

COMPANY NAME:	CENTER FOR AGRICULTURE AND RURAL DEVELOPMENT (CARD) MUTUAL BENEFIT ASSOCIATION, INC.		COMPANY STRUCTURE:		
FINANCIAL YEAR END	2019	<input type="checkbox"/> Insurance	<input checked="" type="checkbox"/> MBA	<input type="radio"/> Class 1	<input type="radio"/> Class 3
SECTOR				<input type="radio"/> Class 2	<input type="radio"/> Class 4
					<input checked="" type="radio"/> Class 5

A. Rights of Shareholders	Y/ N	Reference/Source document
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A.1 Basic Shareholder Rights		
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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. Under the list of Not Applicable Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015.	
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A.2 Right to participate in decisions concerning fundamental corporate changes.		
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<i>Do shareholders have the right to participate in:</i>		
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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	Under the list of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015. Please see CARD MBA, Inc. 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. CARD MBA Amended By Laws
A.2.2	The authorisation of additional shares?	OECD Principle II (B): (2) the authorisation of additional shares.	N/A. Under the list of Not Applicable Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015.	
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	Under the list of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015. Please see CARD MBA, Inc. 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. CARD MBA Amended By Laws

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.		
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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.	N/A. Under the list of Not Applicable Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015.	
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?	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.	Y	Please see CARD MBA Corporate Governance Manual Annex A - Selection and Election Process shows that ANY CARD MBA member can nominate any qualified. Annex A: Selection and Election Process
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	Please see CARD MBA, Inc. Corporate Governance Manual Annex A - Selection and Election Process shows that ALL members select among the nominees of their choice. Annex A: Selection and Election Process

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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	Please see the Minutes of 2019 AGMM page 7, paragraph 2 states that the election process will be through online electronic voting and counting of votes will be automatically tabulated and the results will be flashed in the projector screen real-time for the participants to see. Minutes of 2019 AGMM dated 5 September 2019.
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	Please see the Minutes of 2019 AGMM page 9, Item X states that all members and the Board of Trustees were given opportunity to ask or raise questions, issues or concerns that needs to be answered and clarified. Minutes of 2019 AGMM dated 5 September 2019.
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	Please see the Minutes of 2019 AGMM page 9, Item X states that all members and the Board of Trustees were given opportunity to ask or raise questions, issues or concerns that needs to be answered and clarified but no questions were raised. Minutes of 2019 AGMM dated 5 September 2019.
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	Please see the Minutes of 2019 AGMM which discloses the outcome of the most recent AGMM including all resolutions passed. Minutes of 2019 AGMM dated 5 September 2019.
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	Please see the Minutes of 2019 AGMM which discloses the voting results of each agenda item. Minutes of 2019 AGMM dated 5 September 2019.
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?		Y	Please see the Minutes of 2019 AGMM, page 1, which shows the list of Board of Trustees present during the AGMM. Minutes of 2019 AGMM dated 5 September 2019.
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?	OECD Principle II (C); and 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	Please see the Minutes of 2019 AGMM, page 1, which shows that the Chairman of the Board attended the last AGMM. Minutes of 2019 AGMM dated 5 September 2019.
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	Please see the Minutes of 2019 AGMM, page 1, which shows that the President attended the last AGMM. Minutes of 2019 AGMM dated 5 September 2019.
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	Please see the Minutes of 2019 AGMM, page 1, which shows that the Audit Committee Chairperson attended the last AGMM. Minutes of 2019 AGMM dated 5 September 2019.
A.3.13	Did the company organise their most recent AGM in an easy to reach location?		Y	Please see the Notice of 2019 AGMM which shows that the AGMM was held in San Pablo City, Laguna where the main office is located. Notice of 2019 AGMM dated 5 August 2019.
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.	N/A. Under the list of Not Applicable Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015.	CARD MBA, Inc. Amended By-Laws under Article 1, Section 6 states that members may vote by person or by proxy. As a proof, please see the Minutes of 2019 AGMM, page 1 item 3 which shows that there were 2.8 million proxy votes gathered. Minutes of 2019 AGMM dated 5 September 2019.

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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	Please see the Minutes of 2019 AGMM, page 7 last paragraph, which discloses that voting are done by poll in a voting precinct. Minutes of 2019 AGMM dated 5 September 2019.
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	Please see the Minutes of 2019 AGMM page 4 under Item VIII, first paragraph states that election of the Board of Trustees was conducted in the presence of Independent Election Committee. Minutes of 2019 AGMM dated 5 September 2019.
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	Please see the Minutes of 2019 AGMM, page 9 showing the results of the election was published and uploaded at the website on the next working day September 6, 2019. 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. Minutes of 2019 AGMM dated 5 September 2019.
A.3.18	Do companies provide at least 21 days notice for all resolutions?		Y	Please see the Notice of 2019 AGMM which was signed by the Corporate Secretary and released on August 5, 2019, 30 days before the AGMM. Notice of 2019 AGMM dated 5 August 2019.
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	Please see the Notice of 2019 AGMM which provides details and rationale on each agenda item. Notice of 2019 AGMM dated 5 August 2019.

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?	OECD Principle II (E): 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	Please see the 2019 Annual Report page 22 under Supplier/Contractor Selection Criteria, the Bidding Committee reviewed and selected qualified suppliers and contractors last 16 September 2019, based on their financial stability, response time, service availability, cost benefit, compliance to regulations, market reputations are considered as part of due diligence criteria. 2019 Annual Report
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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?	OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	Under the list of Not Applicable Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015. Even if this item is not applicable, CARD MBA, Inc. is nevertheless compliant of the same. Please see Governance Manual page 27 under Chapter 5, Section 6 which 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. CARD MBA, Inc. Corporate Governance Manual.
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