

B.		Equitable Treatment of Shareholders		
B.1	Shares and voting rights	Y/ N	Reference/Source document	Remarks
B.1.1	Do the company's ordinary or common shares have one vote for one share?	Y	<a href="#">Section 6 Proxy Voting; Revised CGM: Membership-Item 3.3 Voting Rights of a member P. 26; Item 3.7.3 Voting on Motions P. 27-28</a>	All members are entitled for one vote each
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	N/A		KMBA is a non-stock, not for profit, mutual aid organization
			<p><b>OECD Principle III</b>  <b>(A) All shareholders of the same series of a class should be treated equally.</b>  (1) Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p><b>ICGN 8.3.1 Unequal voting rights</b>  Companies ordinary or common shares should feature one vote for one share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power which is disproportionate to their equity ownership should be both disclosed and justified.</p>	

B.2		Notice of AGM		
B.2	Notice of AGM	Y/ N	Reference/Source document	Remarks
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	Y	<a href="#">KMBA Website: Disclosure Notice of 12th AGM;</a> <a href="#">2018 Minutes of 12th Annual General Meeting: Agenda No. 7 Approval &amp; Ratification of Board &amp; Management Actions P. 8-9</a>	Only one item is being dealt with per agenda item
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	Y	<a href="#">KMBA website: Disclosure Notice of 12th Annual General Meeting: Order of Business</a>	The notice of AGM is in English and published in the website
			<p><b>OECD Principle II</b>  (C) Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern shareholder meetings:  (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.  (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p><b>OECD Principle II</b>  (A) All shareholders of the same series of a class should be treated equally.  (4) Immediments to cross border voting should be eliminated.</p>	

<b>Does the notice of AGM/circulars have the following details:</b>	
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?
B.2.5	Has an explanation of the dividend policy been provided?
B.2.6	Is the amount payable for final dividends disclosed?

(7) Impediments to cross border voting should be eliminated.

**ICGN 8.3.2 Shareholder participation in governance**  
Shareholders should have the right to participate in key corporate governance decisions, such as the right to nominate, appoint and remove directors in an individual basis and also the right to appoint external auditor.

**ICGN 8.4.1 Shareholder ownership rights**  
The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote.

Y	<a href="#">KMBA website: Corporate Governance Board of Trustees</a>	
Y	<a href="#">Notice of 12th AGM: Engagement of External Auditor for 2018 Financial Statements P. 11-12; Agenda item no. 11 Appointment of External Auditor and Compiler for 2018 Financial Statement</a>	The board presented to the AGM for ratification the appointment of an audit firm and compiler that will serve for a specific audit period.
Y	<a href="#">Amended Insurance Code Section 408, paragraph 3; 2018 Annual Report Policy on Dividend P.34; Notice of 12th AGM Agenda Item no. 14</a>	As a form of dividend, each member was granted an 'equity value enhancement' equivalent to a 3-week premium contribution. This is allowed per IC ruling on the use of free and unassigned surplus.
N/A	<a href="#">2018 Annual Report: Policy on Dividends; IC Circular 2015-46, Amended Insurance Code section 408 paragraph 3; Minutes of 12th AGM Equity Value Enhancement P. 20-21</a>	KMBA as a non-stock, not for profit, mutual aid organization does not pay dividends, however, per IC ruling, the association may give out from proceeds of the free and unassigned surplus duly approved by the Insurance Commission that may be given out as a form of members' benefits

B.2.7	Were the proxy documents made easily available?		Y	<a href="#">KMBA Website: Other Disclosure Proxy Voting Documents</a>	Accomplished Proxy voting forms are kept in the KMBA head office
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B.3	Insider trading and abusive self-dealing should be prohibited.		Y/ N	Reference/Source document	Remarks
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<b>OECD Principle III (B) Insider trading and abusive dealing should be prohibited</b>  <b>ICGN 3.5 Employee share dealing</b>	N/A		Default
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, these must seek to ensure individuals	N/A		Not Applicable Items

B.4	Related party transactions by directors and key executives.		Y/ N	Reference/Source document	Remarks
B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	<b>OECD Principle III</b> (C) Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.  <b>ICGN 2.11.1 Related party transactions</b> Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party	Y	<a href="#">Revised CGM: Governance Policies &amp; Structure: Disclosure of RPT's &amp; Other Conflict of Interest item 2.1.9 P. 10-11; Transparency &amp; Disclosure item 5.2.1 Information for Public Disclosure, b. Related Party Transaction; 2018 Annual Report KMBA Website: Pol</a>	Policy on Related party Transaction are posted on KMBA website

B.4.2	Does the company have a policy requiring a committee of independent directors/commissioners to review material/significant RPTs to determine whether they are in the best interests of the company and shareholders?	transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.  <b>ICGN 2.11.2 Director conflicts of interest</b> Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.	Y	<a href="#">Revised CGM: Stakeholders item 4.3 Review of Related Party Transaction; item 4.3.1 Responsible Committee and Focus of Review P. 31-32; 2018 Annual Report; Audit Committee Meeting April 7, 2018</a>	The Audit Committee composed of Independent trustees review RPTs annually wherein the committee reports directly to the board of trustees
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?		Y	<a href="#">KMBA Code of Ethics: Item 3.3 Procedure for Handling Complaints and Violations P. 6-7</a>	Should there be conflict of interest, the party concern may abstain from board discussion of a particular agenda.
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?		N		KMBA does not have a policy on loans to Trustees and we don't allow this practice within the association.

B.5 Protecting minority shareholders from abusive actions			Y/ N	Reference/Source document	Remarks
B.5	Protecting minority shareholders from				
B.5.1	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	<b>OECD Principle III</b> <b>(A) All shareholders of the same series of a class should be treated equally.</b> (2) Minority shareholders should be protected from abusive	N		

B.5.2	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	<p>actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p> <p><b>ICGN 2.11.1 Related party transactions</b> Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company and if so to determine what terms are fair.</p> <p><b>ICGN 2.11.2 Director conflicts of interest</b> Companies should have a process for identifying and managing conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest.</p> <p><b>ICGN 8.5 Shareholder rights of action</b> Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.</p>	Y	<a href="#">2018 Annual Report RPT;</a> <a href="#">Minutes of Audit Committee;</a> <a href="#">Revised CGM: Disclosure &amp; Transparency item 5.2.1 b</a> <a href="#">Information for Public Disclosure</a>	The audit committee composed of the independent trustees review RPT and report directly to the board of trustees
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