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| COMPANY NAME: | CENTER FOR AGRICULTURE AND RURAL DEVELOPMENT (CARD) MUTUAL BENEFIT ASSOCIATION, INC. | | COMPANY STRUCTURE: | |
| FINANCIAL YEAR END | 2018 | | <input type="radio"/> Class 1 <input type="radio"/> Class 3 <input type="radio"/> Class 2 <input type="radio"/> Class 4 <input checked="" type="radio"/> Class 5 | |
| SECTOR | <input type="checkbox"/> Insurance | <input checked="" type="checkbox"/> MBA | | |
| A. Rights of Shareholders | | | Y/ N | Reference/Source document |
| A.1 Basic Shareholder Rights | | | | |
| 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? | OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation. | N/A because CARD MBA is a non-stock association and does not pay dividends | |
| A.2 Right to participate in decisions concerning fundamental corporate changes. | | | | |
| <i>Do shareholders have the right to participate in:</i> | | | | |
| A.2.1 | Amendments to the company's constitution? | OECD Principle II (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 | CARD MBA Amended By-Laws under Article V, Section 3 states that one of the rights of the members is to participate in ALL deliberations, meetings, and all matters relating to the affairs of the Association, including the amendments of the Company's Articles and By-Laws. |
| A.2.2 | The authorisation of additional shares? | OECD Principle II (B): (2) the authorisation of additional shares. | N/A because CARD MBA is non-stock association and members are recognized through issuance of certificate of membership | |
| A.2.3 | The transfer of all or substantially all assets, which in effect results in the sale of the company? | OECD Principle II.(B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company. | Y | CARD MBA Amended By-Laws under Article V, Section 3 states that one of the rights of the members is to participate in ALL deliberations, meetings, and all matters relating to the affairs of the Association. |
| A.3 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. | | | | |
| 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? | OECD Principle II (C): (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 | Y | 2018 Notice of AGMM shows that item 7 is the ratification of all the acts of the board. On 2018, one of the resolutions passed is the financial assistance will to be given to MBA coordinators who meet and accident while doing her duties. |

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| A.3.2 | Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners? | members and employees should be subject to shareholder approval. | Y | CARD MBA Corporate Governance Manual Annex A - Selection and Election Process shows that ANY CARD MBA member can nominate any qualified. |
| A.3.3 | Does the company allow shareholders to elect directors/commissioners individually? | | Y | CARD MBA Corporate Governance Manual Annex A - Selection and Election Process shows that ALL members select among the nominees of their choice. |
| A.3.4 | Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds? | OECD Principle II (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 general shareholder meetings. | Y | 2018 Notice of AGMM page 2, first paragraph explained that the voting procedure shall be by casting of ballots while that for voting on motions shall be by voice ("viva voce") or other applicable methods as may be determined by the Chairman of the Meeting. |
| 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? | OECD Principle II (C): (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 | 2018 AGMM Minutes page 9 under Item XI states that "Before the meeting ended, all members and Board of Trustees were asked if they have any question, issue or concern that needed to be answered and clarified. There were no questions, issues and concerns |
| A.3.6 | Do the minutes of the most recent AGM record questions and answers? | | Y | 2018 AGMM Minutes page 1 under Item IV, paragraph 2 shows that members were asked if they have any questions on the minutes but no questions were raised. |
| A.3.7 | Does the disclosure of the outcome of the most recent AGM include resolution(s)? | | Y | CARD MBA Website under Library Menu in Company Disclosures is the 2018 AGMM Minutes with all the resolutions approved. |
| 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 | 2018 AGMM Minutes shows the voting results for each agenda item. |
| A.3.9 | Does the company disclose the list of board members who attended the most recent AGM? | | OECD Principle II (C); and | Y |
| A.3.10 | Did the chairman of the board of directors/commissioners attend the most recent AGM? | ICGN 2.4.2: 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 | 2018 AGMM Minutes page 1 shows that the Chairman of the Board attended the last AGMM. |
| A.3.11 | Did the CEO/Managing Director/President attend the most recent AGM? | | Y | 2018 AGMM Minutes page 1 shows that the President attended the last AGMM. |
| A.3.12 | Did the chairman of the Audit Committee attend the most recent AGM? | | Y | 2018 AGMM Minutes page 1 shows that the Chairman of the Audit Committee attended the last AGMM. |

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| A.3.13 | Did the company organise their most recent AGM in an easy to reach location? | | Y | 2018 Notice of AGMM shows that the AGMM was held in Laguna. |
| A.3.14 | Does the company allow for voting in absentia? | OECD Principle II (C): (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 | CARD MBA Amended By-Laws Article I, Section 6 states that members may vote by person or by proxy. As a proof, 2018 AGMM Minutes shows that there were 2.5 million proxy votes gathered. |
| A.3.15 | Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM? | OECD Principle II (C) | Y | 2018 AGMM Minutes shows the voting results for each agenda item. |
| 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 | 2018 AGMM Minutes page 5 under Item IX, first paragraph states that election of the Board of Trustees was conducted in the presence of Independent Election Committee. |
| 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? | OECD Principle II (C): (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 | 2018 AGMM Minutes last page shows that the minutes was posted on September 7, 2018. |
| | | | | Further, CARD MBA Governance Manual page 27 under Chapter 5, Section 6 states that all resolutions taken up in the AGMM shall make publicly available by the next working day. |
| A.3.18 | Do companies provide at least 21 days notice for all resolutions? | | Y | 2018 Notice of AGMM was released on August 3, 2018. 33 days before AGMM. |
| 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 | 2018 Notice of AGMM provides rationale on each agenda item. |

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| A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner. | | | | |
| 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? | <p>OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner.</p> <p>(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</p> | Y | 2018 Annual Report page 23 under Supplier/Contractor Selection Criteria, the Bidding, Committee reviewed and selected qualified suppliers and contractors last July 18, 2018, based on their financial stability, compliance to regulations, market reputation, |
| A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated. | | | | |
| 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? | <p>OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</p> | Y | CARD MBA Governance Manual page 27 under Chapter 5, Section 6 states that the members shall be encouraged to attend personally or by proxy such meeting of the members. Corporate Governance Policies is uploaded in CARD MBA website. |