DACON INSURANCE BROKERS, INC.

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INSURANCE COMMISSION
ADMINISTRATIVE DIVISION
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By: Adolfo V. Neri, Jr.
Administrative Assistant
Administrative Division
Time: 1:57

June 30, 2026

ATTY. REYNALDO A. REGALADO
Insurance Commissioner
INSURANCE COMMISSION
1071 United Nations Avenue Manila

Attention: Anti-Money Laundering and Corporate Governance Division

Subject: Submission of the Annual Corporate Governance Report for FY 2025

Dear Sir,

In compliance with the requirements of Insurance Commission Circular Letter No. 2020-72, we are submitting to your good office the enclosed two (2) copies of the Annual Corporate Governance Report FY 2025 of **DACON INSURANCE BROKERS, INC.**

Please let us know if you have any clarifications, you may kindly contact the undersigned through +63 2 8246 2231and through +639992277238.

Thank you.

Very truly yours,

HERBERT S. BIAZON
Operations Manager

ANNUAL CORPORATE GOVERNANCE REPORT OF

DACON INSURANCE BROKERS, INC

1. For the fiscal year ended **December 31, 2025**

2. Certificate Authority Number **IB-22-2025-R**

3. Metro Manila, Philippines
   Province, Country or other jurisdiction of incorporation or organization

4. 2nd Floor, Dacon Building, 2281 Chino Roces Avenue Extension, Makati City, 1231
   Address of principal office Postal Code

5. +632 8246 2231
   Company's telephone number, including area code

6. https://daconinsurancebrokers.com
   Company's official website

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

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 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	The Board is composed of six (6) directors with collective industry knowledge, experience that is relevant to insurance brokerage and other industries.	
2. Board has an appropriate mix of competence and expertise.	Compliant	The company has a diverse board made up of competent and experienced directors.	
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	Directors are skilled professionals with proven success in their respective areas of expertise. No incidents have occurred that would render them unfit to continue serving as directors.	

Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Non-compliant	Reference: General Information Sheet	The Board has yet to meet and organize to fulfil the vacancy for 1 board seat to comply with this recommendation.
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	Non-compliant		The Company has yet to create a policy on training of directors.
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	Non-compliant		The Company has yet to create an orientation program for first time directors.
3. Company has relevant annual continuing training for all directors.	Non-compliant		The Company has yet to create annual continuing training for all directors.

Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The Board adheres to a policy promoting diversity. It comprises individuals with specialized knowledge and experience in mining, power generation, finance, accounting and construction industry. Furthermore, the Board includes both male and female members.	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	Compliant	The Board is assisted by Corporate Secretary, Atty. Redencio Villarivera	
2. Corporate Secretary is a separate individual from the Compliance Officer	Non-compliant		The Company has yet to appoint a Compliance Officer.
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	The Corporate Secretary is not a member of the Company's Board of Directors.	

4. Corporate Secretary attends training/s on corporate governance.	Compliant	The Corporate Secretary participated in training sessions focused on Corporate Governance.	
Recommendation 1.6			
1. Board is assisted by Compliance Officer.	Non-compliant		The Company has yet to appoint a Compliance Officer.
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-compliant		
3. Compliance Office is not a member of the board.	Non-compliant		
4. Compliance Office attends training/s on corporate governance annually.	Non-compliant		

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 basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Link to the Minutes of the Meeting of the Board	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Non - compliant		The Board, in coordination with the management team, prepares its strategic plans and objectives.
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.	Non - compliant		

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Jorge A. Consunji is a competent and qualified Chairman of the Board.	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Non - compliant		The Company has yet to adopt a policy on effective succession planning program for directors, key officers and management.
2. Board adopts a policy on the retirement for directors and key officers.	Non - compliant		
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	Non-Compliant	Currently, the board prioritizes conglomerate's long-term health over personal gain, promoting collective responsibility. Ultimately, the policy reinforces the family's legacy and the directors' dedication, driven by duty rather than monetary rewards.	Currently, the company adopts a practice of not giving remuneration for directors. No director, board, nor employee is directly hired by the company. As a family-owned conglomerate, the board selects directors from various family member or nominees. While the personnel that manage the company is under management contract with one of the family's conglomerates, which is the reason the company does not offer any financial compensation.

2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Non-Compliant	The remuneration and performance of key officers are aligned with the long term interests of the Company.	The board has yet to formulate and adopt a policy specifying the relationship between remuneration and performance of key officers and board members in preparation of having independent directors.
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Non-Compliant	Directors do not participate in discussions or deliberations involving his/her own remuneration.	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Non - compliant		The Company has yet to create board nomination and election policy.
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Non - compliant		
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	Non - compliant		

4. Board nomination and election policy includes how the board reviews nominated candidates.	Non - 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.	Non - compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Non - 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	Non - compliant		The Company has yet to create policy and system governing related party transactions (RPTs).

infrequently occurring transactions.			
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Non - compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Non - compliant		

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	Board is primarily responsible for approving the selection of Management led by the President. However, there is no heads of other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive) appointed yet.	
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		

Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	Compliant	Currently, lacks a formal policy and procedures. As of the moment, the management team is being evaluated by the President.	
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.	Non-compliant		The company has yet to create internal control system
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Non-compliant		
3. Board approves the Internal Audit Charter.	Non-compliant		
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Non-compliant		The company has yet to establish a sound enterprise risk management (ERM) framework

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.	Non-compliant		
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Non-compliant		The company has yet to create a Board Charter
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-compliant		
3. Board Charter is publicly available and posted on the company's website.	Non-compliant		

Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Boards' functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.				
Recommendation 3.1				
1.	Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Non-compliant		The Board has yet to establish board committees that will focus on specific board functions to aid in the optimal performance of its roles and responsibilities.
Recommendation 3.2				
1.	Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Non-compliant		The Board has yet to establish Audit Committee.

2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-compliant		
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Non-compliant		
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Non-compliant		

Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Non-compliant		The board has yet to establishes a Corporate Governance Committee.
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	Non-compliant		
3. Chairman of the Corporate Governance Committee is an independent director.	Non-compliant		

Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Non-compliant		The Board has yet to establishes a separate Board Risk Oversight Committee (BROC)
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-compliant		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-compliant		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-compliant		

Recommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Non-compliant		The Board has yet to establish a Related Party Transactions (RPT) Committee
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	Non-compliant		

Recommendation 3.6			
1. All established committees have a Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Non-compliant		The company has yet to establish recommended committees as such no Committee Charters also in placed.
2. Committee Charters provide standards for evaluating the performance of the Committees.	Non-compliant		
3. Committee Charters were fully disclosed on the company's website.	Non-compliant		

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

Recommendation 4.1			
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	Reference: Minutes of the meeting	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		
3. The directors asks the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant		

Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	None of the non-executive directors concurrently serve as directors of other ICREs.	
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	Compliant	The notification is done during the nomination process.	

Principle 5: The board should endeavor to exercise an objective and independent judgement on all corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	Non-compliant		The Board has yet to appoint independent directors to comply with this recommendation.
Recommendation 5.2			
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	Non-compliant		The Board has yet to appoint independent directors to comply with this recommendation.

Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term of nine years. 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. 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.	Non-compliant		The Board has yet to appoint independent directors to comply with this recommendation.

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Non-compliant		
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.	Non-compliant		
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	The Chairman of the Board is Mr. Jorge A. Consunji. While Ms. Ma.Crisitna Gotianun is the Chief Executive Officer.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities stated in the By-laws.	

Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Compliant	The Chairman of the Board is Mr. Jorge A. Consunji. While Ms. Ma.Crisitna Gotianun is the Chief Executive Officer.	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	Non-compliant		The company has yet to create a policy on directors with material interest abstaining from taking part in the deliberations for the same.

Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	Non-compliant		The company has yet to create a policy for 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.
2. The meetings are chaired by the lead independent director.	Non-compliant		The company has yet to appoint a lead independent director.

Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole.	Non-compliant		The company's Board has yet to conduct its annual assessment including its Chairman.

2. The performance of the Chairman is assessed annually by the Board.	Non-compliant		
3. The performance of the individual member 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		
5. Every three years, the assessments are supported by an external facilitator.	Non-compliant		
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Non-compliant		The company's Board has yet to create a system that provides at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.
2. The system allows for a feedback mechanism from the shareholders.	Non-compliant		

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	The managing company has established Code of Conduct for all its employees and officers. The Code of Conduct copy is issued by HR upon employment boarding .	
2. The Code is properly disseminated to the Board senior management and employees.	Compliant		
3. The Code is disclosed and made available to the public through the company website.	Compliant		

Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	The company's HR Dept. ensures proper and efficient implementation of the Code of Business Conduct and Ethics and Internal policies.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		

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.	Non-compliant		The company has yet to establish a corporate disclosure policies and procedures.

Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Non-compliant		The company's Board has yet to conduct its annual assessment including its Chairman.
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.	Non-compliant		

Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-compliant		The company's Board has yet to establish policies and procedure for setting Executive remuneration
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS)	Non-compliant		

and the Revised Corporation Code.			
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant		
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs)and other unusual or infrequently occurring transactions.	Non-compliant		The Company has yet to formalize RPT policy.
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	Compliant	As also required by the Philippine Financial Reporting Standards, the material or significant RPTs are disclosed in the notes to the Audited Financial Statements which are also reviewed and approved by the Board.	

confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.			
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG)	Non-compliant		The Company has yet to formalize corporate governance policies, programs and procedures.
2. Company's MCG is posted on its company website.	Non-compliant		

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

Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	The appointment and reappointment, including the fees of external auditors are discussed and approved by the Board.	
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		
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant		

Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Compliant	The company has yet to establish Audit Committee Charter though these recommendations are part of the duties and responsibilities of the Board.	

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant		
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The company does not engage its external auditors for non-audit services.	

2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant		
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Non-compliant		The company has yet to establish a clear and focused policy on the disclosure of non-financial issues/ information.

2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-compliant		
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	*Compliant*		*The Company website: https://www.daconinsurancebrokers.com*

Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong an effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Company has an adequate and effective internal control system in the conduct of its business. Although they are not explicitly stated in our company policy, the managing company ensures adherence to the principles.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Non-compliant		The company has yet to establish an enterprise risk management framework to handle the risk management function.

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.	Non-compliant		The company has yet to create Internal Control Committee to handle internal control function.
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Non-compliant		The company has yet to create Internal Control Committee to handle internal control function.
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.	Non-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.	Non-compliant		
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	Non-compliant		The company has yet to establish an enterprise risk management framework to handle the risk management function.
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)	Non-compliant		The company has yet to establish a CRO to handle the ERM.

2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-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.	Non-compliant		The company has yet to establish a Manual on Corporate Governance. Currently, the By-laws used as Board's guide for their rights.
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant		*The Company website: https://www.daconinsurancebrokers.com* Currently, the By-laws used as Board's guide for their rights.
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special shareholders' Meeting with	Compliant	All shareholders engage and participate in the shareholders' meetings. Notice of the meeting are prepared by the Corporate Secretary/ Assistant Corporate Secretary and are given	

sufficient and relevant information at least 21 days before the meeting.		to board prior to the actual meeting in accordance with the Company's by-laws.	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	The company's shareholders consist only of few companies and individuals, thus the results of the votes taken during the meeting are already known to them and does not need to be publicly available.	
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	Compliant		*The Company website: https://www.daconinsurancebrokers.com*

Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-Compliant		The company has yet to establish an alternative dispute mechanism.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Non-Compliant		

Duties to Stakeholders			
Principle 14: The right of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholder's 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 cooperating between them and the company in creating wealth, growth and sustainability.	Compliant	The Company's major stakeholders are its clients, employees, partner-insurers, service providers, counterparties, government, regulators, competitors, and communities in which the Company operates.	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders	Compliant	Contracts with suppliers are all reviewed by the management and the Board when appropriate.	

Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	All the officers and employees can be easily contacted. The contact details of the Company's offices will also publish in the upcoming Company's website.	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The company has implemented various activities that boost the employees morale such as but not limited to kick-off meetings, trainings, seminars and Christmas parties.	

Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anticorruption policy and program in its Code of Conduct.	Compliant	The Company has adopted its Anti-Corruption Policy and program which is integrated in its Code of Conduct. The same forms part of the company's on boarding process for the new hires.	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant		
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employee to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	The procedures and guidelines are on company's Code of Conduct.	
2. Board establishes a suitable framework for whistleblowing that allows employee to have direct access to an	Compliant		

independent member of the Board or a unit created to handle whistleblowing concerns.			
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	The Board and the top management set good example in the observance of the Company's core values.	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	The company us open to engage in various corporate social responsibility (CSR) activities such as environmental and humanitarian projects.	

CERTIFICATION

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

Signed in the City of MAKATI on the 30 JUN 2026 of ______________ 2026.

Jorge A. Consunji **CHAIRMAN OF THE BOARD**	Ma. Cristina C. Gotianun **PRESIDENT/CEO**
Atty. Redencio C. Villarivera **CORPORATE SECRETARY**	N/A **CORPORATE GOVERNANCE COMPLIANCE OFFICER**
N/A **INDEPENDENT DIRECTOR**	N/A **INDEPENDENT DIRECTOR**

SUBSCRIBED AND SWORN to before me this 30 JUN 2026 _____ day of ___________, 2025, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

NAME	ID NO.	DATE/PLACE ISSUED
1. Jorge A. Consunji	Passport No. P6400423A	March 13, 2018 / DFA Manila
2. Ma. Cristina C. Gotianun	Passport No. P5509920A	January 03, 2018 / DFA Manila
3. Redencio C. Villarivera	Driver's License No. N02-94-250644	June 04, 2023 / LTO Makati

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Series of 2026

ATTY. RENE MA. M. VILLA
NOTARY PUBLIC OF MAKATI CITY
APPOINTMENT NO M-110
(REN) (2025 - 2026)
UNTIL DECEMBER 31, 2026
PTR NO. 1076[illegible]722; 01-05-2026; MAKATI CITY
IBP LIFETIME No 015595; 12-27-2013; I.C.
ROLL NO. 37226
MCLE COMPLIANCE NO. VIII-0012751; 03-27-2029
GROUND FLOOR, MAKATI TERRACES CONDOMINIUM
3650 DAVILA ST., TEJEROS; MAKATI CITY