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Role of Stakeholders

C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.	Y/ N	Reference / Source document	Remarks	
<i>Does the company disclose a policy that :</i>					
C.1.1	Stipulates the existence and scope of the company's efforts to address customers' welfare?	<b>OECD Principle IV (A):</b> The rights of stakeholders that are established by law or through mutual agreements are to be respected. In all OECD countries, the rights of stakeholders are established by law (e.g. labour, business, commercial and insolvency laws) or by contractual relations. Even in areas where stakeholder interests are not legislated, many firms make additional commitments to stakeholders, and concern over corporate reputation and corporate performance often requires the recognition of broader interests.  <b>Global Reporting Initiative: Sustainability Report (C1.1 C.15) International Accounting Standards 1: Presentation of Financial Statements</b>	Y	<a href="#">Articles of Incorporation, Article 2; KMBA Website</a>	
C.1.2	Explains supplier/contractor selection practice?		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.4; Page 21</a>	
C.1.3	Describes the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.6; Page 22</a>	
C.1.4	Elaborates the company's efforts to interact with the communities in which they operate?		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.6; Page 22</a>	
C.1.5	Describe the company's anti-corruption programmes and procedures?		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.6; Page 22</a>	
C.1.6	Describes how creditors' rights are safeguarded?		N/A		KMBA does not engage in any lending activity
<i>Does the company disclose the activities that it has undertaken to implement the above mentioned policies?</i>					
C.1.7	Customer health and safety	<b>OECD Principle IV (A) &amp; Global Reporting Initiative</b>	Y	<a href="#">Board Resolution: No. 20 Series of 2014; No. 19; No. 18</a>	

C.1.8	Supplier/Contractor selection and criteria		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.4; Page 21</a>	
C.1.9	Environmentally-friendly value chain		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.6; Page 22</a>	
C.1.10	Interaction with the communities		Y	<a href="#">Governance Manual: Identification of Stakeholders; 4.1.6; Page 22</a>	
C.1.11	Anti-corruption programmes and procedures		N/A		There was no reported case violations involving money
C.1.12	Creditors' rights		N/A		KMBA has no financial obligation/credit to other company
C.1.13	Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	<p><b>OECD Principle V (A):</b> Disclosure should include, but not be limited to, material information on: (7) Issues regarding employees and other stakeholders.</p> <p>Companies are encouraged to provide information on key issues relevant to employees and other stakeholders that may materially affect the long term sustainability of the company.</p>	Y	<a href="#">SEGURO Performance Rating</a>	The KMBA is regularly evaluated by RIMANSI using SEGURADO Indicators
C.2	<b>Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</b>				

C.3	Performance-enhancing mechanisms for employee participation should be permitted to develop.				
C.3.1	Does the company explicitly disclose the health, safety, and welfare policy for its employees?	<p><b>OECD Principle IV (C):</b> Performance-enhancing mechanisms for employee participation should be permitted to develop. In the context of corporate governance, performance enhancing mechanisms for participation may benefit companies directly as well as indirectly through the readiness by employees to invest in firm specific skills.</p> <p>Firm specific skills are those skills/competencies that are related to production technology and/or organizational aspects that are unique to a firm.</p> <p>Examples of mechanisms for employee participation include: employee representation on boards; and governance processes such as works councils that consider employee viewpoints in certain key decisions.</p> <p>With respect to performance enhancing mechanisms, employee stock ownership plans or other profit sharing mechanisms are to be found in many countries.</p>	Y	<a href="#">K-Employee Handbook: Book 1, Kalusugan P. 15; Book 3, Health &amp; Occupational Safety P. 31-33</a>	
C.3.2	Does the company publish relevant information relating to health, safety and welfare of its employees?		Y		Information Campaign Materials on Health are being posted at all Field Offices via Tarpaulin
C.3.3	Does the company have training and development programmes for its employees?		Y	<a href="#">Governance Manual Chapter 4; 4.4 Right to Training and Development</a>	
C.3.4	Does the company publish relevant information on training and development programmes for its employees?		Y	<a href="#">Plan of Activities; Gant Chart</a>	
C.3.5	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial		Y	<a href="#">K-Employee Handbook; Mga Benepisyo; Programa ng Incentives P. 13</a>	
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	<p><b>OECD Principle IV (B):</b> Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</p> <p>The governance framework and processes should be transparent and not impede the ability of stakeholders to communicate and to obtain redress for the violation of rights.</p>	Y	KMBA Website	kmba.org.ph

C.4	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be				
C.4.1	<p><b>compromised for doing this.</b></p> <p>Does the company have procedures for complaints by employees concerning illegal (including corruption) and unethical behaviour?</p>	<p><b>OECD Principle IV (E):</b></p> <p>Stakeholders, including individual employees and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.</p>	Y	<a href="#">K-Employee Handbook: Book 2, Code of Conduct; Talaan ng Paglabag at Kaukulang Parusa at Proseso P. 8</a>	
C.4.2	<p>Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from</p>		N		

measures? retaliation?