors (Page 1)• CLIMBS Management and the heads of the other control functions:<ul style="list-style-type: none">» President & Chief Executive Officer: MR. NOEL D. RABOY» Chief Risk Officer (referred to as Vice President for Operations): MS. BLESILDA L. CUMBA» Chief Compliance Officer: MS. BERNADETH N. BERNADAS» Chief Audit Executive (referred to as Chief Internal Auditor): MR. CARLO A. DE LOS SANTOS	
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<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Cooperative Governance Manual, GOVERNANCE STRUCTURE, Board of Directors (Page 1) • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, <ul style="list-style-type: none"> » RULE 7 - FUNCTIONS, RESPONSIBILITIES, AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS (Page 28); Section 4. Functions and Responsibilities of the Officers of the Cooperative. 4.1. Board of Directors. » RULE 8 - REPORTS REQUIRED FOR COOPERATIVES (Page 34); Section 2. Required Regular Reports. • Assessment process and frequency of assessment of performance: <ul style="list-style-type: none"> » CDA Memorandum Circular No. 2021-04: Performance Audit Report (PAR) for Cooperatives 	
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Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's, including the Chief Executive Officer's, performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	Board's performance management framework for management and personnel: <ul style="list-style-type: none"> • CDA Memorandum Circular No. 2013-15: Performance Report Standard for Cooperatives, • CDA Memorandum Circular No. 2021-04: Performance Audit Report (PAR) for Cooperatives. 	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<ul style="list-style-type: none"> • Cooperative Governance Manual, » COMMITTEES, Audit Committee (Page 9) » COMMITTEES, Internal Controls (Page 11) • CDA Memorandum Circular No. 2024-16: Reiteration of the Prohibitions Under Articles 45, 48, and 49 of Republic Act No. 9520 	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT	<ul style="list-style-type: none"> • Cooperative Governance Manual, » COMMITTEES, Audit Committee, Internal Audit (Page 10) » COMPLIANCE SYSTEM AND INTERNAL CONTROL, Internal Audit (Page 18) 	

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>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Cooperative Governance Manual, Highlights of Mission and General Responsibility of the Board (Page 5) • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS (Page 28); Section 4. Functions and Responsibilities of the Officers of the Cooperative. 4.1. Board of Directors. 	
<p>2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • CDA: Strengthening Risk-Based Supervision in the Cooperative Sector. • Effectiveness of risk management strategies: Annual Report. 	

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>CLIMBS has a Board Protocol which was created in 2012 and it is still being used as a Board Charter up to this day. CLIMBS's Board Protocol is in need of an update which is why substitute documents are referred to for the BOD's roles, responsibilities, and accountabilities in carrying out its fiduciary role, which are:</p> <ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, <ul style="list-style-type: none"> » ARTICLE III - POWERS AND CAPACITIES, (Page 2) » ARTICLE IV - BOARD OF DIRECTORS (Page 18); Section 32. POWERS AND DUTIES OF THE BOARD. » ARTICLE IV - BOARD OF DIRECTORS (Page 22); Section 49. LIABILITIES OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS. • Cooperative Governance Manual, <ul style="list-style-type: none"> » GOVERNANCE STRUCTURE, Board of Directors, Powers and Duties of the Board of Directors (Page 4) » Highlights of Mission and General Responsibility of the Board (Page 5) » Specific Duties and Responsibilities of a Director (Page 6) » A Director of the Company shall observe the following norms of conduct (Page 6) » Officers and Their Duties (Page 6) 	A technical working group has been assigned to expedite the updating of CLIMBS's Board Protocol.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT			
3. Board Charter is publicly available and posted on the company's website.	NON-COMPLIANT			Updating the Board Charter and making it publicly available on CLIMBS's website will be one of the main focus in the next Board & Management Meeting.

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

<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>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE V - COMMITTEES (Page 19) • Cooperative Governance Manual, COMMITTEES (Page 8) • CLIMBS's list of Committees. 	
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Recommendation 3.2

<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>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE V - COMMITTEES (Page 20); Section 37. THE AUDIT COMMITTEE (AC). • Cooperative Governance Manual, COMMITTEES, Audit Committee (Page 9). • Appointment and removal of the cooperative's external auditor; » Amended Articles of Cooperation & By-Laws, ARTICLE V - COMMITTEES (Page 20); Section 37. THE AUDIT COMMITTEE (AC). » Cooperative Governance Manual, COMPLIANCE SYSTEM AND INTERNAL CONTROL, External Audit (Page 18) 	
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<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Members of the Audit Committee, including their qualifications: <ol style="list-style-type: none"> 1. Dr. Edward Banawa - Board of Directors Chairperson for MSU-IIT National Multi-Purpose Cooperative, 2. Joselito O. Santillan - Board of Directors Member for Sta. Ana Multi-Purpose Cooperative, 3. Atty. Isidro Q. Lico - Board of Directors Chairperson for Oro Savings and Sharing Multi-Purpose Cooperative. • Type of directorship: <ul style="list-style-type: none"> » Amended Articles of Cooperation & By-Laws, ARTICLE V - COMMITTEES (Page 20); Section 37. THE AUDIT COMMITTEE (AC). 	
<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>	<p>COMPLIANT</p>	<p>Background, knowledge, skills, and/or experience of the members of the Audit Committee:</p> <ul style="list-style-type: none"> • Dr. Edward Banawa - MSU IIT National Multi-Purpose Cooperative (MSUITNMPC), • Mr. Joselito O. Santillan - Sta. Ana Multi-Purpose Cooperative (SAMULCO), • Atty. Isidro Q. Lico - Oro Savings and Sharing Multi-Purpose Cooperative (OSSMPC). 	

<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>Chairman of the Audit Committee: Mr. Joselito O. Santillan of Sta. Ana Multipurpose Cooperative (SAMULCO). He is not the Chairman of the BOD of CLIMBS or of any other committee.</p>	
<p>Recommendation 3.3</p>			

<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	<p style="text-align: center; color: red;">NON-COMPLIANT</p>	<p>CLIMBS's Remuneration Committee is still tasked to assist the BOD in the performance of its corporate governance responsibilities. Its functions are based on: SEC Memorandum Circular No. 02, series of 2002: Code of Corporate Governance.</p> <p>"II. The Board Governance</p> <p>[...]</p> <p>9. Board Committees</p> <p><i>The Board shall constitute Committees in aid of good corporate governance.</i></p> <p>[...]</p> <p><i>B. The Board may also constitute the following committees:</i></p> <p>a. [...] <i>may review and evaluate the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board and provide assessment on the Board's effectiveness in directing the process of renewing and replacing Board members.</i></p> <p>[...]"</p>	<p>Creating a Corporate Governance Committee has been proposed in the recent Board & Management Meeting.</p>
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<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p style="text-align: center;">NON-COMPLIANT</p>	<p><u>Members of CLIMBS's Remuneration Committee</u> (in lieu of a Corporate Governance Committee), including their qualifications and type of directorship:</p> <ul style="list-style-type: none"> • Engr. Pacienciao A. Tomarong - General Manager of Aurora Integrated Multi-Purpose Cooperative (AIMCOOP) • Ms. Sheila M. Aranda - Chief Executive Officer of Providers Multi-Purpose Cooperative • Nick T. Tayabas, CPA, CIS, AFP, CCM - Chief Executive Officer of Nabunturan Integrated Cooperative (NICO). 	<p>Creating a Corporate Governance Committee has been proposed in the recent Board & Management Meeting.</p>
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p style="text-align: center;">COMPLIANT</p>	<p>The Chairperson of CLIMBS's Remuneration Committee is Engr. Pacienciao A. Tomarong, in accordance with Amended <u>Articles of Cooperation & By-Laws</u>, ARTICLE V - COMMITTEES (Page 20); Section 39. REMUNERATION AND PERSONNEL COMMITTEE.</p>	

Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	COMPLIANT	The Insurance Commission (IC) states in IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies ; "Principle 3. Establishing Board Committees, Recommendation 3.2, [...] The Audit Committee has the following duties and responsibilities, among others: [...] <i>k. In case the company does not have a Board Risk Oversight Committee and/or Related Party Transactions Committee, performs the functions of said committees as provided under Recommendations 3.4 and 3.5."</i>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	The members of CLIMBS's Audit Committee are mentioned in this I-ACGR; Principle 3, Recommendation 3.2, subsection 3.	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	Please refer to Principle 3, Recommendation 3.2, subsection 4.	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	Please refer to Principle 3, Recommendation 3.2, subsection 3.	
Recommendation 3.5			

<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>COMPLIANT</p>	<p>The Insurance Commission (IC) states in IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies; “Principle 3. Establishing Board Committees, Recommendation 3.2, [...] <i>The Audit Committee has the following duties and responsibilities, among others:</i> [...] <i>k. In case the company does not have a Board Risk Oversight Committee and/or Related Party Transactions Committee, performs the functions of said committees as provided under Recommendations 3.4 and 3.5.”</i></p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>COMPLIANT</p>	<p>Please refer to Principle 3, Recommendation 3.2, subsection 3.</p>	

Recommendation 3.6			
<p>1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.</p>	<p style="text-align: center;">NON- COMPLIANT</p>	<ul style="list-style-type: none"> CLIMBS's committee charters: CLIMBS has established several Board Committees to support the effective performance of governance functions. At present, formal Committee Charters have been adopted for the following committees: Election Committee, Audit Committee, and Gender and Development (GAD) Committee. 	<p>CLIMBS is undertaking a policy enhancement initiative to ensure that all Board Committees are supported by duly approved and standardized Committee Charters, aligned with regulatory expectations.</p>
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p style="text-align: center;">COMPLIANT</p>	<p>The remaining committees—namely the Remuneration Committee, Education Committee, Mediation Committee, and Ethics Committee—are currently operational but are in the process of formalizing their respective Committee Charters. To partially satisfy the requirement of a formal Committee Charter as contemplated under corporate governance standards, the mentioned committees rely on Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS (Page 28).</p> <ul style="list-style-type: none"> Functions of the Committee that is necessary for performance evaluation purposes: 	

		CDA Memorandum Circular No. 2021-04: Performance Audit Report (PAR) for Cooperatives	
<p>3. Committee Charters were fully disclosed on the company's website.</p>	<p>NON-COMPLIANT</p>	<p>There are existing internal policies to support the functions of specific committees.</p>	<p>There is an ongoing review and updating of the existing Committee Charters to ensure alignment with current regulatory requirements and governance best practices. Upon completion of the review process and approval by the Board of Directors, all finalized Committee Charters will be uploaded and made publicly available through the CLIMBS's official website.</p>

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

<p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p>COMPLIANT</p>	<p>Process and procedure for tele/videoconferencing board and/or committee meetings:</p> <ul style="list-style-type: none"> • CDA Memorandum Circular No. 2023-03: Guidelines on the Conduct of Meetings of the Board of Directors, Members of Committees, and Management Staff of Cooperatives through Videoconferencing or Physical Attendance, • IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies (Page 24). <p>Attendance and participation of directors to Board, Committee and shareholders' meetings:</p> <ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 17); Section 29. MEETING OF THE DIRECTORS, • Cooperative Governance Manual, MEETING OF DIRECTORS (Page 8). 	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • IC Circular Letter No. 2020-71: Revised Code of Corporate Governance for Insurance Commission Regulated Companies (Page 24), • Template of Cooperative Code of Good Governance, Article IV - The Board of Directors; Section 8. Access to Information. 	

<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>COMPLIANT</p>	<p>Questions raised or clarification/explanation sought by the directors: CLIMBS's Board of Directors are strongly encouraged—and expected—to ask questions and seek clarification during board meetings. Asking questions is considered a critical part of a director's fiduciary duty of care, ensuring they are acting with reasonable care, skill, and diligence on behalf of the members. While formal board meeting minutes are confidential, director participation is recorded and monitored through the Recording Secretary and the Corporate Secretary.</p> <p>During Annual General Assemblies, the Board Chairperson and Committee Chairs likewise facilitate active participation by ensuring agenda items are discussed thoroughly. Together with CLIMBS's executive officers, they respond to queries raised by member-cooperative representatives, demonstrating transparency and accountability to the membership.</p>	
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Recommendation 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>	<p>NON-COMPLIANT</p>	<p>CLIMBS does not currently have a formal policy prescribing a fixed limit on the number of directorships that non-executive directors may concurrently hold in other Insurance Commission Regulated Entities (ICREs) and publicly-listed companies.</p> <p>However, CLIMBS requires its directors to disclose their existing directorships and affiliations in both listed and non-listed entities to promote transparency and to enable the Board to assess any potential conflicts of interest, as well as the capacity of directors to effectively discharge their duties.</p>	<p>The adoption of a formal policy—such as a “Declaration of Outside Directorships” and setting limits on concurrent board seats—is currently being proposed and will be presented for consideration and approval by the Board of Directors.</p> <p>Pending the adoption of such policy, the Cooperative continues to monitor directors' external commitments through required disclosures and internal governance processes.</p>
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Recommendation 4.3

<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>COMPLIANT</p>	<p>CLIMBS as a secondary cooperative is not in a position to disallow its directors to accept a directorship in another cooperative unless it results in a conflict of interest, in accordance with:</p> <ul style="list-style-type: none"> • CDA Memorandum Circular No. 2020-31: Prohibitions/Disqualifications under Article 39 (3) and (4) and Article 42 of R.A. 9520, • CDA Memorandum Circular No. 2024-16: Reiteration of the Prohibitions under Articles 45, 48, and 49 of R.A. 9520. 	
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1			
<p>1. The Board is composed of at least twenty percent (20%) independent directors.</p>	<p>COMPLIANT</p>	<p>CLIMBS has <u>two (2) Independent Directors</u>, which is aligned with CLIMBS's size, complexity, and risk profile.</p> <ul style="list-style-type: none"> • <u>Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 15); Section 24. COMPOSITION OF THE BOARD OF DIRECTORS.</u> 	
Recommendation 5.2			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>COMPLIANT</p>	<p>CLIMBS's Independent Directors both possess all the qualifications and none of the disqualifications to hold the positions.</p> <ul style="list-style-type: none"> • <u>Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 17); Section 27. Qualifications of a Regular Director (RD) and an Independent Director (ID).</u> 	
Recommendation 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> <p>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 term.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, » ARTICLE IV - BOARD OF DIRECTORS (Page 15); Section 24. COMPOSITION OF THE BOARD OF DIRECTORS. » ARTICLE IV - BOARD OF DIRECTORS (Page 16); Section 26. TRANSITORY PROVISIONS. 	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 15); Section 24. COMPOSITION OF THE BOARD OF DIRECTORS. “[...] a.3.) <i>The Independent Directors shall hold office for a term of two (2) years but not more than five (5) years. [...]</i>” <p>While there is currently no provision explicitly barring reappointment beyond this term, the cooperative adheres to the principle of independence by ensuring limited terms and encouraging the rotation of directors.</p>	

<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 seeks shareholders' approval during the annual shareholders' meeting.</p>	<p>COMPLIANT</p>	<p>There has not been an instance wherein an Independent Director of CLIMBS is retained in the same capacity after nine (9) years, but in the event of such a case CLIMBS will comply with the Insurance Commission's (IC) Circular Letter No. 2018-36: Rules on Number of Seats, Qualifications, and Term Limits of Independent Directors.</p>	
<p>Recommendation 5.4</p>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>COMPLIANT</p>	<p>The positions are held by separate individuals;</p> <ul style="list-style-type: none"> • Chairman of the Board: Rev. Fr. Elmo P. Manching of Metro Ormoc Community Multi-Purpose Cooperative (OCCCI), • President and Chief Executive Officer: Mr. Noel D. Raboy. 	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>COMPLIANT</p>	<p>The roles and responsibilities of the Chairman of the Board and Chief Executive Officer:</p> <ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, <ul style="list-style-type: none"> » ARTICLE VII - OFFICERS OF CLIMBS (Page 21); Section 50. OFFICERS AND THEIR DUTIES. » ARTICLE VII - OFFICERS OF CLIMBS (Page 23); Section 53. PRESIDENT OF CLIMBS. <p>The relationship of Chairman and CEO: IC Circular Letter No. 2016-51: Corporate Governance Principles and Leading Practices (Page 2).</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>	<p>NON-COMPLIANT</p>	<p>CLIMBS's Amended Articles of Cooperation & By-Laws, ARTICLE VII - OFFICERS OF CLIMBS (Page 15); Section 24. COMPOSITION OF THE BOARD OF DIRECTORS, does not explicitly provide the role of a Lead Independent Director or how to designate one. However, under (Page 17); Section 27. Qualifications of a regular Director (RD) and an Independent Director (ID), the IDs fulfill their responsibilities without conflict of interest and as advisers of the Board.</p> <p>According to CLIMBS's Amended Articles of Cooperation & By-Laws, ARTICLE VII - OFFICERS OF CLIMBS (Page 16); Section 25. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN, the Chairperson must be elected from among the Regular Directors, and is therefore <u>not</u> an independent director.</p>	<p>Reconciling cooperative practices and IC regulation (Circular Letter No. 2018-36), in terms of the definition and roles of Independent Directors, as well as formally recognizing a Lead Independent Director will be proposed to CLIMBS's BOD.</p>
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations for the same.</p>	<p>COMPLIANT</p>	<p>Proof of abstention may be found on any of CLIMBS's Annual Reports.</p>	

Recommendation 5.7

<p>1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.</p>	<p style="text-align: center;">NON-COMPLIANT</p>	<p>CLIMBS does not currently conduct separate periodic meetings between non-executive directors and the external auditor, as well as the heads of internal audit, compliance, and risk management functions, without the presence of executive directors.</p>	
<p>2. The meetings are chaired by the lead independent director.</p>	<p style="text-align: center;">NON-COMPLIANT</p>	<p>While such practice is not expressly required under Republic Act No. 9520: Philippine Cooperative Code of 2008 and existing issuances of the Cooperative Development Authority (CDA), CLIMBS recognizes that this mechanism is a key governance practice under the Insurance Commission Circular Letter No. 2016-51: Corporate Governance Principles and Leading Practices to strengthen independence, transparency, and checks and balances within the organization.</p> <p>At present, interactions between the Board, Management, and oversight functions occur during regular Board and committee meetings, where audit, compliance, and risk matters are discussed. However, CLIMBS acknowledges that the absence of executive-free sessions may limit the ability of non-executive directors to independently engage oversight functions.</p>	<p>CLIMBS is currently evaluating the adoption of structured executive sessions between non-executive directors and control functions. The integration of this practice into CLIMBS's governance framework will be proposed for approval by Top Management and the Board of Directors as part of its ongoing alignment with Insurance Commission governance standards.</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.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	NON-COMPLIANT	CLIMBS does not yet conduct a formalized and structured annual self-assessment of the Board of Directors as a body, nor separate evaluations for individual directors, the Chairperson, and Board Committees. Likewise, the Cooperative has not engaged an external facilitator to support such assessments every three (3) years.	CLIMBS acknowledges that these mechanisms do not yet fully satisfy the requirement for a formal, Board-driven self-assessment process as contemplated under corporate governance best practices and the Insurance Commission Circular Letters No. 2016-51 and 2020-71 , which emphasize regular and structured evaluations of the Board, its individual members, the Chairperson, and its committees, including periodic use of external facilitators.
2. The performance of the Chairman is assessed annually by the Board.	NON-COMPLIANT		
3. The performance of the individual members of the Board is assessed annually by the Board.	NON-COMPLIANT		
4. The performance of each committee is assessed annually by the Board.	NON-COMPLIANT		

<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p style="text-align: center;">NON-COMPLIANT</p>	<p>At present, oversight of the Board's performance is exercised by the General Assembly (GA), which, as the highest policy-making body of the Cooperative under RA 9520: Philippine Cooperative Code of 2008; ART. 33. Powers of the General Assembly., reviews and evaluates the overall performance of the Board of Directors in managing the affairs of the Cooperative.</p> <p>In addition, CLIMBS complies with CDA Memorandum Circular No. 2021-04: Performance Audit Report (PAR) for Cooperatives, which provides a structured framework for assessing the Cooperative's governance, management practices, and operational performance. Through the Governance and Management Audit Working Paper (Performance Audit Report) and the Cooperative Annual Progress Report (CAPR), CLIMBS is able to identify strengths and areas for improvement in its governance systems.</p>	<p>The adoption and implementation of a formal Board Performance Evaluation Framework and the Engagement of an independent external facilitator every three (3) years, will be proposed to Top Management and the Board of Directors as part of the Cooperative's continuing efforts to align with Insurance Commission governance standards and strengthen its overall governance practices.</p>
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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>	<p style="text-align: center;">NON-COMPLIANT</p>	<ul style="list-style-type: none">• While CLIMBS does not yet have a formalized and documented system that provides defined criteria and processes for evaluating the performance of the Board of Directors as a whole, individual directors, and Board Committees, the CDA under Memorandum Circular No. 2021-04: Performance Audit Report (PAR) for Cooperatives provides that a Director in a cooperative is evaluated based on their performance, qualifications, and independence as part of the board’s collective responsibility to the general assembly. Evaluations typically involve self-assessment, board-level performance reviews (as a collective entity), and member feedback. <p><u>Annual Performance Assessment:</u> The Board of Directors should conduct an annual self-evaluation or appraisal of its performance, both as a body and individually, focusing on leadership, stewardship, and teamwork.</p>	<p>CLIMBS is currently developing a structured Board Performance Evaluation System. The proposed system will be submitted for review and approval to Top Management then to the Board of Directors, as part of the CLIMBS’s continuing efforts to strengthen its governance framework.</p>
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<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Mechanisms that allow for feedback from member-cooperatives (shareholders) are more commonly practiced, particularly during the Annual General Assembly (AGA). These feedback mechanisms may include: <ul style="list-style-type: none"> » Ratification of Board Actions and Reports, which implicitly signals member approval or concerns; » Open forums or Member Dialogue Sessions during the AGA; » Satisfaction Surveys, distributed before or during the assembly to gather insights on cooperative leadership and services; » Member grievance mechanisms, which may include leadership-related concerns. 	
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Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>COMPLIANT</p>	<p>CLIMBS's Code of Conduct and Ethical Standard.</p>	
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<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>COMPLIANT</p>	<p>The Code is disseminated to the senior management and employees through the CLIMBS Employee Handbook when they are officially hired.</p> <p>Dissemination of the Code to the Board is done during orientation following their assumption of office so that they are familiar with their roles and responsibilities.</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>COMPLIANT</p>	<p>CLIMBS's website where the Code of Business Conduct and Ethics is posted/disclosed may be accessed here.</p>	
Recommendation 7.2			
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies: 	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> » Code of Conduct and Ethical Standard, ARTICLE XI. DISCIPLINARY ACTIONS AGAINST ERRING EMPLOYEES (Page 10); C. ADMINISTRATIVE JURISDICTION/RULES AND PROCEDURES. • Who are required to comply with the Code of Business Conduct and Ethics: » Code of Conduct and Ethical Standard, ARTICLE I. INTRODUCTION (Page 1); Section 2. DECLARATION OF POLICY. 	

Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	COMPLIANT	Reference to CLIMBS's disclosure policies and procedures including reports distributed/made available to member-cooperatives (shareholders) are accessible via CLIMBS's Annual Reports .
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Recommendation 8.2

1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	<ul style="list-style-type: none"> • CLIMBS's policy requiring directors and officers to disclose their dealings in the company's share: <ul style="list-style-type: none"> » Cooperative Governance Manual,
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	<p>COMMUNICATION AND INFORMATION (Page 20); Reports and Disclosures.</p> <ul style="list-style-type: none"> » Code of Conduct and Ethical Standard, ARTICLE XIII. GENERAL PROVISIONS (Page 24). » CDA Memorandum Circular No. 2024-16: Reiteration of the Prohibitions Under Articles 45, 48 and 49 of Republic Act No. 9520. <ul style="list-style-type: none"> • Actual dealings of directors involving CLIMBS's shares including their nature, number/percentage and date of transaction are accessible via CLIMBS's Annual Reports.

Recommendation 8.3

<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>For CLIMBS's Board of Directors:</p> <ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 17); Section 27. Qualifications of a Regular Director (RD) and an Independent Director (ID). • Cooperative Governance Manual, GOVERNANCE STRUCTURE (Page 2); Qualifications of a Regular Director (RD) and an Independent Director (ID). • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS (Page 28). • CDA Memorandum Circular No. 2025-09: Required and Recommended Trainings for Members, Officers, and Staff of Cooperative. • Annual Report. 	
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<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>For CLIMBS's key executives:</p> <ul style="list-style-type: none"> • <u>Amended Articles of Cooperation & By-Laws, ARTICLE VII - OFFICERS OF CLIMBS</u> (Page 21). • <u>Cooperative Governance Manual, Officers and Their Duties</u> (Page 6). • <u>Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS</u> (Page 28). • <u>CDA Memorandum Circular No. 2025-09: Required and Recommended Trainings for Members, Officers, and Staff of Cooperative.</u> • <u>Annual Report.</u> 	
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Recommendation 8.4			
<p>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.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 19); Section 33. DIRECTORS, COMMITTEES & OFFICERS RENUMERATIONS. • CDA Memorandum Circular No. 2013-17: Clarificatory Guidelines in the Implementation of Article 46 of Republic Act No. 9520. • Template of Cooperative Code of Good Governance, Article IV - The Board Of Directors (Page 7); Section 12. Compensation and Per Diem of Directors and Officers. 	
<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 Governance Scorecard (ACGS) and the Revised Corporation Code.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 19); Section 33. DIRECTORS, COMMITTEES & OFFICERS RENUMERATIONS. • CDA Memorandum Circular No. 2013-17: Clarificatory Guidelines in the Implementation of Article 46 of Republic Act No. 9520. • Template of Cooperative Code of Good Governance, Article IV - The Board Of Directors (Page 7); Section 12. Compensation and Per Diem of Directors and Officers. 	

<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • CDA Memorandum Circular No. 2013-17: Clarificatory Guidelines in the Implementation of Article 46 of Republic Act No. 9520. • CDA Memorandum Circular No. 2015-06: Philippine Financial Reporting Framework for Cooperatives. • CDA Memorandum Circular No. 2020-30: Goodwill Program for Cooperative Officers. 	
Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • CLIMBS's Related Party Transactions (RPT) Policy 2018. • Cooperative Governance Manual, Related Party Transactions Policy (Page 14). • CDA Memorandum Circular No. 2015-06: Philippine Financial Reporting Framework for Cooperatives. • Code of Conduct and Ethical Standard, ARTICLE VI. DISCLOSURE AND TRANSPARENCY (Page 3). 	
<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.</p>	<p>COMPLIANT</p>	<p>Information on all RPTs for the previous year, if any, are stated in CLIMBS's Annual Report.</p>	

Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	COMPLIANT	CLIMBS makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its member-cooperatives (shareholders) through its Annual Report , in accordance with RA 9520: Philippine Cooperative Code of 2008; ART. 53. Reports.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	CLIMBS's independent party appointed to evaluate the fairness of the transaction price is P&A Grant Thornton . P&A Grant Thornton discussed the rules and procedures for evaluating the fairness of the transaction price in CLIMBS's Annual Report .	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANCE	CLIMBS's Manual on Corporate/Cooperative Governance is posted here .	
2. Company's MCG is posted on its company website.	COMPLIANCE		

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE VI - AUDIT, INQUIRY AND MEMBERS' RIGHT TO EXAMINE (Page 21); Section 45. APPOINTMENT OF AN INDEPENDENT EXTERNAL AUDITORS. • Cooperative Governance Manual, Audit Committee (Page 9) • CDA Memorandum Circular No. 2023-05: New Guidelines in the Accreditation of Cooperative External Auditors. 	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>COMPLIANT</p>	<p>Amended Articles of Cooperation & By-Laws, ARTICLE VI - AUDIT, INQUIRY AND MEMBERS' RIGHT TO EXAMINE (Page 15); "Section 22. QUORUM FOR THE GENERAL ASSEMBLY. The presence of at least twenty-five percent (25%) of Members in Good Standing (MIGS) shall constitute a quorum for the transaction of business."</p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>COMPLIANT</p>	<p>CLIMBS's reason for changing its external auditor is mentioned in the 2023 edition of its Annual Report.</p>	

Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>	COMPLIANT	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE V - COMMITTEES (Page 20); Section 37. THE AUDIT COMMITTEE (AC). • Cooperative Governance Manual, Audit Committee (Page 9). • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 7 - FUNCTIONS, RESPONSIBILITIES AND TRAINING REQUIREMENTS OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS (Page 31). • IC Circular Letter No. 2002-13: Corporate Governance (Page 5) • CLIMBS's Audit Committee Charter (2019). 	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	COMPLIANT	<ul style="list-style-type: none"> • Cooperative Governance Manual; » Audit Committee (Page 9), » External Audit (Page 18). 	
Recommendation 9.3			
<p>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.</p>	COMPLIANT	<p>There are <u>no</u> non-audit services performed by the external auditor for fiscal year 2025.</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	<ul style="list-style-type: none"> • CDA Memorandum Circular No. 2023-05: New Guidelines in the Accreditation of Cooperative External Auditors. • IC Circular Letter No. 2009-29: Revised Guidelines on Accreditation of Auditing Firms and External Auditors. 	
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Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	<ul style="list-style-type: none"> • CDA Memorandum Circular No. 2018-01: Revised Guidelines on Social Audit of Cooperative. • CDA Memorandum Circular No. 2021-07: Guidelines on Sound Environmental Practices for Cooperatives. • Philippine Cooperative Development Plan (PCDP). 	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT	<p>CLIMBS's Board and Management Sustainability Report may be found in the Annual Report. The standards used are in accordance with:</p> <ul style="list-style-type: none"> • Rules and Regulations Implementing Certain Provisions of the Philippine Cooperative Code of 2008, RULE 8 - REPORTS REQUIRED FOR COOPERATIVES (Page 34). • CDA Memorandum Circular No. 2018-01: Revised Guidelines on Social Audit of Cooperative. • CDA Memorandum Circular No. 2021-07: Guidelines on Sound Environmental Practices for Cooperatives. 	

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

Recommendation 11.1

<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p>COMPLIANT</p>	<p>The communication channels used by CLIMBS are as follows:</p> <ul style="list-style-type: none"> • Official website, • LinkedIn, • Facebook page, • Twitter (now X), • Instagram, • TikTok, and • YouTube channel. 	
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>Quality service programs for the internal audit functions:</p> <ul style="list-style-type: none"> • CDA Memorandum Circular No. 2011-14: Standard Training Curricula for Cooperative Officers. • CDA Memorandum Circular No. 2015-09: Revised Guidelines Implementing the New Training Requirements of Cooperative Officers. • CDA Rolls Out the Quality Management System (QMS) Training Program. <p>Frequency of review of the internal control system:</p> <ul style="list-style-type: none"> • RA 9520: Philippine Cooperative Code of 2008; ART. 53. Reports. “[...] <i>These reports shall be filed with the Authority within one hundred twenty (120) days from the end of the calendar year. The form and contents of the reports shall be as prescribed by the rules of the Authority. [...]</i>” 	
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>International frameworks used for Enterprise Risk Management:</p> <ul style="list-style-type: none"> • Sendai Framework for Disaster Risk Reduction 2015-2030 (Sendai Framework). • PFRS 17 Insurance Contracts (in accordance with IC Circular Letter 2024-04). <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. CLIMBS's risk management procedures and processes: <ol style="list-style-type: none"> a. Risk Identification and Aggregation; b. Risk Measurement; c. Risk Mitigation and Treatment; d. Governance and Reporting Processes. 2. Key risks CLIMBS is currently facing: <ol style="list-style-type: none"> a. Onerous Contract Risk, b. Operational and Data Challenges, c. Estimating Risk Adjustment, and d. Significant Judgment in Assumptions. 3. How CLIMBS manages the key risks: <ol style="list-style-type: none"> a. Estimates of future cash flows, b. Discount rates, c. Risk adjustment for non-financial risk, and d. Contractual Service Margin (CSM). <p>Frequency of review of the enterprise risk management framework: Annually.</p>	
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Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	CLIMBS's internal audit is in-house .	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	CLIMBS's <i>Chief Internal Auditor</i> (or Chief Audit Executive - CAE) is Mr. Carlo A. de los Santos and his responsibilities are referenced under: <ul style="list-style-type: none"> • Cooperative Governance Manual, » COMMITTEES, Audit Committee, Internal Audit (Page 10). » Internal Audit (Page 18). 	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	COMPLIANT		
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.	COMPLIANT	In case of a fully outsourced internal audit activity , a personnel from either the Audit Committee or the Internal Audit will be assigned, instead of a qualified independent executive or senior management personnel.	

Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	CLIMBS's risk management function is its Governance and Risk Management Framework ; <ul style="list-style-type: none"> • Annual Report. • Cooperative Governance Manual; » Highlights of Mission and General Responsibility of the Board (Page 5). » Internal Audit (Page 18).	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	CLIMBS's Chief Risk Officer (CRO) is its Vice President for Operations, Ms. Blesilda L. Cumba . Here are links to her responsibilities and qualifications/background .	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT		
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Cooperative Governance Manual , STOCKHOLDER'S RIGHT AND PROTECTION OF MINORITY STOCKHOLDERS INTERESTS (Page 21).	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Link to CLIMBS's website	
Recommendation 13.2			

<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE III - GOVERNMENT (Page 14); Section 20. NOTICE OF MEETING. “[...] <i>The notice shall state the purpose, the time, date and place of assembly, and at the discretion of the Board of Directors shall be served by the Secretary or his authorized representative by email or facsimile to its last known email address or fax number at least fifteen (15) days prior to the date of the assembly to each member entitled to vote. No business shall be transacted at assemblies other than that referred to in the notice. [...]</i>” • Amended Articles of Cooperation & By-Laws, ARTICLE IV - BOARD OF DIRECTORS (Page 19); Section 33. DIRECTORS, COMMITTEES & OFFICERS RENUMERATIONS. “<i>The members of the Board of Directors, Committees and officers shall receive such remuneration as may be approved by the general assembly each year. [...]</i>” • CLIMBS's 53rd Annual General Assembly, A Climate Insurance: Year 2, with the theme: "CLIMBS: Empowering Communities and Advancing Sustainability," was held from April 28 to 29, 2025 at Radisson Blu Hotel, Cebu City. A detailed agenda of the event may be found in the 2025 Annual Report. 	
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Recommendation 13.3			
<p>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.</p>	<p>COMPLIANT</p>	<p>Information on all relevant questions raised and answers during the CLIMBS's 53rd Annual General Assembly (AGA) and the results of the election may be found in CLIMBS's 2025 Annual Report.</p>	
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.</p>	<p>COMPLIANT</p>	<p>Provide link to minutes of meeting in the company website.</p> <p>CLIMBS's 53rd Annual General Assembly had 35 Resolutions plus the Declaration of the Newly Elected Officers.</p> <p>Voting on resolutions is done through <u>motions</u> to reflect the will of the membership during General Assembly (GA) meetings.</p> <p><u>Yes</u>, there was an opportunity to ask questions in accordance with - » RA 9520: Philippine Cooperative Code of 2008; ART. 33. Powers of the General Assembly. » Amended Articles of Cooperation & By-Laws, ARTICLE III - GOVERNMENT (Page 13); Section 16. POWERS OF THE GENERAL ASSEMBLY.</p> <p>Answers are given right away or may be put on hold for the next AGA.</p>	
Recommendation 13.4			

<p>1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p>	<p>COMPLIANT</p>	<p>Amended Articles of Cooperation & By-Laws, ARTICLE XI - SETTLEMENT OF DISPUTES (Page 26).</p>	
<p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p>Cooperative Governance Manual, STOCKHOLDER'S RIGHT AND PROTECTION OF MINORITY STOCKHOLDERS INTERESTS (Page 23); Alternative Dispute Mechanism.</p>	

Duties to Stakeholders

Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE II - MEMBERSHIP (Page 10). • Cooperative Governance Manual, STOCKHOLDER'S RIGHT AND PROTECTION OF MINORITY STOCKHOLDERS INTERESTS (Page 23). 	
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	<ul style="list-style-type: none"> • CDA Memorandum Circular No. 2013-04: Clarificatory Policy on Share Capital. • CDA Memorandum Circular No. 2023-14: CDA Implementing Rules and Regulations of the Financial Products and Services Consumer Protection Act (CDA FCPA IRR). 	
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Recommendation 14.3

<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p>COMPLIANT</p>	<p>Contact person – Name: Shelou Mae A. Bayron Designation: Member Relations Assistant II Contact Number: (+63) 917-701-0662 Email Address: customerservice@climbs.coop</p> <p>Information on whistleblowing policy, practices, and procedures for stakeholders:</p> <ul style="list-style-type: none"> • Cooperative Governance Manual, CODE OF BUSINESS CONDUCT & ETHICS (Page 15); Whistleblower Policy. • Whistleblowing and Non-Retaliation Policy. • CDA Memorandum Circular No. 2024-10: Revised Guidelines on the Conduct of Inspection of Cooperatives. 	
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Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>COMPLIANT</p>	<p>Policies, programs, and procedures that encourage employee participation:</p> <ul style="list-style-type: none"> • CLIMBS's Employee Handbook. • Annual Report. • Official Facebook Page posts. 	
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Recommendation 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>	<p>COMPLIANT</p>	<p>CLIMBS's policies, programs and practices on anti-corruption:</p> <ul style="list-style-type: none"> • Cooperative Governance Manual, CODE OF BUSINESS CONDUCT & ETHICS (Page 16); Anti-Bribery and Anti-Corruption Policy. • Anti-Bribery and Anti-Corruption Policy. • IC Insurance Memorandum Circular No. 2023-01: Implementing Rules and Regulations of Republic Act 11765, Otherwise Known as the "Financial Products and Services Consumer Protection Act". 	
<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>CLIMBS's Board, through the Human Resources Department, disseminate the Employee Handbook to employees upon their employment with CLIMBS.</p>	

Recommendation 15.3

<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Cooperative Governance Manual, CODE OF BUSINESS CONDUCT & ETHICS (Page 15); Whistleblower Policy. • Whistleblowing and Non-Retaliation Policy. • Whistleblowing and Non-Retaliation Policy, NON-RETALIATION POLICY (Page 5). • Whistleblowing and Non-Retaliation Policy, REPORTING CHANNELS AND RESPONSIBILITIES (Page 2); “[...] the following shall be responsible for receiving Whistleblower Reports and shall perform necessary actions without delay: <ul style="list-style-type: none"> » Compliance Officer (rowenacasinillo@climbs.coop), » Internal Audit (audit@climbs.coop), » Human Resources (human.resource@climbs.coop), and » Legal Officer (legalcounsel@climbs.coop).” 	
<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>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>COMPLIANT</p>	<p>The Board, through the Compliance Officer, oversees the implementation, periodic review, and enforcement of the whistleblowing policy. CLIMBS has had no Whistleblower Reports to disclose.</p>	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1


<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> • Amended Articles of Cooperation & By-Laws, ARTICLE X - ALLOCATIONS AND DISTRIBUTION OF NET SURPLUS (Page 26); Section 58. ORDER OF THE DISTRIBUTION OF NET SURPLUS. “The net surplus shall be distributed as follows: [...] c) An amount for the Community Development Fund, which shall be three per centum (3%) of the net surplus. The Community development Fund shall be used for projects or activities that will benefit the community where the cooperative operates. [...].” • CLIMBS's community involvement and environment-related programs: <ul style="list-style-type: none"> » CLIMBS CARES (Community Action Response to Emergency Services), » Takaful Insurance, » Weather Protect Insurance (WPI), » Coop Sustain. 	
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CERTIFICATION

The undersigned certify that the responses and explanations set forth in the **Annual Corporate Governance Report of CLIMBS Life and General Insurance Cooperative** are true, complete, and correct of our own personal knowledge and/or based on authentic records.

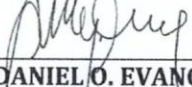
Signed in the City of Cagayan de Oro on the MAY 22 2026 of _____, 2026.



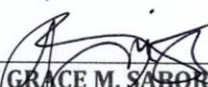
FR. ELMOP. MANCHING
Board of Directors, Chairperson



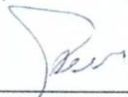
MR. NOEL D. RABOY
President and CEO



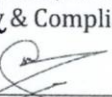
ATTY. DANIEL O. EVANGELIO, JR.
Corporate Secretary



MS. AMIE GRACE M. SABORNIDO
OIC, VP - Finance, Investment,
Treasury & Compliance



(RET.) JUDGE ANTONIO MANUEL A. ALCANTARA
Independent Director



MR. RICO B. GERON
Independent Director

ACKNOWLEDGEMENT


MAY 22 2026 **SUBSCRIBED AND SWORN** to before me a Notary Public for and in the City of Cagayan de Oro, Philippines, this ____ day of _____, 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 TYPE	ID NUMBER
1. Fr. Elmo P. Manching	Passport	P0040275C
2. Mr. Noel D. Raboy	Passport	P9822017C
3. Atty. Daniel O. Evangelio, Jr.	Passport	P4078225B
4. Ms. Amie Grace M. Sabornido		
5. (Ret.) Judge Antonio Manuel A. Alcantara	Passport	P2696209B
6. Cong. Rico B. Geron	Passport	P8550944B

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day, year, and place above written.

NOTARY PUBLIC

Doc. No.: 481
Page No.: 97
Book No.: VIII
Series of 2026


ATTY. DIXIE GALE G. OLAPE
Notary Public / NC-2026-132
Until December 31, 2027
Roll No: 80979
PTR No. 6222762 12/18/25
IBP No. 563605 12/07/25
TIN - 412 - 785-162
MCLE Compliance No. VIII-0002743
For Cagayan de Oro and Misamis Oriental

HEADQUARTERS

(088) 881-0275
customerservice@climbs.coop
CLIMBS Bldg., Zone 5, National Highway,
Bulua, 9000 Cagayan de Oro City,
Philippines

QUEZON CITY BRANCH OFFICE

(063) (02) 511 7078
luzon_operations@climbs.coop
CLIMBS Bldg, 20 Stanford St., Barangay
Socorro, Cubao, Quezon City, Philippines




CEBU CITY BRANCH OFFICE

(063) (32) 255 2234
visayas_asm@climbs.coop
5th Floor, Baseline Center, Juana
Osmeña St., Capitol Site, Cebu City
Philippines

DAVAO CITY BRANCH OFFICE

(063) (82) 305 1398
southmin_operations@climbs.coop
Sputnik Street, Barangay Poblacion,
Davao City

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