



# SECURITIES AND EXCHANGE COMMISSION

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## Company Information

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**SEC Registration No.:** PW00001093

**Company Name:** CENTRO ESCOLAR UNIVERSITY

**Industry Classification:** M81490

**Company Type:** Stock Corporation

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INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Website: <a href="http://corporate.ceu.edu.ph">http://corporate.ceu.edu.ph</a>	
2. Board has an appropriate mix of competence and expertise.	Compliant	Website: see Definitive Information Statement 2025 or SEC 20-IS under Item 5. Directors and Executive Officers page 5 to 8 in link below.	
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	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>  The credentials of the BOD were set forth in the above reports.	
<b>Recommendation 1.2</b>			

<p>1. Board is composed of a majority of non-executive directors.</p>	<p>Compliant</p>	<p>Yes. Of the 10 members, only the following are executive directors:  Atty. Danilo L. Concepcion concurrently serving as President and Chief Academic Officer, and  Ms. Corazon M. Tiongco, concurrently serving as Assistant Treasurer, Purchasing Department Head, and (effective 30 November 2024 Assistant Vice President Treasury).</p> <p>Website: see Definitive Information Statement 2025 or SEC 20-IS under Item 5. Directors and Executive Officers page 5 to 8 in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive2025.pdf.pdf">https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive2025.pdf.pdf</a></p>	
<p><b>Recommendation 1.3</b></p>			
<p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p>	<p>Compliant</p>	<p>Yes. The Board Charter provides for the policy on training of directors.</p> <p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

<p>2. Company has an orientation program for first time directors.</p>	<p>Compliant</p>	<p>Yes. The Company has in place an orientation program for First time directors.</p> <p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p>3. Company has relevant annual continuing training for all directors.</p>	<p>Compliant</p>	<p>Directors attend the required annual continuing training with providers accredited by the SEC.</p> <p>The latest training was held November 2025. The provider was ICD. See link for the certificates of attendance:</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%2017c%20Corp%20Gov%20Training%202025.pdf">https://corporate.ceu.edu.ph/static/media/CEU%2017c%20Corp%20Gov%20Training%202025.pdf</a></p>	
<p><b>Recommendation 1.4</b></p>			

<p>1. Board has a policy on board diversity.</p>	<p>Compliant</p>	<p>Yes. Membership in the Board is based on qualification and mandate by the stockholders. The University does not, in anyway, discriminate based on gender, race, creed.</p> <p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, page 3 under Composition of the Board in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Optional: Recommendation 1.4</b></p>			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>	<p>Compliant</p>	<p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, page 3 under Composition of the Board in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Recommendation 1.5</b></p>			

1. Board is assisted by a Corporate Secretary.	Compliant	<p>Yes. The University's Corporate Secretary is Atty. Sergio F. Apostol.</p> <p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, page 14 to 15 under 6 Corporate Secretary in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<p>Yes. The Corporate Secretary is Atty. Sergio F. Apostol, while the Compliance Officer is Atty. Jayson O'S. Ramos</p> <p>Website: <a href="http://corporate.ceu.edu.ph">http://corporate.ceu.edu.ph</a></p> <p>Website: see Definitive Information Statement 2025 or SEC 20-IS under Item 5. Directors and Executive Officers page 5 to 8 in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive_2025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive_2025.pdf</a></p>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<p>Yes. See information on the Corporate Secretary in the Definitive Information Statement under Item 5. Directors and Executive Officers, page 8 in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive_2025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL_CEU-SEC20IS-Definitive_2025.pdf</a></p>	

4. Corporate Secretary attends training/s on corporate governance.	Compliant	Atty. Apostol is among the attendees of the annual training attended by University Directors and Officers.	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>Meeting materials are sent via email in advance at least five business days before the scheduled meeting.</p> <p>However, given that the BOD meets every month, to ensure that the latest data reports are available, supplemental reports and other materials are also given prior to the start of the meeting.</p>	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	Please see website page 16 in link below	
2. Compliance Officer has a rank of Senior 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	<p>Among these certificates is the certificate of attendance of Atty. Ramos, the current Compliance officer.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%2017c%20Corp%20Gov%20Training%202025.pdf">https://corporate.ceu.edu.ph/static/media/CEU%2017c%20Corp%20Gov%20Training%202025.pdf</a></p>	
<b>Principle 2:</b> 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.			

<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>	<p>The regular meeting of the BOD is held monthly to ensure that the members are informed/updated on the affairs of the University and act accordingly.</p> <p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Recommendation 2.2</b></p>			
<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p>Compliant</p>	<p>The Board oversees development, review and approval of the company's business objectives and strategy.</p> <p>Supporting documents:</p> <ol style="list-style-type: none"> <li>1. Attendance of Directors in Monthly Meeting;</li> <li>2. Notice of Board Meeting;</li> <li>3. Agenda items for BOD Meeting.</li> <li>4. Submissions of Minutes and attendance records to the external auditor.</li> <li>5. Results of the Strategic Planning held annually is reported to the Board.</li> </ol>	

2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>Implementation is monitored during the monthly board meetings.</p> <p>Supporting documents:</p> <ol style="list-style-type: none"> <li>1. Attendance of Directors in Monthly Meeting;</li> <li>2. Notice of Board Meeting;</li> <li>3. Agenda items for BOD Meeting.</li> <li>4. Submissions of Minutes and attendance records to the external auditor.</li> </ol>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>See the Mission Vision in link below.</p> <p><a href="http://corporate.ceu.edu.ph/mission">http://corporate.ceu.edu.ph/mission</a></p> <p>The Management Council of CEU reviews and approves the mission and vision of the University every year, this is in turn reported to the Board for Approval and/or further comments.</p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	Monthly board meetings discuss the financial and budget performance.	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>Website: see page 6, Definitive Information Statement under Item 5. Directors and Executive Officers in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<b>Recommendation 2.4</b>			

1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>Website: see page 4, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 under 3.3 Duties and Functions of the Board in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p>Website: see page 4, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 under 3.3 Duties and Functions of the Board in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017. Page 13, under 4.3 Remuneration Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017. Page 13, under 4.3 Remuneration Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>The University has a remuneration committee who deliberates on remuneration. To avoid conflicts of interest, a particular Director will not be part of any meeting where his/her own remuneration is discussed.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
1. Board approves the remuneration of senior executives.	Compliant	<p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017. Page 13, under 4.3 Remuneration Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p><u>Current composition of Remuneration Committee:</u></p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	

<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	<p>Compliant</p>	<p>Policy on salaries and benefits</p> <p><a href="https://corporate.ceu.edu.ph/companypolicies">https://corporate.ceu.edu.ph/companypolicies</a></p> <p><u>Remuneration Committee:</u></p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
<p><b>Recommendation 2.6</b></p>			
<p>1. Board has a formal and transparent board nomination and election policy.</p>	<p>Compliant</p>	<p>Website: see Company Disclosures, SEC Filings, SEC Form 20-IS, Item 4. Voting Securities and Principal Holders Thereof in link below</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p> <p>and also in the Manual on Corporate Governance, Page 19, Stockholders' benefits and rights and protecting of minority stockholders' interest in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

<p>2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>Website: see Company Disclosures, SEC Filings, SEC Form 20-IS, Item 4. Voting Securities and Principal Holders Thereof in link below</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p> <p>and also in the Manual on Corporate Governance, Page 19, Stockholders' benefits and rights and protecting of minority stockholders' interest in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p>3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.</p>	<p>Compliant</p>	<p>Website: see Company Disclosures, SEC Filings, SEC Form 20-IS, Item 4. Voting Securities and Principal Holders Thereof in link below</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p> <p>and also in the Manual on Corporate Governance, Page 19, Stockholders' benefits and rights and protecting of minority stockholders' interest in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p>4. Board nomination and election policy includes how the board shortlists candidates.</p>	<p>Compliant</p>	<p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	<a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	<a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Optional: Recommendation to 2.6</b>			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	The University uses external sources of candidates when searching for nominees for board of directors.	
<b>Recommendation 2.7</b>			
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	The Corporation currently has a Material Related Party Transactions Policy (MRPT). <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	The CEU MRPT Policy include appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions, in compliance with the relevant SEC provisions.  <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a>	

<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>Compliant</p>	<p>The CEU MRPT Policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations, in compliance with the minimum SEC required provisions.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a></p>	
<p><b>Supplement to Recommendations 2.7</b></p>			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>Compliant</p>	<p>The CEU MRPT Policy includes such provisions, in compliance with the SEC required provisions.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a></p>	

<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>Compliant</p>	<p>There are relevant processes in place to address relevant party transactions in the manner that will safeguard the interest of the Company, its minority shareholders and other stakeholders.</p> <p>Every stockholder is given the opportunity to ask questions and/or raise objections during the stockholders meeting on any item voted upon.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf">https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf</a></p> <p>In addition, under the University's Material Related Party Transactions Policy the Audit and Risk Committee reviews the transactions. The audit committee has 2 independent directors as members.</p>	
<p><b>Recommendation 2.8</b></p>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Website: see page 16 of Revised Manual on Corporate Governance of Centro Escolar University</p> <p>In link below  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Website: see page 16 of Revised Manual on Corporate Governance of Centro Escolar University</p> <p>In link below  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Recommendation 2.9</b></p>			
<p>1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p>See annual report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p>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.</p>	<p>Compliant</p>	<p>See annual report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p> <p>And Definitive information statements.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<p><b>Recommendation 2.10</b></p>			

1. Board oversees that an appropriate internal control system is in place.	Compliant	<p>Website: see page 11, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, under 4.1 Audit and Risk Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p>Website: see page 11, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, under 4.1 Audit Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>CEU Internal Audit Charter</p> <p><a href="https://corporate.ceu.edu.ph/static/files/Internal%20Audit%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Internal%20Audit%20Charter.pdf</a></p>	
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p>Website: see Risk Management System in link below</p> <p><a href="http://corporate.ceu.edu.ph/riskmanagement">http://corporate.ceu.edu.ph/riskmanagement</a></p>	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	<p>Website: see Risk Management System in link below</p> <p><a href="http://corporate.ceu.edu.ph/riskmanagement">http://corporate.ceu.edu.ph/riskmanagement</a></p>	
<b>Recommendation 2.12</b>			

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	Currently the board is guided by the Company's Manual on Corporate Governance. The Manual on Corporate Governance formalizes and clearly states the board's roles, responsibilities and accountabilities in carrying out its fiduciary role also provides and guides directors on how to discharge their functions.  <a href="https://corporate.ceu.edu.ph/manual">https://corporate.ceu.edu.ph/manual</a>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	Currently the board is guided by the Company's Manual on Corporate Governance. The Manual on Corporate Governance also provides and guides directors on how to discharge their functions.  <a href="https://corporate.ceu.edu.ph/manual">https://corporate.ceu.edu.ph/manual</a>	
3. Board Charter is publicly available and posted on the company's website.	Compliant	The company's Manual on Corporate Governance is available to the public via the University's Corporate Website.  <a href="https://corporate.ceu.edu.ph/manual">https://corporate.ceu.edu.ph/manual</a>	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	The Company adopted by incorporation the existing rules and regulations on insider training under the Securities and Regulations Code and is currently guided by the same.  The Company also made clear its policy against conflicts of interest.  <a href="https://corporate.ceu.edu.ph/codeofbusiness">https://corporate.ceu.edu.ph/codeofbusiness</a>	
<b>Optional: Principle 2</b>			

1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	The existing policy is that the company does not, under any circumstances, grant any loan to its directors.  <a href="https://corporate.ceu.edu.ph/codeofbusiness">https://corporate.ceu.edu.ph/codeofbusiness</a>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	Material transactions approved by the board of directors are disclosed with the PSE and is available on PSE's website: <a href="http://www.edge.pse.com.ph">www.edge.pse.com.ph</a>  The CEU MRPT Policy also requires such disclosure. <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a>	

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

**Recommendation 3.1**

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Website: see page 10, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, under 4 Board Committees in link below  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>  Current committee memberships:  <a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a>	
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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>	<p>Website: see page 11, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017, under 4.1 Audit Committee in link below</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>Number 6. of Duties and responsibility of Audit Committees Stated "Organize an internal audit department, and consider the appointment of an independent internal auditor, and the terms and conditions of its engagement and removal."</p>	
<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>	<p>The University's Audit and Risk Committee is chaired by Dr. Emil Q. Javier, the Lead Independent Director. The other members are Mr. Lope M. Yuvienco and Dr. Carmencita D. Padilla, both independent directors, and Dr. Alejandro C. Dizon, a non-executive director.</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>See Website in link below</p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a> Page 5 to 11 of Definitive Information Statement in the link below</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	

<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>The Chairman of the Audit and Risk Committee, Dr. Emil Q. Javier, is an Independent Director.</p> <p>He is not the Chairman of the Board or of any other committee.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p> <p>and Certification of Independent Director in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<p><b>Supplement to Recommendation 3.2</b></p>			
<p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p>	<p>Compliant</p>	<p>See page 11 to 12 of Audit Committee in link below.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>The Audit Committee approves all non-audit services conducted by the external auditor.</p> <p>Website: see page 7 Management's Discussion and Analysis (MD&amp;A) of Definitive Information Statement in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	

2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	The Audit and Risk Committee regularly meets with the External Auditors (SGV) to discuss the result of the Audited Financial Statement for the corresponding fiscal year.	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	Compliant	Secretary Certification on Board and Committee meetings and attendance for the relevant period.	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Recommendation 3.3</b>			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>At present, the BOD itself handles the performance of corporate governance responsibilities. To handle crucial functions, the BOD prefers to maintain separate committees: Nomination Committee, Audit and Risk Committee, and Compensation Committee.</p> <p>The purpose of this is to avoid the consolidation of too much authority and functions under one committee.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	

<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Compliant</p>	<p>At present, the BOD itself handles the performance of corporate governance responsibilities. To handle crucial functions, the BOD prefers to maintain separate committees: Nomination Committee, Audit Committee, and Compensation Committee.</p> <p>The purpose of this is to avoid the consolidation of too much authority and functions under one committee.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>Compliant</p>	<p>At present, the BOD itself handles the performance of corporate governance responsibilities. To handle crucial functions, the BOD prefers to maintain separate committees: Nomination Committee, Audit Committee, and Compensation Committee.</p> <p>The Audit Committee is headed by an Independent Director, while the Nomination Committee has, for a member, one Independent Director.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/20241025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
<p><b>Optional: Recommendation 3.3.</b></p>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>	<p>Compliant</p>	<p>Certification on committee meetings and attendance:</p> <p><a href="https://corporate.ceu.edu.ph/otherdisclosures">https://corporate.ceu.edu.ph/otherdisclosures</a></p>	
<p><b>Recommendation 3.4</b></p>			

1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	The functions of a BROC are handled by the Audit and Risk Committee in coordination with the BOD.  <a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	The Audit and Risk Committee handling the functions of the BROC is composed of at least three members, the majority of whom are independent directors including the Chairman  <a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a>	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	The Audit and Risk Committee handling the functions of the BROC is headed by Dr. Emil Q. Javier. He is not the Chairman of the Board or of any other committee.	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Dr. Javier (Chair) and Mr. Lope M. Yuvienco (member) has relevant thorough knowledge and experience on risk and risk management.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	The functions of the RPT Committee are handled by the Audit and Risk Committee.  <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a>	

2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	The Audit Committee handling the functions of the RPT Committee is composed of at least three members, the majority of whom are independent directors, including the Chairman	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p>Audit &amp; Risk Committee Charter</p> <p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p> <p>All other established committees are currently governed by the Company's Manual of Corporate Governance.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	<p>Audit &amp; Risk Committee Charter</p> <p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p> <p>All other established committees are currently governed by the Company's Manual of Corporate Governance.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	

<p>3. Committee Charters were fully disclosed on the company's website.</p>	<p>Compliant</p>	<p>Audit Committee Charter</p> <p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p> <p>All other established committees are currently governed by the Company's Manual of Corporate Governance.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
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**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>Meetings of the Board, and Committees are traditionally conducted in person. Teleconferencing, however, is an option in case a member cannot attend physically.</p>	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>	<p>Minutes of the previous meeting are reviewed and approved the following meeting. This includes committee meetings.</p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>Compliant</p>	<p>Discussions during BOD and Committee meetings are recorded accordingly in the minutes.</p>	

**Recommendation 4.2**

<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management’s proposals/views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p>There are no non-executive directors who concurrently serve in a maximum of five publicly listed companies.</p> <p>See Annual Report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1</a></p> <p>Definitive Information Statements.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<p><b>Recommendation 4.3</b></p>			
<p>1. The directors notify the company’s board before accepting a directorship in another company.</p>	<p>Compliant</p>	<p>Code of Corporate Governance.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Optional: Principle 4</b></p>			
<p>1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p>	<p>Compliant</p>	<p>Yes. CEU does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p> <p><a href="http://corporate.ceu.edu.ph/BODMgtandExecutiveOfficers">http://corporate.ceu.edu.ph/BODMgtandExecutiveOfficers</a></p>	
<p>2. Company schedules board of directors’ meetings before the start of the financial year.</p>	<p>Compliant</p>	<p>Board meetings are scheduled every last Friday of the month.</p>	
<p>3. Board of directors meet at least six times during the year.</p>	<p>Compliant</p>	<p>CEU’s regular BOD meetings are held every month.</p>	

4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	Minimum quorum for board decisions is a majority, however, all decisions were made unanimously by the Board.	
<b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<b>Recommendation 5.1</b>			

<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p>Compliant</p>	<p>During the Annual Stockholders held 25 October 2024 the Stockholders approved the amendment of the Articles of Incorporation and By-Laws in order to increase the number of Directors and consequently, to increase the number of Independent Directors from 2 to 3.</p> <p>On 29 August 2025 the SEC approved the amendment.</p> <p>During the 24 October 2025 Annual Stockholders Meeting the following are elected independent Directors:</p> <p>Dr. Emil Q. Javier (Lead Independent Director)</p> <p>Mr. Lope M. Yuvienco</p> <p>Dr. Carmencita D. Padilla</p> <p>Thus, at present, 3 out of 10 Directors are Independent Directors.</p> <p>Amended Articles of Incorporation</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20Certificate%20of%20Filing%20of%20Amended%20AOI%20dated%2029%20Aug%202025%20with%20attachments.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20Certificate%20of%20Filing%20of%20Amended%20AOI%20dated%2029%20Aug%202025%20with%20attachments.pdf</a></p> <p>Latest GIS</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20Amended%20GIS%202025.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20Amended%20GIS%202025.pdf</a></p>	
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<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	See SEC 20-IS - Certification of Independent Director in link below.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	See page 6, Definitive Information Statement in link below.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	

**Recommendation 5.3**

<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	<p>Compliant</p>	<p>In view of the transitory provisions of SEC Memorandum Circular No. 7, S.2026, Dr. Emil Q. Javier, while having reached the maximum term, will only continue to serve as Independent Director until the University's 2026 Annual Stockholders' Meeting ("ASM").</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>Compliant</p>	<p>After the expiration of Dr. Emil Q. Javier's term as provided by SEC Memorandum Circular No. 7, S.2026, the University, in compliance with said Memorandum Circular, hereby bars an independent director from serving in such capacity after the term limit of nine years.</p>	

<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	<p>Compliant</p>	<p>The board provided meritorious justification and sought the shareholders' approval during the annual shareholders' meeting.</p> <p>Guided by the relevant SEC rules on Independent Directors, the Board of Directors recommended the continuous service of Dr. Javier despite having already served for more than 9 years.</p> <p>This is based on the justification that as a highly esteemed National Scientist, former President of UP, and former member of the Cabinet Dr. Javier's expertise is crucial for CEU.</p> <p>This matter was referred to the stockholders during the 2025 Annual Stockholders Meeting and was approved accordingly.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf">https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf</a></p>	
<p><b>Recommendation 5.4</b></p>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Compliant</p>	<p>Chairman – Basilio C. Yap</p> <p>President &amp; Chief Academic Officer - Atty. Danilo L. Concepcion</p> <p>See link below</p> <p><a href="http://corporate.ceu.edu.ph/BODMgtandExecutiveOfficers">http://corporate.ceu.edu.ph/BODMgtandExecutiveOfficers</a></p>	

2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Please see page 14 link below  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Recommendation 5.5</b>			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	Dr. Emil Q. Javier is the Lead Independent Director.  <a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a>	
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	At present, there were no transactions involving directors with material interest in a transaction affecting the corporation.  Should the need arise, the MRPT Policy provides for such abstention.  <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a>	
<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	The holding of these meetings are at the discretion of the NEDs. They may call for separate meetings at any time without any executive present.	
2. The meetings are chaired by the lead independent director.	Compliant	There were no separate meetings held so far. Should there be one, it will be chaired by the Lead Independent Director.	
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	

**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.

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	At the end of each Fiscal Year, the Board conducts an annual self-assessment of its performance as a whole.
2. The Chairman conducts a self-assessment of his performance.	Compliant	At the end of each Fiscal Year, the Chairman conducts an annual self-assessment of his performance.
3. The individual members conduct a self-assessment of their performance.	Compliant	At the end of each Fiscal Year, the individual members of the Board conduct an annual self-assessment of their respective performances.
4. Each committee conducts a self-assessment of its performance.	Compliant	At the end of each Fiscal Year, the committee members conduct an annual self-assessment of their respective performances.
5. Every three years, the assessments are supported by an external facilitator.	Compliant	Assessment supported by an external facilitator will be done on the third year, which is the ensuing fiscal year starting 01 June 2025.

**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>Compliant</p>	<p>Manual of Corporate Governance  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>Annual Report  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1</a></p> <p>Definitive Information Statements.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>Shareholders are given the opportunity to ask questions during the stockholders meeting.  <a href="https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf">https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf</a></p> <p>The corporation also designated an IRO “Investment Relations Officer” with whom concerns about shares may be raised.</p>	
<p><b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</p>			
<p><b>Recommendation 7.1</b></p>			
<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>See link below  <a href="http://corporate.ceu.edu.ph/codeofbusiness">http://corporate.ceu.edu.ph/codeofbusiness</a></p>	

2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Physical copies were given to them	
3. The Code is disclosed and made available to the public through the company website.	Compliant	See link below <a href="http://corporate.ceu.edu.ph/codeofbusiness">http://corporate.ceu.edu.ph/codeofbusiness</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	See link below <a href="http://corporate.ceu.edu.ph/codeofbusiness">http://corporate.ceu.edu.ph/codeofbusiness</a>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	The compliance officer attests that all employees of the University are provided a copy of the Employees Manual. Relevant policies are also available internally online via the intranet QMS.  The manual reflects the duties and responsibility of employees in all campuses. Thus, employees who violate the rules are given disciplinary action accordingly.  To maintain flexibility, the University reserves the right to review, revise, or rescind any provisions of the manual.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			

<p>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.</p>	<p>Compliant</p>	<p>Disclosures are uploaded to the PSE's EDGE System and uploaded to the company's website: www.corporate.ceu.edu.ph</p> <p><a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223</a></p>	
<p><b>Supplement to Recommendations 8.1</b></p>			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p>The Annual Report (SEC Form 17-A) are filed within 105 days from the end of the fiscal year, while the quarterly report are filed within 45 days</p> <p><a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223</a></p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>See Annual Report, Item 11. Security Ownership of Certain Beneficial Owners and Management in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p> <p>Also, every quarter, the University discloses its public ownership percentage and top 100 shareholders.</p>	
<p><b>Recommendation 8.2</b></p>			

<p>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.</p>	<p>Compliant</p>	<p>Page 20 of the Manual of Corporate Governance</p> <p>The stockholders shall be provided, upon request, the latest available reports which disclose personal and professional information about the Directors and Officers and certain other matters such as their holdings of the University's shares, dealings with the University, relationships among directors and key officers, and the aggregate compensation of directors and officers.</p> <p>Any trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders are disclosed to the SEC using SEC Form 23-A or 23-B, as the case may be, and to the PSE using the EDGE System (<a href="http://www.edge.pse.com.ph">www.edge.pse.com.ph</a>) and in the Corporation's website in link below.</p> <p>Also, during the Organizational Meeting, everyone is also reminded disclose any dealings within 3 days.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/2025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
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<p>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.</p>	<p>Compliant</p>	<p>Page 20 of the Manual of Corporate Governance</p> <p>The stockholders shall be provided, upon request, the latest available reports which disclose personal and professional information about the Directors and Officers and certain other matters such as their holdings of the University's shares, dealings with the University, relationships among directors and key officers, and the aggregate compensation of directors and officers.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>Also, during the Organizational Meeting, everyone is also reminded disclose any dealings within 3 days.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/025CEU-SEC17C-Organizational%20Meeting%20Results.pdf">https://corporate.ceu.edu.ph/static/media/025CEU-SEC17C-Organizational%20Meeting%20Results.pdf</a></p>	
<p><b>Supplement to Recommendation 8.2</b></p>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>Any trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders are disclosed to the SEC using SEC Form 23-A or 23-B, as the case may be, and to the PSE using the EDGE System (<a href="http://www.edge.pse.com.ph">www.edge.pse.com.ph</a>) and in the Corporation's website in link below.</p> <p><a href="https://corporate.ceu.edu.ph/secfilings">https://corporate.ceu.edu.ph/secfilings</a></p>	
<p><b>Recommendation 8.3</b></p>			

<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>Material information on individual board members is being disclosed in the Annual Report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<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>Material information on key executives is disclosed in the Annual Report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p><b>Recommendation 8.4</b></p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>Manual of Corporate Governance</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>Annual Report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>Manual of Corporate Governance</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p> <p>Annual Report</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20SEC17A-FY2024.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20SEC17A-FY2024.pdf</a></p>	

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non - Compliant		<p>The total remuneration of the President and the five (5) most highly compensated executive officers is reported as a group.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>The CEU MRPT Policy includes such provisions, in compliance with the minimum SEC required provisions.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a></p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>RPTs are disclosed in the Annual Report and as Notes to Financial Statements</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>The CEU MRPT Policy includes such provisions, in compliance with the minimum SEC required provisions.</p> <p><a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a></p>	
<b>Optional : Recommendation 8.5</b>			

<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<p>Compliant</p>	<p>The CEU MRPT Policy includes such provisions, in compliance with the minimum SEC required provisions.  <a href="http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf">http://corporate.ceu.edu.ph/static/media/October%2028,%202019%20CEU%20Material%20Related%20Party%20Transactions%20Policy-compressed.pdf</a></p>	
<b>Recommendation 8.6</b>			
<p>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.</p>	<p>Compliant</p>	<p>Material facts or events are promptly disclosed with the PSE in link below.   <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223</a></p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>Compliant</p>	<p>The University engages the services of third party appraisal companies to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	
<b>Supplement to Recommendation 8.6</b>			
<p>1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	<p>Compliant</p>	<p>See page 6 of the Definitive Information Statement in link below.   <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p>	
<b>Recommendation 8.7</b>			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p>Compliant</p>	<p>Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.</p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	<p>Compliant</p>	<p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p>3. Company's MCG is posted on its company website.</p>	<p>Compliant</p>		

<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	There is no recent change in the Company's corporate governance practices.	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:	Compliant	Page 22 Key performance indicators <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1</a>	
a. Corporate Objectives	Compliant	Page 19 <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1</a>	
b. Financial performance indicators	Compliant	Page 25	
c. Non-financial performance indicators	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf</a>	
d. Dividend Policy	Compliant	Page 18 <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf</a>	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	Page 28 <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf</a>	

f. Attendance details of each director in all directors meetings held during the year	Compliant	Annual Report  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>  Minutes which also contain attendance are compiled and submitted to the auditors which in turn are reflected in the AFS. The AFS are attached to the annual report.	
g. Total remuneration of each member of the board of directors	Non - Compliant		For privacy and security considerations, total remuneration of BOD Members are reported collectively. Page 41  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	See page 40 of the Annual Report in link below.  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	See page 45 of the Annual Report in link below.  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	See page 25 of the Annual Report in link below.  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	

5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	See page 24 of the Annual Report in link below.  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
<p><b>Principle 9:</b> The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.</p> <p><b>Recommendation 9.1</b></p>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	See Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
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	For FY 2025-2026 the Stockholders during the 24 October 2025 Annual Meeting approved the appointment of the External Auditor.  <a href="https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf">https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf</a>	
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	There was no change in or disagreement with the external auditor on accounting and financial disclosure  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
<b>Supplement to Recommendation 9.1</b>			

<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Compliant</p>	<p>Website: see Definitive Information Statement 2025 or SEC 20-IS under Item 7. Independent Public Accountants in link below.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p> <p>During the relevant period, the Lead Audit Partner Team is now Mr. Bryan Chrisnel M. Baes, replacing Ms. Djole Garcia who had already served for 5 years.</p>	
<p><b>Recommendation 9.2</b></p>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	<p>Compliant</p>	<p>Audit and Risk Committee Charter</p> <p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p>	
<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>	<p>Compliant</p>	<p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p>	
<p><b>Supplement to Recommendations 9.2</b></p>			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	<p>Compliant</p>	<p><a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a></p>	

2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<a href="https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf">https://corporate.ceu.edu.ph/static/files/Audit%20Committee%20Charter.pdf</a>	
<b>Recommendation 9.3</b>			
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	See annual report page 27 discussing Audit and Risk Committee Pre Approval Policy in the event that additional non-audit services are availed from the external auditor.  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
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	See page 19, Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Relevant information is indicated in the Annual Report in link below.  Page 27  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
<b>Additional Recommendation to Principle 9</b>			

<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>Compliant</p>	<p>Provide information on company's external auditor, such as:</p> <p>Firm Name and Details:  SyCip Gorres Velayo &amp; Co.  SEC Firm Accreditation No. 0001-SEC (Group A)  BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026</p> <p>Partner Name and Details:  Bryan Chrisnel M. Baes  SEC Partner Accreditation No. 128627-SEC (Group A)  BIR Accreditation No. 08-001998-148-2022, November 7, 2022, valid until November 6, 2025</p>	
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<p>2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).</p>	<p>Compliant</p>	<p>Provide information on the following:</p> <ol style="list-style-type: none"> <li>1. Date it was subjected to SOAR inspection, if subjected; - August 1-12 2022</li> <li>2. Name of the Audit firm; and – SGV &amp; Co.  Firm Name and Details:  SyCip Gorres Velayo &amp; Co.  SEC Firm Accreditation No. 0001-SEC (Group A)  BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026</li> </ol> <p>Partner Name and Details:  Bryan Chrisnel M. Baes  SEC Partner Accreditation No. 128627-SEC (Group A)  BIR Accreditation No. 08-001998-148-2022, November 7, 2022, valid until November 6, 2025</p> <ol style="list-style-type: none"> <li>3. Members of the engagement team inspected by the SEC. – The names of the members of the engagement team were provided to the SEC during the SOAR inspection</li> </ol>	
<p><b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</p>			
<p><b>Recommendation 10.1</b></p>			

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>CEU complies with environmental laws. Its buildings are inspected regularly by the LGU for sanitation and other safety measures, and the University pays the corresponding regulatory fees.</p> <p>Included in its Annual Report 17A is a sustainability report.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>compliant</p>	<p>Included in its Annual Report 17A is a sustainability report.</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a></p>	
<p><b>Principle 11:</b> 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.</p>			
<p><b>Recommendation 11.1</b></p>			
<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>Currently, the Company's channels of communication are:</p> <p>Company Website E-mail Telephone Posting/Mail News Release Official Social Media</p> <p>SitesWebsite Link: <a href="http://corporate.ceu.edu.ph/secfilings">http://corporate.ceu.edu.ph/secfilings</a></p>	

<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:	Compliant	The company has a website disclosing up-to-date information with the following link:  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
a. Financial statements/reports (latest quarterly)	Compliant	Please see link below  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
b. Materials provided in briefings to analysts and media	Compliant	The Company's channels of communication are:  Company Website E-mail Telephone/Fax Posting/Mail News Release Official Social Media Sites  Website Link:  <a href="http://corporate.ceu.edu.ph/secfilings">http://corporate.ceu.edu.ph/secfilings</a>	
c. Downloadable annual report	Compliant	Please see link below  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
d. Notice of ASM and/or SSM	Compliant	Please see link below  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
e. Minutes of ASM and/or SSM	Compliant	Please see link below  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
f. Company's Articles of Incorporation and By-Laws	Compliant	Please see link below  <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
<b>Additional Recommendation to Principle 11</b>			

1. Company complies with SEC-prescribed website template.	Compliant	Please see link below <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> 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.			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Page 28 onwards <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf</a>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	The Company's Risk Management is active. Risk management is always included in the annual management review.  <a href="http://corporate.ceu.edu.ph/riskmanagement">http://corporate.ceu.edu.ph/riskmanagement</a>  <a href="https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/C-EU-SEC17A-2025v1.pdf</a>	
<b>Supplement to Recommendations 12.1</b>			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	The University through separate departments reviews compliance with laws and regulations as required. They are report accordingly to the University Administrative Council who, correspondingly report to the BOD.  Appropriate training and awareness initiatives are conducted.	
<b>Optional: Recommendation 12.1</b>			

1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	The company has a governance process on IT issues handled by the Information Technology Department who directly reports to the President and Vice Chairman.	
<b>Recommendation 12.2</b>			
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	The Company has an Internal Audit Department.	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	The functions of Chief Audit Executive are carried out by the Head of the Internal Audit Department.	
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	The Head of the Internal Audit oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	
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	The internal audit activities of the University is not outsourced.	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The University's risk management function is handled internally by the Administrative Council, with the Management Council, and supported by the Organizational Development Department.	
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The risk management function is competently handled internally. Nonetheless, there is a consultant who provides technical support.	
<b>Recommendation 12.5</b>			

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	The functions of Chief Risk Officer are carried out by the President of the University supported by the Organizational Development Department.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	The Office of the President has adequate authority, stature,resources and support to fulfill her responsibilities	
<b>Additional Recommendation to Principle 12</b>			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	Embodied in the Statement of Management Responsibility in the Audited financial statements  <a href="https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf">https://corporate.ceu.edu.ph/static/media/CEU-SEC17A-2025v1.pdf</a>	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	See pages 19 to 22, Revised Manual on Corporate Governance of Centro Escolar University, 11. Stockholders' Benefits and Rights and Protection of Minority Interest in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	See Revised Manual on Corporate Governance of Centro Escolar University in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Supplement to Recommendation 13.1</b>			

1. Company's common share has one vote for one share.	Compliant	The Articles of Incorporation and the Bylaws of the Corporation provides for only one class of shares. There being no peculiar rules on the voting rights of these shares, they are by operation of law one vote per share.	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	CEU has only one class of shares (common) which is listed with the PSE. These shares are treated equally with respect to voting rights, subscription rights and transfer rights.	
3. Board has an effective, secure, and efficient voting system.	Compliant	See page 15, Revised Manual on Corporate Governance of Centro Escolar University, Item 19. Voting Procedures in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	The Company has mechanisms in place in order to protect minority shareholders against actions of controlling shareholders.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Section 2, Article I of CEU's By-laws provide that stockholders owning at least one-fourth (1/4) of the subscribed capital stock of the University may call a special shareholders' meeting.	

6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	See pages 19 to 22, Revised Manual on Corporate Governance of Centro Escolar University, 11. Stockholders' Benefits and Rights and Protection of Minority Interest in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
7. Company has a transparent and specific dividend policy.	Compliant	Website: see Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017  Under 11.1 Rights of Stockholders Number 5 in link below  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	SGV & Co. assisted in the counting of votes at the Annual Shareholders' Meeting.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Recommendation 13.2</b>			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	Website: see Definite Information Statement 2025 under Item 5 Directors and Executive Officers in link below  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
b. Auditors seeking appointment/re-appointment	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
c. Proxy documents	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Rationale for items in the agenda are placed in the Definitive Information Statement.  <a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>	
<b>Recommendation 13.3</b>			
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	Results of the Annual Stockholders' Meeting is disclosed and filed within the day with the SEC and PSE. Disclosure is then made publicly available the next working day through the PSE EDGE System  <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=223</a>	

2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	Website: see Minutes of Stockholders' Meeting in link below.  <a href="http://corporate.ceu.edu.ph/Minutes">http://corporate.ceu.edu.ph/Minutes</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a>  SGV partner: Bryan Chrisnel M. Baes	
<b>Recommendation 13.4</b>			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	See Revised Manual on Corporate Governance of Centro Escolar University May 31, 2017 in link below.  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	The company has the following offices to ensure constant engagement with its shareholders: 1. Office of the Corporate Secretary 2. Investor Relations Office 3. Compliance Officer <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a>	
2. IRO is present at every shareholder's meeting.	Compliant	The IRO (Mr. Cesar F. Tan) was present during the ASM  <a href="https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf">https://corporate.ceu.edu.ph/static/media/2025%20CEU%20ASM%20Minutes.pdf</a>	

<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	The University has no anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non- Compliant	The University public float is 26.74%, which is well within the 20% legal requirement.	
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	Basic shareholders rights are disclosed in the Company's Manual on Corporate Governance  Pages 19-20  <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	

<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.</p>	<p>Compliant</p>	<p>The University utilized electronic voting in absentia during its 2025 Annual Stockholders' Meeting.</p> <p>The Instructions and Procedures for Attendance and Online Voting in Absentia via remote communication for the 2025 CEU Annual Stockholders' Meeting</p> <p>Is included in the Definitive Information Statement</p> <p><a href="https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf">https://corporate.ceu.edu.ph/static/media/FINAL%20CEU-SEC20IS-Definitive%202025.pdf</a></p> <p>The By-Laws of the Corporation was also amended in order to facilitate voting and attendance in meetings in absentia via remote communication:</p> <p><a href="https://corporate.ceu.edu.ph/static/media/CEU%20Certificate%20of%20Filing%20of%20Amended%20ByLaws%20dated%2029%20Aug%202025%20with%20attachments.pdf">https://corporate.ceu.edu.ph/static/media/CEU%20Certificate%20of%20Filing%20of%20Amended%20ByLaws%20dated%2029%20Aug%202025%20with%20attachments.pdf</a></p>	
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**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**

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>Compliant</p>	<p>Pages 19-21</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
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**Recommendation 14.2**

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p>Pages 19-21</p> <p><a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a></p>	
<p><b>Recommendation 14.3</b></p>			
<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>The Stakeholders can reach the Investors Relations Officer/Compliance Officer to voice their concerns and or complaints.</p> <p>Stakeholders can also access the CEU Corporate Website: <a href="http://corporate.ceu.edu.ph/">http://corporate.ceu.edu.ph/</a></p>	
<p><b>Supplement to Recommendation 14.3</b></p>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders are settled in a fair and expeditious manner.</p>	<p>Compliant</p>	<p>The University's open door practice makes amicable discussions of issues accessible.</p> <p>The company also has in place the Joint Consultative Council or JCC which serves as an alternative dispute resolution system for any issues between the management and its employees, as represented by the Union.</p>	
<p><b>Additional Recommendations to Principle</b></p>			
<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Compliant</p>	<p>There were no requests for exemption by the Company.</p>	

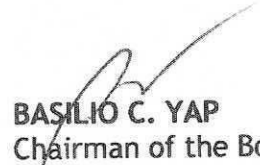
2. Company respects intellectual property rights.	Compliant	The company is a Higher Education Institution, it respects intellectual property rights. It also has an Intellectual Property Policy and has partnerships with the Intellectual Property Office.	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	Compliant	Student welfare is addressed through the Student Handbook and constant dialogue with the student government representatives.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	The University has a system of accreditation and evaluation of suppliers. There is also a purchasing committee that directly reports to the Board.	
<b>Principle 15:</b> 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.			
<b>Recommendation 15.1</b>			
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	Page 1-2 <a href="http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf">http://corporate.ceu.edu.ph/static/media/CEU%20New%20Manual%20on%20Corporate%20Governance_FINAL-05312017.pdf</a>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	The company has a ranking system and with equivalent increase in remuneration based on annual performance evaluation	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	CEU campuses have clinics that provide for the welfare of personnel and students.	
3. Company has policies and practices on training and development of its employees.	Compliant	CEU provides Training and development of its employees.	
<b>Recommendation 15.2</b>			


1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	Non-Teaching Personnel and Teaching Personnel Manual	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	CEU provides an Employee Orientation program.	
<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	Non-Teaching Personnel and Teaching Personnel Manual	
<b>Recommendation 15.3</b>			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	CEU Whistleblowing Policy <a href="https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf">https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf</a>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	CEU Whistleblowing Policy <a href="https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf">https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf</a>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	CEU Whistleblowing Policy <a href="https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf">https://corporate.ceu.edu.ph/static/media/CEU_V1_Whistleblowing_Policy_Official.pdf</a>	
<b>Principle 16:</b> 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.			
<b>Recommendation 16.1</b>			
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	Website: see Corporate Governance under Corporate Social Responsibility in link below <a href="http://corporate.ceu.edu.ph/socialresponsibility">http://corporate.ceu.edu.ph/socialresponsibility</a>	

<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Website: see the link below <a href="http://corporate.ceu.edu.ph/socialresponsibility">http://corporate.ceu.edu.ph/socialresponsibility</a>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	Website: see the link below <a href="http://corporate.ceu.edu.ph/socialresponsibility">http://corporate.ceu.edu.ph/socialresponsibility</a>	


Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed MAY 25 2026 on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Manila on


SIGNATURES

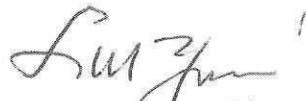
  
**BASILIO C. YAP**  
Chairman of the Board

  
**EMIL Q. JAVIER**  
Lead Independent Director

  
**CARMENCITA D. PADILLA**  
Independent Director

  
**JAYSON O.S. RAMOS**  
Compliance Officer

  
**DANILO L. CONCEPCION**  
Vice Chairman/President


  
**LOPE M. YUYIENCO**  
Independent Director

  
**SERGIO F. APOSTOL**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 25 2026 day of \_\_\_\_\_ 2026, affiants exhibiting to me their government issued IDs, as follows:

NAME	Government ID	Date Issue	Place Issue
BASILIO C. YAP	Passport No. P401131B	November 29, 2019	Manila
DANILO L. CONCEPCION	Driver's License No. C08-78-001494	February 07, 2024	LTO- NCR
EMIL Q. JAVIER	Passport No. P4047095A	February 6, 2016	Manila
LOPE M. YUVIENCO	Passport No. P8956871B	February 15, 2022	Manila
CARMENCITA D. PADILLA	Passport No. P7167704B	July 9, 2021	Manila
JAYSON O'S RAMOS	Driver's License No. No1-01-258943	January 02, 2023	LTO- NCR
SERGIO F. APOSTOL	Passport No. EC7889755	February 6, 2016	Manila

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Book No. 41  
Series of 2026.

  
**LAWRENCE WILFRIDO E. GUERRERO**  
Notary Public for Manila, Phils  
Comm. No. 2025-107 until Dec. 31, 2026  
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IBP 569116; 12-22-25  
Roll # 80332 / 5-19-2022  
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