

A. RIGHT OF SHAREHOLDERS

A.1. Basic Shareholders 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 annual general meeting for final dividends? | <p>OECD Principle II: The Rights of Shareholders and Key Ownership Functions</p> <p>(A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.</p> | N/A | <p>MEMABA Manual on Corporate Governance 4. Policy on Dividends Page 18</p> <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=18</p> <p><i>“The Association as a non-stock and non-profit corporation which was incorporated to provide a system of death, sickness, or other mutual benefits and to render mutual aid and assistance to its members and their families who sustained serious physical injuries or suffered personal damages due to natural calamities, is a tax-exempt business entity and thus is prohibited by law to declare dividends to its members. All of its income derived from its operations inure to the direct benefit of its members by way of an increase in its Legal Policy Reserve and Equity Value. However, as its internal policy and pursuant to the provisions of the Insurance Code, it is mandated to refund to its members the 50% of such member’s total contribution, in cases, where such member voluntarily or involuntarily disassociates himself/herself from the Association.”</i></p> |
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A.2. Right to participate in decisions concerning fundamental corporate changes.

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| A.2.1. | <p><i>Do shareholders have the right to participate in:</i> Amendments to the company’s constitution?</p> | <p>OECD Principle II</p> <p>(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.</p> | Y (Default) | <p>MEMABA Amended By-Laws Article XV Amendment of By-Laws Page 18</p> <p>http://memaba.com.ph/wp-content/uploads/2016/06/2015-Memaba-ByLaws.pdf#page=18</p> <p><i>“These By-Laws or any of them may be amended or repealed at any meeting of the members of the Association by a vote of the majority of the members.”</i></p> |
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| A.2.2. | Authorisation of additional shares? | <p>OECD Principle II (B): (2) the authorisation of additional shares.</p> | <p>Y (Default)</p> | <p>MEMABA Manual on Corporate Governance 4. Policy on Dividends Page 18</p> <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=18</p> <p><i>“The Association as a non-stock and non-profit corporation which was incorporated to provide a system of death, sickness, or other mutual benefits and to render mutual aid and assistance to its members and their families who sustained serious physical injuries or suffered personal damages due to natural calamities, is a tax-exempt business entity and thus is prohibited by law to declare dividends to its members. All of its income derived from its operations inure to the direct benefit of its members by way of an increase in its Legal Policy Reserve and Equity. However, as its internal policy and pursuant to the provisions of the Insurance Code, it is mandated to refund to its members the 50% of such member’s total contribution, in cases, where such member voluntarily or involuntarily disassociates himself/herself from the Association.”</i></p> |
| A.2.3. | Transfer of all or substantially all assets, which in effect results in the sale of the company? | <p>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.</p> | <p>Y (Default)</p> | <p>MEMABA Manual of Corporate Governance 3. Members’ Benefit 3.1. Member’s Rights and Protection 3.1.5. Appraisal Right Page 17</p> <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=17</p> <p><i>“The Members’ shall have appraisal right or the right to dissent and demand payment of the fair value of their contributions in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:</i></p> <ul style="list-style-type: none"> <i>• In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code;”</i> |

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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| <p>A.3.1.</p> | <p>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?</p> | <p>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 members and employees should be subject to shareholder approval.</p> | <p>Y (Default)</p> | <p><i>The last changes in the Trustees remuneration was during 2014, which was presented to the members during the Annual General Membership Meeting for approval the changes in amount and criteria for remuneration that a Trustee may received, which is part of the amendment of the By-Laws. However, the Board of Trustees for year 2015 to present did not increase their allowance and opted to retain whatever they are receiving.</i></p> <p>MEMABA Manual on Corporate Governance 3. Member’s Right 3.1. Members right and Protection 3.1.5. Right to Information Page 16</p> <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=16</p> <p>MEMABA 2017 Annual Report Compliance on Corporate Governance Board Remuneration Pages 26 to 27</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/MEMABA-2018-Annual-ReportFINALa.pdf#page=26</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/MEMABA-2018-Annual-ReportFINALa.pdf#page=27</p> <p><i>“The criteria in changing the monthly allowance, per diem and MIP of the members of the Board of Trustees need approval by the members during the Annual General Membership Meeting as part of amending the Association’s By-Laws.”</i></p> |
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| A.3.2. | Does the company provide non-controlling shareholders a right to nominate candidates for board of directors? | | Y | <p><i>All members of the Association are all treated equal and all have equal rights.</i></p> <p><i>The members of the Association elected the Board of Trustees for years 2018 to 2019. The following provision from Manual of Corporate has been followed:</i></p> <p>MEMABA Manual of Corporate Governance 3. Members' Benefit 3.1. Member's Rights and Protection 3.1.2. Voting Right Page 16</p> <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=16</p> <p><i>“3.1.2. Voting Right</i> 3.1.2.1. <i>Members shall have the right to elect, remove and replace Trustees and vote on certain corporate acts in accordance with the Corporation Code.</i></p> <p>3.1.2.2. <i>Cumulative voting shall be used in the election of Trustees.</i></p> <p>3.1.2.3. <i>A Trustee shall not be removed without cause if it will deny minority Members representation in the Board.”</i></p> |
| A.3.3. | Does the company allow shareholders to elect directors individually? | <p>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 members and employees should be subject to</p> | Y | <p><i>It is the members who elect the member of the Board of Trustees. The following provision from By-Laws has been followed for the election of the Board of Trustees for the years 2018 to 2019:</i></p> <p>MEMABA Amended By-Laws Article III – Board of Trustees Section 3 – Election and Term of Office Page 5</p> <p>http://memaba.com.ph/wp-content/uploads/2016/06/2015-Memaba-ByLaws.pdf#page=5</p> |

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| | | shareholder approval. | | <p><i>“The members of the Board of Trustees shall be elected during the Annual General Membership Meeting as provided herein by a majority of the members entitled to vote, either in person or by representative authorized to act by written proxy.”</i></p> <p>MEMABA Notice of the 2017 Annual General Membership Meeting Agenda No. 8</p> <p>http://memaba.com.ph/category/news/page/5/</p> <p><i>“The Members will be given the opportunity to individually elect the Trustees who will serve for the year 2018-2019 by ballots. The Chairman will explain the rules to be observed in election and canvassing of the ballots. The Corporate Secretary will announce the names of the nominees for the election of Regular Trustees and Independent Trustees. The Election Committee will report the votes received by each nominee and will declare the seven (7) nominees for the Regular Trustees and two (2) nominees for Independent Trustees who received the highest number of votes as the duly elected Trustees.”</i></p> |
| A.3.4. | Does the company disclose the voting and vote tabulation procedure used, declaring both before the meeting proceeds? | <p>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.</p> | Y | <p>MEMABA Notice of the 2017 Annual General Membership Meeting Agenda No. 8</p> <p>http://memaba.com.ph/category/news/page/5/</p> <p><i>“The Members will be given the opportunity to individually elect the Trustees who will serve for the year 2018-2019 by ballots. The Chairman will explain the rules to be observed in election and canvassing of the ballots. The Corporate Secretary will announce the names of the nominees for the election of Regular Trustees and Independent Trustees. The Election Committee will report the votes received by each nominee and will declare the seven (7) nominees for the Regular Trustees and two (2) nominees for Independent Trustees who received the highest number of votes as the duly elected Trustees.”</i></p> |

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| | | | | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting I. Introduction of the Members of the Board of Trustees and Officers Page 1</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Membership-Meeting-Dec.-12-2017.pdf</p> <p><i>“The Corporate Secretary set the ground rules that will be observed during the meeting to ensure fair, orderly and efficient proceedings and to protect the rights of all the members. These included voting procedures and how the Board of Trustees and Officers will entertain questions from members. The Corporate Secretary informed the members that only members or their duly designated proxy will be allowed to vote. Each member shall be entitled to one vote while the designated proxy is entitled to as many proxies he/she may have. For each agenda item, each member is eligible to cast his/her votes, to approve, disapprove or abstain from voting. The manner of voting shall be determined by the Chairperson.</i></p> <p><i>In case there is an objection and that a voting should be made on the approval of the different agenda of the meeting, the members were required to proceed to the Election Committee’s desk to get their ballots and submit the accomplished form to the same desk for immediate canvassing.”</i></p> |
| A.3.5. | Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask question or raise issues? | <p>OECD Principle II (C): (2) Shareholder 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.</p> | Y | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting VIII. Other Matters Page 4</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Membership-Meeting-Dec.-12-2017.pdf#page=4</p> |

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| | | | | <p><i>“There are no other agenda in the meeting. Mr. Chairman opened the floor for members’ other questions and suggestions:”</i></p> |
| <p>A.3.6.</p> | <p>Do the minutes of the most recent AGM record questions and answers?</p> | | <p>Y</p> | <p><i>MEMABA Minutes of the 2017 Annual General Membership Meeting VIII. Other Matters Page 4</i></p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Memebership-Meeting-Dec.-12-2017.pdf#page=4</p> <p><i>There are no other agenda in the meeting. Mr. Chairman opened the floor for members’ other questions and suggestions:</i></p> <ol style="list-style-type: none"> <i>1. Dr. Basilio A. Malvar, a member, recommends to the Board of Trustees to review the existing policy on term of being a Trustee. Based on By-laws, the duly elected members of the Board of Trustees shall hold office for a term of two (2) years unless removed for cause or has resigned and each Trustee may hold office for a maximum two (2) terms only. Dr. B. A. Malvar proposed to adopt a system that will allow the Board of Trustees to run for re-election. The Board of Trustees answered that this is limited under the Association’s By-laws to prevent exclusive possession of control. In addition, being the Association’s Trustee serves as training ground for new managers. However, the Association will still consider and make study on the said suggestion.</i> <i>2. Dr. B. A. Malvar also requested to lower the age on exemption on paying the membership contribution from 80 to 75 years old. The Board of Trustee answered that it is only the allowed age by the Insurance Commission for the exemption on paying the membership contribution. However, the Association will still try to ask for approval from the IC on the said suggestion.</i> |

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| | | | | <p>3. <i>Mr. Ramon A. Militar, a member, suggested to the Board of Trustees if the Association may consider having automatic seat in the Board of Trustees for Rank and File employees. Mr. R. Militar also suggested requiring minimum residency or term of membership before allowing a member to run as candidate to the Board of Trustees. Mr. R. Militar added that the members of the Board of Trustees and candidates to the Board of Trustees should be required attending the AGMM. The Board of Trustees answered that the nomination for candidate to the Board of Trustees was opened to all members. However, members with managerial positions only run for candidacy.</i></p> <p>4. <i>Dr. B. A. Malvar thanked and congratulated the Board of Trustees and Officers of the Association for the efficient and effective implementation of the Association's policies."</i></p> |
| A.3.7. | Does the disclosure of the outcome of the most recent AGM include resolution(s)? | | Y | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting VI. Ratification of the Acts of the Board of Trustees Page 3</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Membership-Meeting-Dec.-12-2017.pdf#page=3</p> <p><i>All the resolutions passed by the Board of Trustees and acts made by the management for 2017 were presented to the members for approval after the motion for the approval had been seconded.</i></p> |
| 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 | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting I. Introduction of the Members of the Board of Trustees and Officers Page 1</p> |

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| | | | <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Membership-Meeting-Dec.-12-2017.pdf</p> <p><i>“The Corporate Secretary set the ground rules that will be observed during the meeting to ensure fair, orderly and efficient proceedings and to protect the rights of all the members. These included voting procedures and how the Board of Trustees and Officers will entertain questions from members. The Corporate Secretary informed the members that only members or their duly designated proxy will be allowed to vote. Each member shall be entitled to one vote while the designated proxy is entitled to as many proxies he/she may have. For each agenda item, each member is eligible to cast his/her votes, to approve, disapprove or abstain from voting. The manner of voting shall be determined by the Chairperson.</i></p> <p><i>In case there is an objection and that a voting should be made on the approval of the different agenda of the meeting, the members were required to proceed to the Election Committee’s desk to get their ballots and submit the accomplished form to the same desk for immediate canvassing.”</i></p> |
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A.3.9. Does the company disclose the list of board members who attended 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

**MEMABA 2017 Annual Report
Compliance on Corporate Governance
Board Performance
Page 26**

<http://memaba.com.ph/wp-content/uploads/2018/06/MEMABA-2018-Annual-ReportFINALa.pdf#page=26>

“The records of the attendance of the trustees for the Annual General Membership meeting and regular and special Board meetings held are provided below:

| MEMBERS | ATTENDED THE ANNUAL MEETING | NO. OF MEETINGS HELD | NO. OF MEETINGS ATTENDED | % |
|--|-----------------------------|----------------------|--------------------------|------|
| RICHARD O. OCHAVA (<i>Chairman</i>) | YES | 15 | 14 | 93% |
| ZENON MARTHY M. REGINO (<i>Vice-Chairman</i>) | YES | 15 | 12 | 80% |
| RICARDO L. CONCEPCION (<i>President</i>) | YES | 15 | 14 | 93% |
| JESS A. CANDELARIA (<i>Vice-President</i>) | YES | 15 | 15 | 100% |
| BULAKLAK A. VIVAS (<i>Corporate Secretary</i>) | YES | 15 | 13 | 87% |
| RICARDO S. GONZALEZ (<i>Treasurer</i>) | YES | 15 | 12 | 80% |
| WINSTON A. DELOS REYES (<i>Auditor</i>) | YES | 15 | 12 | 80% |
| ATTY. RAUL G. CORALDE (<i>Independent Trustee</i>) | NO | 15 | 12 | 80% |
| JERRY B. LAO (<i>Independent Trustee</i>) | YES | 15 | 14 | 93% |

A.3.10. Did the chairman of the board of directors attended the most recent AGM?

Y

**MEMABA 2017 Annual Report
Compliance on Corporate Governance
Board Performance
Page 26**

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“The records of the attendance of the trustees for the Annual General Membership meeting and regular and special Board meetings held are provided below:

| MEMBERS | ATTENDED THE ANNUAL MEETING | NO. OF MEETINGS HELD | NO. OF MEETINGS ATTENDED | % |
|--|-----------------------------|----------------------|--------------------------|------|
| RICHARD O. OCHAVA (<i>Chairman</i>) | YES | 15 | 14 | 93% |
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| RICARDO S. GONZALEZ (<i>Treasurer</i>) | YES | 15 | 12 | 80% |
| WINSTON A. DELOS REYES (<i>Auditor</i>) | YES | 15 | 12 | 80% |
| ATTY. RAUL G. CORALDE (<i>Independent Trustee</i>) | NO | 15 | 12 | 80% |
| JERRY B. LAO (<i>Independent Trustee</i>) | YES | 15 | 14 | 93% |

A.3.11. Did the CEO/Managing Director/ President 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

**MEMABA 2017 Annual Report
Compliance on Corporate Governance
Board Performance
Page 26**

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“The records of the attendance of the trustees for the Annual General Membership meeting and regular and special Board meetings held are provided below:

| MEMBERS | ATTENDED THE ANNUAL MEETING | NO. OF MEETINGS HELD | NO. OF MEETINGS ATTENDED | % |
|--|-----------------------------|----------------------|--------------------------|------|
| RICHARD O. OCHAVA (<i>Chairman</i>) | YES | 15 | 14 | 93% |
| ZENON MARTHY M. REGINO (<i>Vice-Chairman</i>) | YES | 15 | 12 | 80% |
| RICARDO L. CONCEPCION (<i>President</i>) | YES | 15 | 14 | 93% |
| JESS A. CANDELARIA (<i>Vice-President</i>) | YES | 15 | 15 | 100% |
| BULAKLAK A. VIVAS (<i>Corporate Secretary</i>) | YES | 15 | 13 | 87% |
| RICARDO S. GONZALEZ (<i>Treasurer</i>) | YES | 15 | 12 | 80% |
| WINSTON A. DELOS REYES (<i>Auditor</i>) | YES | 15 | 12 | 80% |
| ATTY. RAUL G. CORALDE (<i>Independent Trustee</i>) | NO | 15 | 12 | 80% |
| JERRY B. LAO (<i>Independent Trustee</i>) | YES | 15 | 14 | 93% |

| A.3.12. | Did the chairman of the Audit Committee attend the most recent AGM? | | Y | <p>The Association 's Chairman of the Audit Committee is Mr. Winston A. Delos Reyes (as stated in Annual Report page 22)</p> <p>MEMABA 2017 Annual Report Compliance on Corporate Governance Board Performance Page 26</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/MEMABA-2018-Annual-ReportFINALa.pdf#page=26</p> <p>“The records of the attendance of the trustees for the Annual General Membership meeting and regular and special Board meetings held are provided below:</p> <table border="1" data-bbox="1642 688 2596 1084"> <thead> <tr> <th>MEMBERS</th> <th>ATTENDED THE ANNUAL MEETING</th> <th>NO. OF MEETINGS HELD</th> <th>NO. OF MEETINGS ATTENDED</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>RICHARD O. OCHAVA (Chairman)</td> <td>YES</td> <td>15</td> <td>14</td> <td>93%</td> </tr> <tr> <td>ZENON MARTHY M. REGINO (Vice-Chairman)</td> <td>YES</td> <td>15</td> <td>12</td> <td>80%</td> </tr> <tr> <td>RICARDO L. CONCEPCION (President)</td> <td>YES</td> <td>15</td> <td>14</td> <td>93%</td> </tr> <tr> <td>JESS A. CANDELARIA (Vice-President)</td> <td>YES</td> <td>15</td> <td>15</td> <td>100%</td> </tr> <tr> <td>BULAKLAK A. VIVAS (Corporate Secretary)</td> <td>YES</td> <td>15</td> <td>13</td> <td>87%</td> </tr> <tr> <td>RICARDO S. GONZALEZ (Treasurer)</td> <td>YES</td> <td>15</td> <td>12</td> <td>80%</td> </tr> <tr> <td>WINSTON A. DELOS REYES (Auditor)</td> <td>YES</td> <td>15</td> <td>12</td> <td>80%</td> </tr> <tr> <td>ATTY. RAUL G. CORALDE (Independent Trustee)</td> <td>NO</td> <td>15</td> <td>12</td> <td>80%</td> </tr> <tr> <td>JERRY B. LAO (Independent Trustee)</td> <td>YES</td> <td>15</td> <td>14</td> <td>93%</td> </tr> </tbody> </table> | MEMBERS | ATTENDED THE ANNUAL MEETING | NO. OF MEETINGS HELD | NO. OF MEETINGS ATTENDED | % | RICHARD O. OCHAVA (Chairman) | YES | 15 | 14 | 93% | ZENON MARTHY M. REGINO (Vice-Chairman) | YES | 15 | 12 | 80% | RICARDO L. CONCEPCION (President) | YES | 15 | 14 | 93% | JESS A. CANDELARIA (Vice-President) | YES | 15 | 15 | 100% | BULAKLAK A. VIVAS (Corporate Secretary) | YES | 15 | 13 | 87% | RICARDO S. GONZALEZ (Treasurer) | YES | 15 | 12 | 80% | WINSTON A. DELOS REYES (Auditor) | YES | 15 | 12 | 80% | ATTY. RAUL G. CORALDE (Independent Trustee) | NO | 15 | 12 | 80% | JERRY B. LAO (Independent Trustee) | YES | 15 | 14 | 93% |
|---|--|-----------------------|--------------------------|---|---------|-----------------------------|----------------------|--------------------------|---|------------------------------|-----|----|----|-----|--|-----|----|----|-----|-----------------------------------|-----|----|----|-----|-------------------------------------|-----|----|----|------|---|-----|----|----|-----|---------------------------------|-----|----|----|-----|----------------------------------|-----|----|----|-----|---|----|----|----|-----|------------------------------------|-----|----|----|-----|
| MEMBERS | ATTENDED THE ANNUAL MEETING | NO. OF MEETINGS HELD | NO. OF MEETINGS ATTENDED | % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RICHARD O. OCHAVA (Chairman) | YES | 15 | 14 | 93% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ZENON MARTHY M. REGINO (Vice-Chairman) | YES | 15 | 12 | 80% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RICARDO L. CONCEPCION (President) | YES | 15 | 14 | 93% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| JESS A. CANDELARIA (Vice-President) | YES | 15 | 15 | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BULAKLAK A. VIVAS (Corporate Secretary) | YES | 15 | 13 | 87% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RICARDO S. GONZALEZ (Treasurer) | YES | 15 | 12 | 80% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| WINSTON A. DELOS REYES (Auditor) | YES | 15 | 12 | 80% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ATTY. RAUL G. CORALDE (Independent Trustee) | NO | 15 | 12 | 80% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| JERRY B. LAO (Independent Trustee) | YES | 15 | 14 | 93% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A.3.13. | Did the company organize their most recent AGM in an easy to reach location? | OECD Principle II (C) | Y | <p>MEMABA Notice of the 2017 Annual General Membership Meeting</p> <p>http://memaba.com.ph/category/corporate-governance/meeting-and-seminar/</p> <p>“Please be informed that the Annual General Membership Meeting of the MERALCO Employees Mutual Aid and Benefits Association, Inc. (MEMABA, Inc.), pursuant to its By-Laws, shall be held on Tuesday, 12 December 2017, 9:00 a.m., at the MERALCO Mini-Theater, Lopez</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | | | <p><i>Building, Meralco Center, Ortigas Ave., Pasig City.</i></p> <p><i>Registration will start at 8:00 am and close at 9:00 am or immediately before the Chairman calls the meeting to order.”</i></p> |
| A.3.14. | Does the company allow for voting in absentia? | <p>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.</p> | <p>Y (Default)</p> | <p>MEMABA Amended By-Laws Article II – Meeting of Members Section 5 – Voting During the General Membership Meeting Page 3</p> <p>http://memaba.com.ph/wp-content/uploads/2016/06/2015-Memaba-ByLaws.pdf#page=4</p> <p><i>“At every meeting of the members of the Association, every member present shall be entitled to one vote in any matter either in person or by proxy who must also be a member of the Association which shall be made on a prescribed form furnished by the Association and duly signed by the member, except in the election of the members of Board of Trustees as provided under Section 3 Article III hereof where cumulative voting is allowed.”</i></p> <p>MEMABA 2017 Proxy Form</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/2017-PROXY.pdf</p> |
| A.3.15. | Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM? | <p>OECD Principle II (C)</p> | <p>Y</p> | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting Introduction of the Board of Trustees Page 1</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Membership-Meeting-Dec.-12-2017.pdf</p> <p><i>“The Corporate Secretary set the ground rules that will be observed during the meeting to ensure fair, orderly and efficient proceedings and</i></p> |

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| | | | <p><i>to protect the rights of all the members. These included voting procedures and how the Board of Trustees and Officers will entertain questions from members. The Corporate Secretary informed the members that only members or their duly designated proxy will be allowed to vote. Each member shall be entitled to one vote while the designated proxy is entitled to as many proxies he/she may have. For each agenda item, each member is eligible to cast his/her votes, to approve, disapprove or abstain from voting. The manner of voting shall be determined by the Chairperson.</i></p> <p><i>In case there is an objection and that a voting should be made on the approval of the different agenda of the meeting, the members were required to proceed to the Election Committee's desk to get their ballots and submit the accomplished form to the same desk for immediate canvassing."</i></p> <p>MEMABA Notice of the 2017 Annual General Membership Meeting Agenda No. 8 – Election of the Board of Trustees Page 2</p> <p>http://memaba.com.ph/category/corporate-governance/meeting-and-seminar/</p> <p><i>"The Members will be given the opportunity to individually elect the Trustees who will serve for the year 2018-2019 by ballots. The Chairman will explain the rules to be observed in election and canvassing of the ballots. The Corporate Secretary will announce the names of the nominees for the election of Regular Trustees and Independent Trustees. The Election Committee will report the votes received by each nominee and will declare the seven (7) nominees for the Regular Trustees and two (2) nominees for Independent Trustees who received the highest number of votes as the duly elected Trustees.</i></p> |
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| 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 | <p>MEMABA Minutes of the 2017 Annual General Membership Meeting Introduction of the Members of the Board of Trustees and Officers Page 1</p> <p>http://memaba.com.ph/wp-content/uploads/2018/06/Minutes-of-the-MEMABA-Annual-General-Memebership-Meeting-Dec.-12-2017.pdf</p> <p><i>“Mr. Chairperson added that there are representatives from the Association’s external auditors, Diaz Murillo Dalupan and Company, which will count and validate the votes for the election of the new sets of Board of Trustees 2018-2019, and for the other agenda at the Annual General Membership Meeting when a voting is needed.”</i></p> |
| 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? | <p>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.</p> | Y | <p><i>The resolution made during the Annual General Membership Meeting is the election of the members of the Board of Trustees.</i></p> <p>MEMABA Website News List of Newly Elected Regular and Independent Trustees</p> <p>http://memaba.com.ph/category/news/page/4/</p> |
| A.3.18. | Do companies provide at least 21 days notice for all resolutions? | | Y | <p>MEMABA Notice of the 2017 Annual General Membership Meeting</p> <p>http://memaba.com.ph/category/news/page/5/</p> <p><i>“The Association released its Notice for the 2017 Annual General Membership Meeting on October 13, 2017, which is sixty (60) days before the Annual General Membership Meeting.”</i></p> |
| A.3.19. | Does the company provide the rationale and explanation for each agenda item which require shareholders’ approval in the notice | | Y | <p>MEMABA Notice of the 2017 Annual General Membership Meeting</p> <p>http://memaba.com.ph/category/news/page/5/</p> |

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| | <p>of AGM/circulars and/or the accompanying statement?</p> | | <p><i>Agenda are as follows:</i></p> <ol style="list-style-type: none"> 1. <i>Call to Order</i> The Chairman, Mr. Richard O. Ochava, will call the meeting to order. 2. <i>Introduction of the Members of the Board of Trustees and Officers; and Reading of Ground Rules to be Observed during the Meeting</i> The Chairman will introduce the members of the Board of Trustees and Officers for year 2017. The Corporate Secretary, Ms. Bulaklak A. Vivas, will explain the ground rules that will be observed during the meeting, intended to ensure fair, orderly and efficient proceedings, and, ultimately, the protection of the rights of all the members. 3. <i>Proof of Notice of the Meeting</i> The Corporate Secretary will certify that written notices of the meeting have been served to all members of record as of 31 August 2017. 4. <i>Determination of Quorum</i> The Corporate Secretary will certify the number of attendees present, either in person or represented by proxies, to determine the existence of a quorum as provided for in Association's By-Laws. 5. <i>Approval of the Minutes of the Previous Annual General Membership Meeting held on 13 December 2016.</i> The members will be asked to approve the Minutes of the Annual General Membership Meeting held last 13 December 2016. The copies of the Minutes are made available for examination during office hours at the Association's office and posted at the Association's website: www.memaba.com.ph. 6. <i>Report of the Chairman of the Board of Trustees</i> The Chairman will deliver his report on the financial and operating results of the Association as of November 2017. 7. <i>Ratification of the Acts of the Board of Trustees</i> |
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| | | | | <p><i>The members will be asked to approve and ratify all Resolutions passed by the Board of Trustees; and all the acts made by the Management for the success of the Association during the year 2017.</i></p> <p>8. Election of the Members of the Board of Trustees for the Year 2018-2019</p> <p><i>The Members will be given the opportunity to individually elect the Trustees who will serve for the year 2018-2019 by ballots. The Chairman will explain the rules to be observed in election and canvassing of the ballots. The Corporate Secretary will announce the names of the nominees for the election of Regular Trustees and Independent Trustees. The Election Committee will report the votes received by each nominee and will declare the seven (7) nominees for the Regular Trustees and two (2) nominees for Independent Trustees who received the highest number of votes as the duly elected Trustees.</i></p> <p><i>The profile of each nominee is contained in the document accompanying this Notice.</i></p> <p>9. Other matters:</p> <p><i>The Chairman will allow a reasonable opportunity for members to ask questions or make comments on the management of the Association.</i></p> <p>10. Adjournment:</p> <p><i>After discussing and/or resolving all matters included in the agenda, the Chairman will declare the adjournment of the meeting.</i></p> |
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A.4. Markets for corporate control should be allowed to function in an efficient and transparent manner

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| A.4.1. | In case of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the offeree company appoint an | OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner. | Y | MEMABA Manual of Corporate Governance 3. Members' Benefit 3.1. Member's Rights and Protection 3.1.6. Appraisal Right Page 17 |
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| | independent party to evaluate the fairness of the transaction price? | (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. | | <p>http://memaba.com.ph/wp-content/uploads/2015/06/Manual_Corp_Gov_Memaba.pdf#page=17</p> <p><i>“The Members’ shall have appraisal right or the right to dissent and demand payment of the fair value of their contributions in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:</i></p> <ul style="list-style-type: none"> <i>• In case of merger or consolidation for which an independent appraiser shall be appointed by the Board for this purpose to evaluate the fairness of the transaction price and other related matters thereof”</i> |
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A.5. The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.

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| 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 | <p><i>Copy of the Notice of the Annual General Membership Meeting was posted to the Association’s website and also mailed to each member.</i></p> <p>MEMABA Notice of the 2017 Annual General Membership Meeting</p> <p>http://memaba.com.ph/category/news/page/5/</p> |
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