

	COMPLIANT/ Non-COMPLIANT	Additional Information	Reference/Explanation
THE BOARD GOVERNANCE RESPONSIBILITIES			
Principle 1. The company should be headed by a competent, working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board composed of directors with collective working knowledge, experience, or expertise that is relevant to the company's industry/sector.	COMPLIANT	The Board of Directors of SEDMFI Mutual Benefit Association Inc. shall consist of nine (9) members, elected by the active members. The board of trustees composition is as follows: Seven (7) trustees shall be elected by the active members with existing loans funded by the SEDMFI MBA, INC.; two (2) independent trustees, to be elected by the active members with existing loans funded by the SEDMFI MBA, INC. Corporate Governance Manual- Section 1 (page 10) By-Laws- Page 3 General Information Sheet(GIS)- Page 3	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	List of Incorporators	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization	COMPLIANT	Corporate Governance Manual-Qualifications, Duties, Term and Compensation of Directors or Trustees (page 10)	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	The Board of Directors of SEDMFI Mutual Benefit Association Inc. shall consist of nine (9) members, elected by the active members. The board of trustees composition is as follows: Seven (7) trustees shall be elected by the active members with existing loans funded by the SEDMFI MBA, INC.; two (2) independent trustees, to be elected by the active members with existing loans funded by the SEDMFI MBA, INC.	

		Corporate Governance Manual- Section 1 Composition of the Board of Trustee (page 10) General Information Sheet(GIS)- Page 3	
Recommendation 1.3			
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on the training of directors.	COMPLIANT	Board of Trustees are required to attend mandatory trainings and other related conference forums. Corporate Governance Manual- Section 7 (page 18)	
2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first-time directors.	COMPLIANT	Yes, we conducted orientation program for first-time director. Minutes of the Regular Meeting 2025-Oct.15, 2025(page 43)	
3. Company has relevant annual continuing training for all directors	COMPLIANT	Board of Trustees are required to attend mandatory trainings and other related conference forums. Corporate Governance Manual- Section 7 (page 18) Certificate of Trainings	
Recommendation 1.4			
1. Board has a policy on board diversity	COMPLIANT	Yes, Board has a policy on board diversity By-Laws List of Incorporators	
Recommendation 1.5			
1. Board is assisted in its duties by a Corporate Secretary	COMPLIANT	The Board Secretary is Ms. Lorna P. Decoy General Information Sheet(GIS)- Page 3	
2. Corporate Secretary is a separate individual from the Compliance Officer	COMPLIANT	Corporate Secretary Ms. Lorna P. Decoy is a separate individual from the Compliance Officer. The Compliance Officer is Ms. Jessa Mae C. Cervania List of Incorporators (Page 2) Secretary Certificate for Compliance Officer	

3. Corporate Secretary is not a member of the Board of Directors.	NON-COMPLIANT		The Corporate Secretary is a member of the Board
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	The Corporate Secretary has already attended training on corporate governance. Certificate of Trainings- Lorna Decoy (page 4)	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer	COMPLIANT	The Compliance Officer complies all the regulatory reportorial requirements. The compliance officer is Ms. Jessa Mae C. Cervania Secretary Certificate of Compliance Officer	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation	COMPLIANT	To ensure the Association's adherence to the guidelines on corporate governance set herein, the President of the Board shall designate a Compliance Officer. She shall have direct reporting responsibilities to the President of the Board/Governance Committee Secretary Certificate of Compliance Officer	
3. Compliance Officer is not a member of the board	COMPLIANT	Ms. Jessa Mae C. Cervania, Compliance Officer is not a member of the Board Secretary Certificate of Compliance Officer	
4. Compliance Officer attends training/s on corporate governance annually.	COMPLIANT	The Compliance Officer has already attended training related the Corporate Governance Training like Good Governance and AMLA Workshop last October 15-17, 2025. Compliance Officer Certificate of Governance Trainings	
Principle 2. The fiduciary roles, responsibilities, and accountabilities of the Board as provided under the law, the company's articles and by-law, and other legal pronouncements and guidelines should be made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	COMPLIANT	The Board of Trustees shall meet regularly every month Minutes of the Regular Meeting 2025	
Recommendation 2.2			
1. Board oversees the development, review, and approval of the company's business objectives and strategy.	COMPLIANT	Majority of the Board of Trustees were involved in the development of the Association's Strategic Plan.	
		Strategic Plan	

2. Board oversees and monitors the implementation of the company's business objectives and strategy to sustain the company's long-term viability and strength.	COMPLIANT	The manager is requested to report during Regular Board Meeting for confirmations and immediate actions on issues and concerns. Minutes of the BOT Regular Meeting 2025	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	The President is Ms. Emma C. Ongayo, the current Cluster Head of the mother company, SEDMFI. List of Incorporator- Page 1 General Information Sheet- Page 3	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers, and management.	NON- COMPLIANT		Still in the process of formulating the succession plan program and retirement program.
2. Board adopts a policy on the retirement of directors and key officers.	NON-COMPLIANT		
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members.	COMPLIANT	Corporate Governance Manual-Section 5 Remuneration Committee(page 16-17)	
2. Board aligns the remuneration of key officers and board members with the long-term interests of the company.	COMPLIANT		
3. Directors do not participate in discussions or deliberations involving his/her remuneration.	COMPLIANT		
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	Corporate Governance Manual-Section 4 Voting Rights of Members(page 22)	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		
3. Board nomination and election policy include how the company accepts nominations from minority shareholders.	COMPLIANT		
4. Board nomination and election policy include how the board reviews nominated candidates.	COMPLIANT		
5. Board nomination and election policy include an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		

Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions	COMPLIANT	Corporate Governance Manual- Section 2 Related Party Transaction(page 26)	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions	COMPLIANT		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile, and complexity of operations.	COMPLIANT		
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).	COMPLIANT	The mother MFI thru the HR department is responsible for the hiring of MBA manager. While the compliance officer of the mother MFI is maximize as the same. As they are mutually reinforcing each other.	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).	COMPLIANT		
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	The mother MFI thru the HR department is responsible for the hiring of MBA manager. While the compliance officer of the mother MFI is maximize as the same. As they are mutually reinforcing each other.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	Corporate Governance Manual- Section 10(page 20)	
2. The internal control system includes a mechanism for monitoring and managing potential conflicts of interest of the Management, members, and shareholders.	COMPLIANT	Corporate Governance Manual- Section 10(page 20)	
3. Board approves the Internal Audit Charter	COMPLIANT	Corporate Governance Manual- Section 10(page 20)	
Recommendation 2.11			

1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess, and manage key business risks.	NON COMPLIANT		We are still in the process of establishing an ERM framework and hope to finalize in the next two years.
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	NON COMPLIANT		
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities, and accountabilities in carrying out its fiduciary duties.	COMPLIANT	Corporate Governance Manual- SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES (page 14)	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		
Principle 3: Board committees should be set up to the extent possible to support the effective Board's actions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions, and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	Corporate Governance ManualSECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES (page 14) & Chapter 2 Governance Structure #2 Qualifications and duties of Board of Trustees(page 10)	
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	COMPLIANT	Corporate Governance Manual-Corporate Governance ManualSECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES #2 Audit Committee (page 15)	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, is independent.	COMPLIANT		
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance.	COMPLIANT		
4. The Chairman of the Audit Committee is not the Chairman of the Board or any other committee.	COMPLIANT		
Recommendation 3.3			

1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	COMPLIANT	Corporate Governance Manual-Corporate Governance Manual SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES #2 Corporate Governance Committee (page 16)	
2. Corporate Governance Committee is composed of at least three members, the majority of whom should be independent directors.	COMPLIANT		
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT		
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	COMPLIANT	Corporate Governance Manual-Corporate Governance Manual SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES 3. Board Risk Oversight Committee (page 15)	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT		
3. The Chairman of the BROC is not the Chairman of the Board or any other committee.	COMPLIANT		
4. At least one member of the BROC has relevant thorough knowledge and experience in risk and risk management.	COMPLIANT		
Recommendation 3.5			
1. The Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	Corporate Governance Manual-Corporate Governance Manual SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES #5. Related Party Transaction Committee (page 16)	
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including the Chairman.	COMPLIANT		
Recommendation 3.6			
1. All established committees have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources, and other relevant information.	COMPLIANT	Corporate Governance Manual-Corporate Governance Manual SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES (page 14)	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			

1. The Directors attends and actively participates in all meetings of the Board, Committees and shareholders in person or through tele or videoconferencing conducted in accordance with the rules and regulations of the Commission.	COMPLIANT	Shows active participations in all meetings and other related activities Minutes of the meeting 2025	
2. The director's review meeting materials for all Board and Committee meetings.	COMPLIANT		
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT		
Recommendation 4.2			
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated Entities (ICREs) and publicly listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.	NON- COMPLIANT		We only serve one ICRE the SEDMFI Mutual Benefit Association, Inc.
Recommendation 4.3			
1. The directors notify the company's board where he/she is an incumbent director before accepting a directorship in another company.	NON- COMPLIANT		As of the moment, we don't have directorship yet with other companies.
Principle 5: The Board should endeavor to exercise an objective and independent judgment on a corporate affairs.			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors	COMPLIANT	Corporate Governance Manual- SECTION 1. THE BOARD OF TRUSTEE #1. Composition of the Board of Trustee(page 10)	
Recommendation 5.2			
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	COMPLIANT	Corporate Governance Manual- SECTION 2 Independent Trustee (page 12)	
Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term of nine years. As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016. For the other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.	COMPLIANT	Corporate Governance Manual- SECTION 2 Independent Trustee (page 12)	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	Corporate Governance Manual- SECTION 2 Independent Trustee (page 12)	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seeks shareholders approval during the annual shareholders' meeting.	COMPLIANT	Corporate Governance Manual- SECTION 2 Independent Trustee (page 12)	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals	COMPLIANT	The BOT chairman is Ms. Emma C. Ongayo, and the General Manager is Mr. Jeremeias L. Rivas General Information Sheet (GIS)- Page 3 Corporate Governance Manual- Section 9 The Management (page 19)	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	BOT chairman Ms. Emma C. Ongayo, and the General Manager is Mr. Jeremeias L. Rivas have clearly defined responsibilities. Corporate Governance Manual- Section 9 The Management (page 19) Corporate Governance Manual- Section 3 Officers of the Board (page 13)& section 9 The Management (page 19)	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	COMPLIANT	The Chairman and the General Manager are held by two (2) different person General Information Sheet (GIS)- Page 3 Corporate Governance Manual- section 9 The Management (page 19)	
Recommendation 5.6			
1. Directors with a material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	COMPLIANT	Corporate Governance Manual SECTION 2. RELATED PARTY TRANSACTIONS (page 26)	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance, and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation.	NON COMPLIANT		We identified independent board but no meeting was held separately only during regular meeting
2. The meetings are chaired by the lead of the independent director.	NON COMPLIANT		
Principle 6: The best measure of the Board's effectiveness through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			

Recommendation 6.1			
1. The Board conducts an annual assessment of its performance as a whole.	COMPLIANT	Corporate Governance Manual- Section 8 Annual General Meeting (page 23)	
2. The performance of the Chairman is assessed annually by the Board	COMPLIANT		
3. The performance of the individual member of the Board is assessed annually by the Board.	COMPLIANT		
4. The performance of each committee is assessed annually by the Board.	COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT		
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria, and processes to determine the performance of the Board, individual directors, and committees.	COMPLIANT	Govern and stated in the Association's Corporate Governance Manual Corporate Governance Manual- Section 1: Board of Trustees (page 10)	
2. The system allows for a feedback mechanism from the shareholders	COMPLIANT	During Regular BOT Meeting, all issues and concerns were discussed and addressed. Minutes of the Regular BOT Meeting 2025	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provides standards for professional and ethical behavior, as well as articulates acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	Corporate Governance Manual-SECTION 8. CODE OF ETHICS AND CONDUCT(page 19)	
2. The Code is properly disseminated to the Board, senior management, and employees.	COMPLIANT	Corporate Governance Manual-SECTION 8. CODE OF ETHICS AND CONDUCT(page 19)	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	It is uploaded in the MBA's Website. www.sedmfimba.com	
Recommendation 7.2			
1. The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Corporate Governance Manual-SECTION 8. CODE OF ETHICS AND CONDUCT(page 19)	

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	Operation's Manual IRR	
DISCLOSURE AND TRANSPARENCY			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable, and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results, and business operations.	COMPLIANT	Corporate Governance Manual	
Recommendation 8.2			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Corporate Governance Manual	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT	Corporate Governance Manual	
Recommendation 8.3			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT	Corporate Governance Manual-SECTION 5. COMMITTEES OF THE BOARD OF TRUSTEES # 6. Remuneration Committee (page 16-17)	
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with the ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT		
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT		
Recommendation 8.4			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT		

2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by a majority vote of the stockholders in the annual stockholders' meeting during the year.	COMPLIANT	Corporate Governance Manual-SECTION 2. RELATED PARTY TRANSACTIONS (page 26)	
Recommendation 8.5			
1. Company's corporate governance policies, programs, and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Corporate Governance Manual	
2. The Company's MCG is posted on its company website	COMPLIANT	Corporate Governance Manual	
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and effective oversight of the same to strengthen the external auditor's independence and enhance audit quality			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	Corporate Governance Manual-SECTION 1The Board of Trustees #3 Disqualifications of Board of Trustees(page 11)	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board, and ratified by the shareholders.	COMPLIANT		
3. For the removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	COMPLIANT	Corporate Governance Manual-SECTION 11 External Auditor (page 21)	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on : i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	COMPLIANT	Corporate Governance Manual	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	Corporate Governance Manual	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	Corporate Governance Manual	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	Corporate Governance Manual	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social, and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	Corporate Governance Manual	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	COMPLIANT		
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders, and other interested users.			
Recommendation 11.1			
1. The company should have a website to ensure a comprehensive, cost-efficient, transparent, and timely manner of disseminating relevant information to the public.	COMPLIANT	The Association has it's own website www.sedmfimba.com	
INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT FRAMEWORK			
Principle 12: To ensure integrity, transparency, and proper governance in the conduct of its affairs, the company should control the system and enterprise risk management framework, a strong and effective internal control system, and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	The Association adherence to its IRR. Manual of Basic Life Insurance Product(BLIP)	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	Corporate Governance Manual	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	Corporate Governance Manual	
Recommendation 12.3			
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board	COMPLIANT	Corporate Governance Manual	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider	COMPLIANT		
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	COMPLIANT	Corporate Governance Manual	
Recommendation 12.4			
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	Corporate Governance Manual	
Recommendation 12.5			

1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	Corporate Governance Manual	
2. CRO has adequate authority, stature, resources, and support to fulfill his/her responsibilities.	COMPLIANT	Corporate Governance Manual	
CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect, and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Corporate Governance Manual	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Company's Website www.sedmfimba.com	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.	COMPLIANT	Corporate Governance Manual-Section 7 Notice of Annual General Meeting (page 23)	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	Minutes of Meeting 2025	
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	COMPLIANT	www.sedmfimba.com	
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner	COMPLIANT	Corporate Governance Manual	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT		
DUTIES TO STAKEHOLDERS			
Principle 14: The right of the stakeholders established by law, by contractual relations, and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth, and sustainability.	COMPLIANT	Operation's Manual	
Recommendation 14.2			

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Operation's Manual	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	Corporate Governance Manual Section 5 Right to Information (page 22)	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs, and procedures that encourage employees to actively participate in the realization of the company's goals and its governance.	COMPLIANT	Operation's Manual	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	Corporate Governance Manual- SECTION 8. CODE OF ETHICS AND CONDUCT (page 19)	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT		
Recommendation 15.3			
1. Board established a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	COMPLIANT	We have our company website www.sedmfimba.com	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	COMPLIANT		
3. Board supervises and ensures the enforcement of the whistleblowing framework	COMPLIANT		
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business while contributing to the advancement of the society where it operates.	COMPLIANT	Corporate Governance Manual(Vision and Mission) IRR Manual of Operation	