



SEC FORM-ACGR (FOR PC/RI)

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

1. For the fiscal year ended **December 31, 2023**
2. SEC Registration Number **CS201603378**
3. BIR Tax Identification Number **009-231-032**
4. Exact Name of the Issuer as specified in its charter **MBG Equity Investment Fund, Inc.**
5. Province, Country or other jurisdiction of incorporation or organization **Philippines**
6. Address of Principal Office

G/F 110 Legaspi street, Legazpi village, Makati City
7. Postal Code **1229**
8. Issuer's telephone number, including area code **(632) 8838 7822**
9. Former name, former address, and former fiscal year, if changed since last report

N/A
10. Industry Classification Code (For SEC's use only)

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

RECOMMENDATION		COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
THE BOARD'S GOVERNANCE RESPONSIBILITIES				
Principle 1. ESTABLISHING A COMPETENT BOARD				
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 growth in a manner consistent with its corporate objectives and the long-term best interests of its shareholders/members and other stakeholders.				
Recommendation 1.1				
1	The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors. 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance. References: Annex "A" – Resumes of Directors and Officers of MBG EIFI BOD Manual of Corporate Governance Article III, Sec 1 and Sec 4 (Pages 2 and 4)	
2	The Board has an appropriate mix of competence and expertise.	COMPLIANT		
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		
Recommendation 1.2				
1	The Board is headed by a competent and qualified Chairperson.	COMPLIANT	Provide information or reference to a document containing information of the Chairperson, including his/her name, qualifications, and expertise. References: Annex "A" – Resumes of Directors and Officers and Annex "B" - Amended GIS 2023 Manual of Corporate Governance Article III, Sec 3 (Page 3 and 4)	

Recommendation 1.3			
1	The company provides a policy on training of directors.	COMPLIANT	<p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p>Reference: Manual of Corporate Governance Article III, Sec. 6C (Page 8)</p>
2	The company has an orientation program for first-time directors.	COMPLIANT	<p>The company had training for some of its Directors in 2023.</p> <p>Joseph Alvin C. Tan - 2 hours</p> <ul style="list-style-type: none"> ICD Masterclass Brand Architecture <p>Atty Edson Byron Sy - 10 hours</p> <ul style="list-style-type: none"> ICD Masterclass Brand Architecture Anti-Money Laundering and Counter-Terrorism Financing - AML/CTF Fundamentals AMLC Registration and Reporting Guidelines (ARRG) Course Targeted Financial Sanctions (TFS) Course <p>All/New Directors will undergo required training, including Corporate Governance and AML/CTF training.</p>
3	The company has relevant annual continuing training for all directors.	COMPLIANT	<p><i>Provide information or link/reference to a document containing information of the orientation program and trainings of directors for the covered year, including the number of hours attended and topics covered.</i></p> <p>Annex E - Certificate of Training</p>
Recommendation 1.4			
1	The Board has a policy on board diversity.	COMPLIANT	<p><i>Provide information or link/reference to a document containing the company's board diversity policy.</i></p> <p><i>Indicate gender, age and competence composition of the board.</i></p> <p>Gender: Male - 4 Female - 1</p>

			<p>Age ranges 30-40-year old: 2 directors 50-70-year-old: 2 directors 70-90 years old: 1 directors</p> <p>Skills/Sectors: Business Law Economics Finance</p> <p>References: Annex "A" – Resumes of Directors and Officers</p> <p>Manual of Corporate Governance Article III, Sec. 1 (Page 2)</p>	
Recommendation 1.5				
1	The Board is assisted by a Corporate Secretary.	COMPLIANT	Provide information or link/reference to a document containing information of the Corporate Secretary, including his/her name, qualifications, duties and functions.	
2	The Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	References: Annex "A" – Resumes of Directors and Officers and Annex "B" - Amended GIS 2023	
3	The Corporate Secretary is not a member of the Board of Directors.		Manual of Corporate Governance Article III, Sec. 12 (Pages 14 and 15)	
		COMPLIANT		
4	The Corporate Secretary attends annual training/s on corporate governance.		Provide information or link/reference to a document containing information of the corporate governance training/s attended, including the date of training, number of hours and topics covered.	The Corporate Secretary did not attend an annual training with respect to corporate governance in 2023. He last attended a training with the ICD in August 2022. The organization will schedule training for the Corporate Secretary this 2024.
		NON-COMPLIANT		
Recommendation 1.6				
1	The Board is assisted by a Compliance Officer.	COMPLIANT	Provide information or link/reference to a document containing information of the Compliance Officer, including his/her name, position, qualifications, duties and functions.	The organization is not multilayered with officer ranks. It is a flat organization, and the Compliance Officer has a direct reporting line to the board of directors and operates with sufficient independence and authority, similar to a Senior Vice President.
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	NON-COMPLIANT	Reference: Annex "A" – Resumes of Directors and Officers	
3	The Compliance Officer is not a member of the board.	COMPLIANT		

		Manual of Corporate Governance Article III, Sec. 13 (Page 15)	
4	The Compliance Officer attends annual training/s on corporate governance.	<i>Provide information or link/reference to a document containing information of the corporate governance training/s attended, including the date of the training, number of hours and topics covered.</i>	The new Compliance Officer, who joined in October 2023 has yet to attend the annual training with respect to corporate governance. He is scheduled to attend the required training on November 8, 2024..
	NON-COMPLIANT		

Principle 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD

The fiduciary roles, responsibilities, and accountabilities of the Board, as provided under the law, the company's articles of incorporation and bylaws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders/members and other stakeholders.

Recommendation 2.1			
1	The Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company, shareholders and stakeholders.	COMPLIANT	<i>Provide information or reference to a document containing information on how the directors performed their duties (this can include board resolutions and minutes of meetings).</i> References: Manual of Corporate Governance Article III, Sec. 6 and Sec. 7 (Pages 6-8) Annex "C" - Board Meeting Record of Attendance
Recommendation 2.2			
1	The Board oversees the development and approval of the company's business objectives and strategy.	COMPLIANT	<i>Provide information or link/reference to a document containing information on how the directors performed this function (this can include board resolutions and minutes of meetings).</i>
2	The Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	<i>Indicate frequency of development of business objectives and strategy.</i> Reference: Annex "C" - Board Meeting Record of Attendance
Recommendation 2.3			

1	The Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<i>Disclose and provide information or link/reference to a document containing the company's succession planning policies and programs and its implementation.</i>	
2	The Board adopts a policy for the retirement of directors and key officers.	COMPLIANT	Reference: Manual of Corporate Governance Article III, Sec. 6 (Page 7) and MBG EIFI Succession Planning Program	
Recommendation 2.4				
1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	COMPLIANT	<i>Provide information or link/reference to a document containing the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</i>	
2	The Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		
3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	Reference: Manual of Corporate Governance Article III, Sec. 10 (Page 11-12)	
Recommendation 2.5				
1	The Board has a formal and transparent board nomination and election policy.	COMPLIANT	<i>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the candidates are shortlisted and how it encourages nominations from shareholders.</i>	
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	COMPLIANT		
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	COMPLIANT	<i>Provide proof if minority shareholders have a right to nominate candidates to the board.</i>	
5	The Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director.	COMPLIANT	<i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i>	
6	The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company.	COMPLIANT	Reference: Manual of Corporate Governance Article III, Sec. 4, Sec. 5, and Sec. 11 b.1 (Pages 4 and 14) MBG EIFI Nomination and Election Policy	
Recommendation 2.6				
1	The Board has overall responsibility in ensuring that there is a policy and system governing related party	COMPLIANT	<i>Provide information or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant</i>	

	transactions (RPTs) and other unusual or infrequently occurring transactions.		<i>RPTs.</i> <i>Identify transactions that were approved pursuant to the policy.</i>	
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.		Reference: Manual of Corporate Governance Article III, Sec. 6 b.16 and Sec. 11 a. 14. (Pages 7 and 13)	
COMPLIANT				

Recommendation 2.7				
1	The Board is primarily responsible for approving the selection of Management, led by the Chief Executive Officer (CEO) or his/her equivalent, and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).		<i>Provide information or reference to a document containing the Board's policy on approving the selection of management.</i> <i>Identify the Management team appointed.</i> Reference: Manual of Corporate Governance Article III (Page 2)	
COMPLIANT				
2	The Board is primarily responsible for assessing the performance of Management, led by the CEO or his/her equivalent and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).		<i>Provide information or reference to a document containing the Board's policy on assessing the performance of management.</i> <i>Provide information on the assessment process and indicate frequency of assessment of performance.</i> Reference: Manual of Corporate Governance Article VII (Page 19)	
COMPLIANT				

Recommendation 2.8				
1	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that Management's performance is on par with the standards set by the Board and Senior Management.	COMPLIANT	<i>Provide information or link/reference to a document containing the Board's performance evaluation framework for management and personnel.</i> <i>The fund's operations are performed by the Investment Manager. The Board evaluates the investment manager's performance on a regular basis through monthly newsletters and investment manager reports.</i>	
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance is on par with the standards set by the Board and Senior Management.	COMPLIANT	<i>The operations of the fund are managed by the Fund Manager, who maintains the</i>	

			necessary performance evaluation framework to assess the performance of its personnel. Reference: Manual of Corporate Governance Article VI (Pages 18-19)	
Recommendation 2.9				
1	The Board ensures that an appropriate internal control system is in place.	COMPLIANT	Provide information or link/reference to a document showing the Board's responsibility in ensuring that an appropriate internal control system is in place, and what comprises the internal control system. Reference: Manual of Corporate Governance Article III Sec. 8 (Page 10)	
2	The internal control system includes a mechanism for monitoring and managing potential/actual conflicts of interest of the board members/trustees, management and shareholders/members.	COMPLIANT		
3	The Board adopts an Internal Audit Charter.	NON-COMPLIANT	Provide reference or link to the company's Internal Audit Charter.	The internal audit charter is yet to be formalized in 2023. However, in 2024, the Fund has ongoing discussion with a service provider to draft the Internal Audit Charter.
Recommendation 2.10				
1	The Board ensures that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	Provide information or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.	
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.		Provide proof of effectiveness of risk management strategies, if any. The Fund is managed by Fund Manager which adopts the Risk Management Manual Reference: MBG IMI Risk Management Manual	
Recommendation 2.11				
1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	COMPLIANT	Provide link to the company's website where the Board Charter is disclosed and/or other proof that it is publicly available.	

2	The Board Charter serves as a guide to the directors/trustees in the performance of their functions.	COMPLIANT	The Board Charter is embedded on the Manual of Corporate Governance (see Manual of Corporate Governance Article III Sec. 1-7, Pages 2 to 9).	
3	The Board Charter is publicly available.	COMPLIANT		
Principle 3. ESTABLISHING BOARD COMMITTEES				
The 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, compliance and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all the board committees should be contained in their respective board committee charters.				
Recommendation 3.1				
1	The Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.		Provide information or link/reference to a document containing information of all board committees established by the company. Reference: Manual of Corporate Governance Article III Sec. 11 (Pages 12-14)	
	COMPLIANT			
Recommendation 3.2				
1	The 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.		Provide information or link/reference to a document containing information of the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor. Reference: Manual of Corporate Governance Article III Sec. 11a (Page 12)	
	COMPLIANT			
2	The Audit Committee is composed of at least three (3) qualified non-executive directors, the majority of whom, including the Chairperson, are independent directors.		Provide information or link/reference to a document containing information of the members of the Audit Committee, including their qualifications and type of directorship. The Audit Committee is composed of the following: Paul Patrick M. Carague – Chairman	
	COMPLIANT			

		Evelyn R. Singson – Member Edson Byron K. Sy - Member	
3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	<p>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</p> <p>References: Annex "A" – Resumes of Directors and Officers of MBG EIFI BOD</p>	
	COMPLIANT		
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	<p>Provide information or link/reference to a document containing information of the Chairperson of the Audit Committee.</p> <p>Reference: Annex "B" - Amended GIS 2023</p>	
	COMPLIANT		
Recommendation 3.3			
1	The Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	<p>Provide information or reference to a document containing information of the Corporate Governance Committee, including its functions.</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p>	<p>The fund does not intend to establish a separate Corporate Governance Committee. The primary duty of its board is to perform corporate governance responsibilities. The fund does not nominate officers or set remuneration policy since there are no employees in the fund and its operations are outsourced to the investment manager.</p> <p>Moreover, there are only 5 elected directors of which 2 are independent. The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.</p>
	NON-COMPLIANT		
2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	<p>Provide information or link/reference to a document containing information of the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p>	<p>Though the fund does not have a Corporate Governance Committee, the board's primary duty is corporate governance.</p>
	NON-COMPLIANT		

Recommendation 3.4			
1	The 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	Provide information or link/reference to a document containing information of the Board Risk Oversight Committee (BROC), including its functions
2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	COMPLIANT	The Audit Committee serves as Independent Oversight Entity as well.
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.		Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.
		COMPLIANT	All directors have sufficient experience in risk and risk management. Patrick Carague is the former risk officer of a universal bank. In addition, the Audit Committee serves as Independent Oversight Entity as well.
Recommendation 3.5			
1	All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	Provide information or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	COMPLIANT	Reference: Manual of Corporate Governance Article III Sec. 11 (Page 12)
Principle 4. FOSTERING COMMITMENT			
To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			

1	The Directors attend and actively participate in all meetings of the Board, Committees and shareholders/members in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	Provide information or link/reference to a document containing the attendance and participation of directors to Board, Committee and shareholders' meetings.	
2	The Directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Reference: Annex "C" - Board Meeting Record of Attendance	
3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT		
Recommendation 4.2				
1	Non-executive directors concurrently serve in not more than ten (10) public companies and/or registered issuers. If concurrently sitting in at least three (3) publicly listed companies, the maximum concurrent directorships shall be five (5) public companies and/or registered issuers.		Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in listed companies, registered issuers and public companies.	
		COMPLIANT	Reference: Manual of Corporate Governance Article III Section 2 (Page 3)	
Recommendation 4.3				
1	The Directors notify the company's board before accepting a directorship in another company.		Provide copy of/reference to the written notification to the board or minutes of board meeting wherein the matter was discussed. In 2023, there were no directors accepting directorship in another company.	
		COMPLIANT	Reference: Manual of Corporate Governance Article III Section 2 (Page 3)	
Principle 5. REINFORCING BOARD INDEPENDENCE				
The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.				
Recommendation 5.1				

1	The Board is composed of a majority of non-executive directors who possess the necessary qualifications.		Identify or provide link/reference to a document identifying the directors, the type of their directorships and their qualifications. Reference: Manual of Corporate Governance Article III Section 1 (Page 2) Annex "B" - Amended GIS 2023	
COMPLIANT				
Recommendation 5.2				
1	The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.		Provide information or link/reference to a document containing the number of independent directors in the board. Reference: Manual of Corporate Governance Article III Section 1 (Page 2) Annex "B" - Amended GIS 2023	
COMPLIANT				
Recommendation 5.3				
1	The independent directors possess all the qualifications and none of the disqualifications to hold the position.		Provide information or link/reference to a document containing the qualifications of independent directors. Reference: Manual of Corporate Governance Article III Section 4 and 5 (Page 4) Annex "A" – Resumes of Directors and Officers	
COMPLIANT				
Recommendation 5.4				
1	The company perpetually bars an independent director from serving in such capacity after the term limit of nine (9) years.		Provide information or link/reference to a document containing the company's policy on term limits for its independent director. Reference: Manual of Corporate Governance Article III Section 7d (Page 9)	
COMPLIANT				

2	In the instance that the company retains an independent director in the same capacity after nine (9) years, the Board provides meritorious justification and seeks shareholders'/members' approval during the annual regular meeting.	COMPLIANT	Provide reference to the meritorious justification and proof of shareholders'/members' approval during the annual regular meeting. There are no independent directors that have been serving for more than nine (9) years.	
Recommendation 5.5				
1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	COMPLIANT	Identify the company's Chairperson of the Board and Chief Executive Officer (or its equivalent). Reference: Annex "B" - Amended GIS 2023	
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.	COMPLIANT	Provide information or link/reference to a document containing the roles and responsibilities of the Chairperson of the Board and Chief Executive Officer (or its equivalent). Identify the relationship of the Chairperson and CEO. The Chairperson of the Board is an independent director and serves as the lead director.	
Recommendation 5.6				
1	The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director.	COMPLIANT	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairperson is an independent director. Annex "B" - Amended GIS 2023	
Recommendation 5.7				
1	The Directors/Trustees with material interest in a transaction affecting the corporation fully disclose his/her adverse interest, abstain from taking part in the deliberations for the same, and recuse from voting on the approval of transaction.	COMPLIANT	Provide proof of full disclosure and abstention, if any, of the interested director/trustee. In 2023, there was no instance involving a director with a material interest in a transaction affecting the Company.	

Recommendation 5.8				
1	The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance, and risk functions, without any executive directors present.	NON-COMPLIANT	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	Proposed action: The NEDs will hold a separate meeting in its next ASM with the external auditor.
2	The meetings are chaired by the lead independent director, if applicable.		Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	
		COMPLIANT	The Chairperson is the lead independent director.	
Principle 6. ASSESSING BOARD PERFORMANCE				
The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.				
Recommendation 6.1				
1	The Board conducts an annual self-assessment of its performance as a whole.	NON-COMPLIANT	Provide proof of self-assessments conducted by the whole board, the individual members, the Chairperson and the Committees.	The Board was not able to do an annual self-assessment in 2023 but will do so in 2024.
2	The Chairperson conducts an annual self-assessment of his performance.	NON-COMPLIANT		
3	The individual members conduct a self-assessment of their performance.	NON-COMPLIANT	Reference: Manual of Corporate Governance Article III Section 6 b17 and Article VII (Page 7 and 19)	
4	Each committee conducts a self-assessment of its performance.	NON-COMPLIANT		
Recommendation 6.2				
1	The Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors/trustees and committees.	COMPLIANT	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders/members.	
2	The system allows for a feedback mechanism from the shareholders/members.		The operations of the fund are managed by the Fund Manager, who maintains the necessary performance evaluation framework to assess the performance of its personnel.	
		COMPLIANT	Reference:	

Principle 7. STRENGTHENING BOARD ETHICS

The Board directors are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1			
1	The 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 board members.	COMPLIANT	<p><i>Provide information or link/reference to the company's Code of Business Conduct and Ethics.</i></p> <p>Reference: Manual of Corporate Governance Article III Section 6. b18 (Page 8)</p> <p>MBG Code of ethical standards</p>
2	The Code is properly disseminated to the members of Board.	COMPLIANT	<p><i>Provide information or discuss how the company disseminated the Code to the members of the Board.</i></p> <p>Reference: Manual of Corporate Governance Article III Section 6. b18 (Page 8)</p> <p>MBG Code of Ethical Standards</p>
3	The Code is disclosed and made available to the public through the company website.	COMPLIANT	<p><i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</i></p> <p>Reference: Manual of Corporate Governance Article III Section 6. b18 (Page 8)</p> <p>MBG Code of Ethical standards available on company website: https://mbgfunds.com/our-funds/mbg-equity-investment-fund/</p>
Recommendation 7.2			
1	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	<p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</i></p> <p><i>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</i></p>

			In 2023, there are no non-compliance findings.
			Reference: Manual of Corporate Governance Article III Section 6. b18 (Page 8) MBG Code of Ethical Standards
DISCLOSURE AND TRANSPARENCY			
Principle 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES			
The Board should establish corporate disclosure policies and procedures that are practical and in accordance with generally accepted best practices and regulatory expectations.			
Recommendation 8.1			
1	The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders/members and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.		Provide information or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders/members and other stockholders. Reference: Manual of Corporate Governance Article IX
Recommendation 8.2			
1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within five (5) business days.	COMPLIANT	Provide information or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's shares.
2	The company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within five (5) business days.		Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.
		COMPLIANT	In 2023, there are no actual dealings of directors involving the corporation's shares.
Recommendation 8.3			
1	The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Provide link to the company's website where the Manual on Corporate Governance is posted.
2	The company's MCG is submitted to the SEC.	COMPLIANT	Corporate Governance is available upon request of any shareholders.
3	The company's MCG is posted on the company website.	COMPLIANT	

			The fund's Manual of Corporate Governance is available on the company website and has been submitted to the SEC.	
Recommendation 8.4				
1	The company's corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR).	COMPLIANT	Provide link to the company's website where the Annual Corporate Governance Report is posted. https://mbgfunds.com/our-funds/mbg-equity-investment-fund/	
2	The company's ACGR is submitted to the SEC.	COMPLIANT		
3	The company's ACGR is posted on the company website.	COMPLIANT		
Principle 9. STRENGTHENING EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY				
The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.				
Recommendation 9.1				
1	The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors.		Provide information or link/reference to a document containing the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor. Reference: Manual of Corporate Governance Article V Section 2. (Page 16)	
2	The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and the shareholders/members.	COMPLIANT	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor. In the meeting held on August 31, 2023, upon motion made and duly seconded and there being no objection from any stockholder, the auditing firm of Sycip, Gorres and Velayo & Co. was retained as external auditor of the company Reference: Manual of Corporate Governance Article V Section 2 (Page 16)	
3	For the removal of external auditor, the reasons for such removal or change are disclosed to the SEC, the shareholders/members, and the public through the company website and required disclosures.	COMPLIANT	Provide information or link/reference to a document containing the company's reason for removal or change of external auditor. The external auditor has not been removed	

Recommendation 9.2			
1	The Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter. Reference: Manual of Corporate Governance Article III Section 11 a3, Section 8c and Article V (Page 10 and 12)
2	The Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	
Recommendation 9.3			
1	The company discloses the nature of non-audit services performed by its external auditor in the Annual Report to manage potential conflict of interest cases.	COMPLIANT	Disclose the nature of non-audit services performed by the external auditor, if any. In 2023, there are no non-audit services performed by the external auditor Provide link or reference to guidelines or policies on non-audit services.
2	The 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	Reference: Manual of Corporate Governance Article III Section 11 a.11 (Page 13)
Principle 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING			
Recommendation 10.1			
The Board should ensure that the company discloses material and reportable non-financial and sustainability issues.			
1	The Board has a clear and focused strategy on the disclosure of non-financial information.	COMPLIANT	Disclose or provide link to the company's policies and practices on the disclosure of non-financial information, including ESG issues. Reference: Manual of Corporate Governance Article VIII (Page 19)

2	The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.	COMPLIANT	<p><i>Provide link or reference to the company's disclosure of strategic and operational objectives, with emphasis on EESG matters.</i></p> <p>Reference: Manual of Corporate Governance Article VIII (Page 19)</p>	
Principle 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION				
The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.				
Recommendation 11.1				
1	The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.	COMPLIANT	<p><i>Provide link to the company's website.</i></p> <p>Reference: https://www.nbgfunds.com/</p>	
INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORKS				
Principle 12. STRENGTHENING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS				
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 system.				
Recommendation 12.1				
1	The company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	<p><i>List quality service programs for the internal audit functions.</i></p> <p><i>Indicate frequency of review of the internal control system.</i></p> <p>Reference: Manual of Corporate Governance Article VIII</p>	
2	The company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	<p><i>Identify international framework used for Enterprise Risk Management.</i></p> <p><i>Provide information or reference to a document containing information on:</i></p> <p><i>1. Company's risk management procedures and processes.</i></p> <p><i>2. Key risks the company is currently facing.</i></p> <p><i>3. How the company manages the key risks.</i></p> <p><i>Indicate frequency of review of the enterprise risk management framework.</i></p>	

			<p>The Fund has approved and adopted the Risk Management Framework of the Fund Manager.</p> <p>Reference: MBG IMI Risk Management Manual</p>	
Recommendation 12.2				
1	<p>The company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>		<p><i>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm hired.</i></p>	<p>The fund does not perform active operations, nor does it maintain employees. Its operations are outsourced to the Fund Manager.</p> <p>Proposed action: The Fund will advise the Fund Manager to implement an independent internal audit function in 2023. In 2024, the Fund Manager and the Fund have already discussed about having an independent internal auditor among the team and intending to hire within the year.</p>
CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS/MEMBERS				
Principle 13. PROMOTING SHAREHOLDER/MEMBER RIGHTS				
The company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.				
Recommendation 13.1				
1	<p>The Board ensures that basic shareholder/member rights are disclosed in the Manual on Corporate Governance.</p>		<p><i>Provide link or reference to the company's Manual on Corporate Governance where shareholders'/members' rights are disclosed.</i></p> <p>Reference: Manual of Corporate Governance Article VI (Page 18)</p>	
Recommendation 13.2				
1	<p>The Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'/Members' Meeting with sufficient and relevant information at least twenty-one (21) days before the meeting.</p>	COMPLIANT	<p><i>Indicate the number of days before the annual or special stockholders'/members' meeting when the notice and agenda were sent out.</i></p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-1S).</i></p> <p>Reference:</p>	
	COMPLIANT			

Recommendation 13.3		
1	The Board encourages active shareholder/member participation by making the result of the votes taken during the most recent Annual or Special Shareholders'/Members' Meeting publicly available the next working day.	Provide information or reference to a document containing all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM. In 2023, there are no relevant questions raised and answers during ASM. Reference: Annex F -MBG EIFI Minutes of the Annual Meeting of the Stockholders and Minutes of the Special Meeting of the Stockholders
2	The minutes of the Annual and Special Shareholders'/Members' Meetings were made available on the company website within five (5) business days from the date of the meeting.	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any. Reference: Annex F -MBG EIFI Minutes of the Annual Meeting of the Stockholders and Minutes of the Special Meeting of the Stockholders Link to minutes: https://mbgfunds.com/our-funds/mbg-equity-investment-fund/ There was a Q&A section at the end of the meeting for any questions.
	COMPLIANT	COMPLIANT

Recommendation 13.4			
1	The Board makes available, at the option of a shareholder/member, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.		Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes. Provide link/reference to where it is found in the Manual on Corporate Governance.
	COMPLIANT	In 2023, there were no disputes.	
Recommendation 13.5			
1	The Board establishes an Investor Relations Office (IRO) or Customer Relations Office (CRO) or its equivalent to ensure constant engagement with its shareholders/members.	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address 1. Name of the person: Sabrina Darza 2. Telephone number: +63 2 8838 7822/09188881488 3. Fax number: (632) 7956 7254 4. E-mail address: sdarza@mbgcapital.com	
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	COMPLIANT	Indicate if the IRO or CRO or its equivalent was present during the ASM.
DUTIES TO STAKEHOLDERS			
Principle 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS			
The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1	The Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.		Identify the company's stakeholders and provide information or reference to a document containing the company's policies and programs for its stakeholders. Reference: Manual of Corporate Governance Article III Section 6 b.5, b.18 (Page 6 and 9)
	COMPLIANT		
Recommendation 14.2			

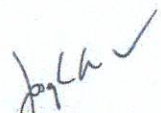
1	The Board establishes clear policies and programs to provide a mechanism on the fair treatment, protection and enforcement of the rights of stakeholders.	COMPLIANT	Identify policies and programs for the protection, fair treatment and enforcement of the rights of the company's stakeholders. Reference: Manual of Corporate Governance Article VIII (Page 19)	
Principle 15. ENCOURAGING EMPLOYEES' PARTICIPATION				
A mechanism for employee participation should be developed to create a symbiotic working environment consistent with the realization of the company's objectives and good corporate governance goals.				
Recommendation 15.1				
1	The Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	Provide information or link/reference to company policies, programs and procedures that encourage employee participation. Reference: Manual of Corporate Governance Article III Section b.21 (Page 8)	
Recommendation 15.2				
1	The Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct and Ethics.	COMPLIANT	Identify or provide link/reference to the company's policies, programs and practices against corruption. Reference: Manual of Corporate Governance Article III Section b.22 (Page 8) MBG Code of Ethical Standards	
2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	Identify how the board disseminated the policy and program to the employees across the organization. This is part of the onboarding of all directors.	
Recommendation 15.3				
1	The Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	COMPLIANT	Disclose or provide link/reference to the company whistleblowing policy and procedure for employees.	
2	The 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	Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.	

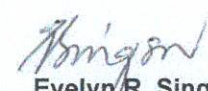
		Reference: MBG Code of Ethical Standards	
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p>The compliance officer oversees the enforcement of the whistleblowing framework. Any whistleblowing incidents are duly reported to the Board.</p>	
Principle 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY			
The company should be socially responsible in all its dealings with the communities in which it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1	The company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	<p><i>Provide information or reference to a document containing the company's community involvement and environment-related programs.</i></p> <p>The fund considers ESG in its investment policy.</p>	

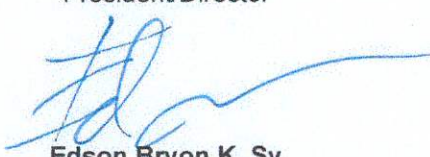
Signatures

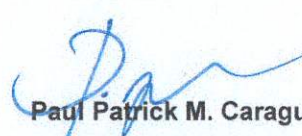
Pursuant to the requirements of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the Registrant by the undersigned, thereunto duly authorized, in Makati City on JUN 28 2024.

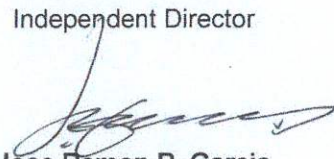
By.

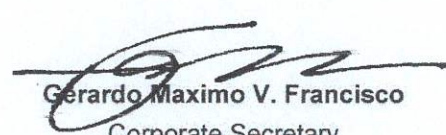

Joseph Alvin C. Tan
President/Director

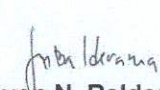

Evelyn R. Singson
Chairman/Director


Edson Bryon K. Sy
Independent Director


Paul Patrick M. Carague
Independent Director


Jose Ramon R. Garcia
Director


Gerardo Maximo V. Francisco
Corporate Secretary

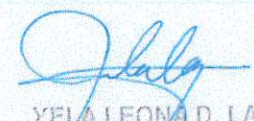

Joven N. Balderama
Compliance Officer

SUBSCRIBED AND SWORN to before me this day JUN 28 2024, at Makati City, affiants exhibiting to me their Passports, as follows:

Name	Passport No.	Date/Place of Issue
Joseph Alvin C. Tan	P1860411B	06 Jun 2019/DFA Manila
Evelyn R. Singson	P7094702A	10 May 2018/DFA NCR Central
Edson Bryon K. Sy	P3827618B	13 Nov 2019/DFA NCR East
Paul Patrick M. Carague	P1067493B	15 Mar 2019/DFA NCR South
Jose Ramon R. Garcia	P3018683B	10 Sep 2019/DFA NCR South
Gerardo Maximo V. Francisco	P5690931A	20 Jan 2018/DFA Baguio
Joven N. Balderama	P9544132A	14 Nov 2018/DFA NCR East

Notary Public

Doc. No. 136
Page No. 29
Book No. II
Series of 2024


XELA LEONA D. LAQUI
Appointment No. M-199
Notary Public for Makati City
Until December 31, 2024
Unit 1002, One Corporate Plaza
645 A. Amalaz Ave., Legaspi Village,
Makati City 1229
Roll of Attorneys No. 79688
I.P. No. 372479/Oriental Mindoro/12-22-2023
PTR No. 10074570/Makati City/01-02-2024