

COMPANY NAME:	KASAGANA-KA MUTUAL BENEFIT ASSOCIATION, INC.		COMPANY STRUCTURE:		
FINANCIAL YEAR END	2017		<input type="radio"/> Class 1 <input type="radio"/> Class 3 <input checked="" type="radio"/> Class 5 <input type="radio"/> Class 2 <input type="radio"/> Class 4		
SECTOR	<input checked="" type="checkbox"/> Insurance	<input checked="" type="checkbox"/> MBA			
<b>A. Rights of Shareholders</b>					
<b>A.1</b>	<b>Basic Shareholder Rights</b>		<b>Y/ N</b>	<b>Reference/Source document</b>	
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?	<b>OECD Principle II: The Rights of Shareholders and Key Ownership Functions</b> (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	N/A	<a href="#">Amended Articles of Incorporation- Article 8</a>	KMBA is a non-stock, not for profit, mutual aid organization, and thus not pay dividends
<b>A.2</b>	<b>Right to participate in decisions concerning fundamental corporate changes.</b>				
	<i>Do shareholders have the right to participate in:</i>				
A.2.1	Amendments to the company's constitution?	<b>OECD Principle II</b> (B) Shareholders should have the right to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.	Y	<a href="#">Amended By-Laws: Article V, Section 2. Rights of Members; Revised CGM: Membership-P.26 item 3.3 Voting rights of a member</a>	
A.2.2	The authorisation of additional shares?	<b>OECD Principle II (B):</b> (2) the authorisation of additional shares.	N/A		Default
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	<b>OECD Principle II.(B):</b> (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.	Y	<a href="#">Amended Articles of Incorporation: Article 12, No. 3</a>	In case of Dissolution, assets of the corporation shall be distributed in the manner set forth in the Articles of Incorporation

<b>A.3</b>					
<b>Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</b>					
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	<b>OECD Principle II (C):</b> (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	N		No increases in remuneration were made in 2017
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	<a href="#">Revised CGM: Membership-P.26, item 3.3 Voting rights of members; Minutes of AGM Election Guidelines No. 6-Proxy Voting P. 10-13</a>	All KMBA members have the right to participate and vote in its Annual General Assembly.
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	<a href="#">Revised CGM: Membership-P.26, item 3.3 Voting rights of members; 2017 Minutes of AGM Election Guidelines &amp; Voting System No. 6-Proxy Voting P. 10-11</a>	Yes, although the Corporation Code and the guidelines of KMBA allow proxy voting.
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?		Y	<a href="#">2017 Minutes of AGM: Election of Board of Trustees, Committees &amp; Appointment of an Independent Board Member Election Guidelines &amp; Voting System P. 10-15</a>	

A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	<b>OECD Principle II (C):</b> (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	<a href="#">2017 Minutes of Annual General Meeting: Treasurers Report P. 7; Election of Board of Trustees P. 15</a>	Under Treasurer's Report, Ms. Anita Manundo, Board Member asked the performance, competency & Professionalism of the External Auditor (BDO Alba Romeo CPA's). President Isabel Iliw-iliw also made some clarifications on voting result of Ms. Teresita Padel, nominee from Sumulong branch.
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	<a href="#">2017 Minutes of Annual General Meeting: Treasurers Report P. 7; Election of Board of Trustees P. 15</a>	However, there was no controversial issues raised during the AGM
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	<a href="#">2017 Minutes of AGM Approval &amp; Ratification of Board &amp; Management Actions P. 8-9</a>	All Board Resolutions are posted at KMBA website under Corporate Governance_Board Resolutions
A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?		Y	<a href="#">Voting Results on 2017 Annual General Meeting was posted at KMBA website under Corporate Governance 2017 Minutes of AGM</a>	
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	<b>OECD Principle II (C); and</b> <b>ICGN 2.4.2:</b> All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	<a href="#">2017 Minutes of Annual General Meeting - P. 1-2 AGM Attendance Sheet</a>	
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?		Y	<a href="#">2017 Minutes of Annual General Meeting - P. 1-2 AGM Attendance Sheet</a>	
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	<a href="#">2017 Minutes of Annual General Meeting - P. 1-2 AGM Attendance Sheet</a>	

A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	<a href="#">2017 Minutes of Annual General Meeting - P. 1-2 AGM Attendance Sheet; Revised CGM: Participation in Meetings through electronic device</a>	All members of the Board of Trustees shall be allowed totake part and vote during meetings of the board using electronic devices or platforms including audio & video conferencing. Trustees who opt for such models are considered in full attendance.
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	<b>OECD Principle II (C)</b>	Y	<a href="#">kmba website; Notice of 11th Annual General Meeting</a>	KMBA held its 11th AGM at SEAMEO Innotech located along Diliman Avenue Quezon City, which is accessible to all members. KMBA also provide location map together with the invitation to each member-representative
A.3.14	Does the company allow for voting in absentia?	<b>OECD Principle II (C):</b> (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	<a href="#">Amended By-Laws, Article 1 Section 6 Proxy voting; 2017 Minutes of AGM Election Rules &amp; Voting System P. 11</a>	Elections of Board of Trustees & officers are done thru proxy voting
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	<b>OECD Principle II (C)</b>	Y	<a href="#">2017 Minutes of AGM Approval &amp; Ratification of Board &amp; Management Actions P. 8-9</a>	
A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Y	<a href="#">Revised CGM: Governance Structure &amp; Policies Item 2.1.2-Appointment of an Independent Party: 2017 Minutes of AGM P. 14</a>	During the 2017 AGM, the Nomination & Election Committee appointed Roxas Cruz Tagle formerly BDO Alba Romeo & Co. to validate the votes during election of Trustees
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?		Y	<a href="#">kmba website: Voting Results of 2017 Annual General Meeting</a>	All resolutions for 2017 made & approved by the board was posted at KMBA website on the same date that Notice for AGM was posted, under Discloure: Notice of AGM_Summary of Board Resolutions

A.3.18	Do companies provide at least 21 days notice for all resolutions?	<b>OECD Principle II (C):</b> (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Y	<a href="#">Notice of 11th Annual General Meeting: Summary of 2016 Board Resolutions</a>	All resolutions for 2016 made & approved by the board was posted at KMBA website on the same date that Notice for AGM was posted, under Disclosure: Notice of AGM_Summary of Board Resolutions 2016
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?		Y	<a href="#">Revised Corporate Governance Manual: Background Information on Agenda Items Item 3.8.1;</a>  <a href="#">KMBA Website Notice of 11th</a>	Rationale for each agenda item on the AGM is posted at KMBA website under Disclosure: Notice of 12th Annual General Meeting. It is also discussed during Board & Area Coordinators' meeting, where rationale and explanation for each agenda item are also given.

<b>A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner.</b>					
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	<b>OECD Principle II (E):</b> Markets for corporate control should be allowed to function in an efficient and transparent manner.  (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.	Y	<a href="#">Amended Articles of Incorporation Article 12 No. 3</a>	In case of merger/acquisitions or take overs, approval of the Insurance Commission, the regulatory agency for MBAs, will be sought.

<b>A.5</b>					
<b>The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</b>					
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	<b>OECD Principle II (F):</b> The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	<a href="#">Revised Corporate Governance Manual: Annual General Meeting Item 3.7.1 Members Right to Participate Notice of 11th Annual General Meeting</a>	Notice of Annual General Meeting was announced through KMBA website. Also, other members were notified thru Area Coordinators meeting











