



ANNUAL CORPORATE GOVERNANCE REPORT OF CCT Mutual Benefit Association, Inc.

1. For the fiscal year ended: December 31, 2021
2. Certificate Authority Number: 2019-05-R
3. _____
Province, country other jurisdiction of incorporation or organization
4. 5/F Echelon Tower, 2100 A. Mabini St., Malate , Manila, Philippines
Address of Principal Office 1004
Postal Code
5. (632) 8524.1810 ; 8524.1819; local. 228
Company's telephone number, including area code
6. <https://www.cctmba.com/>
Company's official website
7. _____
Former name, former address, and former fiscal year , if changed since last report.



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ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

RECOMMENDATION		COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
THE BOARD'S GOVERNANCE RESPONSIBILITIES				
Principle 1. ESTABLISHING A COMPETENT BOARD				
The company should be headed by a competent, working Board to foster the long-term success of the corporation, and to sustain its competitiveness and growth in a manner consistent with its corporate objectives and the long-term best interests of its shareholders/members and other stakeholders.				
Recommendation 1.1				
1	The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors. 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance.	Board of trustees composed of five (5) trustees and two (2) independent trustees elected by the active members of CCT MBA., their experience, expertise and competence is appropriate to foster the long-term success of the association.
2	The Board has an appropriate mix of competence and expertise.	Compliant	Links and references: <u>CCT MBA Board of Trustees</u>	CCT MBA board of trustees are equipped and with qualified academic background and professional expertise.
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	<u>CCT MBA Corporate Governance Manual</u> Pg.4, letter D	The elected directors is qualified for their position individually, based on the qualification set in the Corporate governance manual for directors' qualification.
Recommendation 1.2				
1	The Board is headed by a competent and qualified Chairperson.	Compliant	Provide information or reference to a document containing information of the Chairperson, including his/her name, qualifications, and expertise. Links and references: <u>CCT MBA Board of Trustees</u> <u>Ruth S. Callanta, Chairperson</u> <u>2021 Annual Report CCT Group of Ministries</u> Pg. 57 <u>CCT Group of Ministries website</u>	CCT MBA board of trustees Chairperson Ruth S. Callanta is also the President and founder of CCT Group of Ministries.

Recommendation 1.3				
1	The company provides a policy on training of directors.	Compliant	<p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p><i>Links and references:</i> <u>CCT MBA Corporate Governance Manual</u> Pg.8 Letter J, No. 1 Development program</p>	The association provides a policy to provide development program for all its staff, personnel, including directors and officers, to ensure that they are fully aware of their personal obligations and responsibilities.
2	The company has an orientation program for first-time directors.	Compliant	<p><i>Provide information or link/reference to a document containing information of the orientation program and trainings of directors for the covered year, including the number of hours attended and topics covered.</i></p> <p><i>Links and references:</i> <u>CCT MBA Corporate Governance Manual</u> Pg.7 No.2 Orientation of new directors</p> <p><i>AMLA Online training Course</i></p> <p><u>Sample AMLA Online Course certificate</u></p>	<p>All new directors joining the board are required to undergo an orientation program, this is to intended familiarize the new directors on their roles and responsibilities.</p> <p>Last Jan 20, 2022, we conducted orientation to newly elected independent director Serafin Cu via online (messenger) to replace resigned independent director Serlina Rufin.</p>
3	The company has relevant annual continuing training for all directors.	Compliant	<p><u>Minutes of the 6th Annual Membership Meeting</u>, Pg.3 letter K - Election of Independent Trustee.</p>	All CCT board of trustees are engage to AMLA online training course as relevant training.
Recommendation 1.4				
1	The Board has a policy on board diversity.	Compliant	<p><i>Provide information or link/reference to a document containing the company's board diversity policy.</i></p> <p><i>Indicate gender, age and competence composition of the board.</i></p> <p><i>Links and references:</i> <u>CCT MBA Corporate Governance Manual</u></p> <p><u>By-laws</u> Pg.7 Article V - Composition</p> <p><u>CCT Board of Trustees</u></p>	<p>The Board of Trustees of CCT MBA consist of seven (7) members namely: five (5) trustees and two (2) independent trustees.</p> <p>Trustees:</p> <p>1. Chairperson: Ruth S.Callanta, Female,</p> <p>2. Vice-chairperson: Arlene S. Sy, Female</p>

				<p>3. Corporate Secretary : Alicia S. Pineda, Female</p> <p>4. Treasurer: Jennifer Jan Y. Abella, Female</p> <p>5. Trustee: Rhodora E. Prado, Female</p> <p>Independent Trustee</p> <p>1. Independent Trustee: Raymundo L. Roberto, Female</p> <p>2. Independent Trustee: Serlina C. Rufin, Female</p>
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Recommendation 1.5

1	The Board is assisted by a Corporate Secretary.	Compliant	<i>Provide information or link/reference to a document containing information of the Corporate Secretary, including his/her name, qualifications, duties and functions.</i>	Alicia S. Pineda as Corporate Secretary of CCT MBA
2	The Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<i>Links and references:</i> <u>By-laws</u> Pg.7 Article V - Composition	Alicia S. Pineda as Corporate Secretary and Allan L. Legaspi as compliance officer, they are separate individual.
3	The Corporate Secretary is not a member of the Board of Directors.	Non-compliant	<u>CCT Board of Trustees</u> <u>General Information Sheet</u> <u>General Information Sheet 2021</u> Pg.5, document containing information of the Corporate Secretary	Ms. Alicia Pineda is CCT MBA corporate secretary, she is also a member of CCT MBA's board of Trustees.
4	The Corporate Secretary attends annual training/s on corporate governance.	Non-compliant	<i>Provide information or link/reference to a document containing information of the corporate governance training/s attended, including the date of training, number of hours and topics covered.</i> <i>Links and references:</i> <u>Corporate Governance attendance of 2018</u>	August 2, 2018 is the last corporate governance training attended by Ms. Alicia Pineda.

Recommendation 1.6

1	The Board is assisted by a Compliance Officer.	Compliant	<i>Provide information or link/reference to a document containing information of the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i>	Allan Legaspi is the compliance officer for CCT MBA
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	Compliant	<i>Links and references:</i> <u>1. Board resolution no. 17-010</u> <u>2. By-Laws, Article XII, page 13-14, Section 5 – General Manager.</u> <u>3. Composition of the board of trustees.</u>	Allan Legaspi as General Manager of CCT MBA also the appointed compliance officer.
3	The Compliance Officer is not a member of the board.	Compliant		Compliance officer is not a member of the board of trustees,
4	The Compliance Officer attends annual training/s on corporate governance.	Non-compliant	<i>Provide information or link/reference to a document containing information of the corporate governance training/s attended, including the date of the training, number of hours and topics covered.</i> <i>Links and references:</i> <u>Corporate Governance attendance of 2018</u>	August 2, 2018 is the last corporate governance training attended by Allan Legaspi, CCT MBA compliance officer.

Principle 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD

The fiduciary roles, responsibilities, and accountabilities of the Board, as provided under the law, the company's articles of incorporation and bylaws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders/members and other stakeholders.

Recommendation 2.1

1	The Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company, shareholders and stakeholders.	Compliant	<i>Provide information or reference to a document containing information on how the directors performed their duties (this can include board resolutions and minutes of meetings).</i> <i>Links and references:</i> <u>Company disclosure</u> <u>Corporate Governance Manual</u> <u>Pg. 7-8 no. 3 Acces to information and reports</u> <u>Minutes of Annual Membership Meeting</u>	The management provide the Board members with complete, adequate and timely information about matters to be taken up during their meetings. The agenda and information package for each board and committee meeting should be sent to each Board director in hard or electronic copy at least 5 business days in advance, whenever possible and appropriate
1	The Board oversees the development and approval of the company's business objectives and strategy.	Compliant	<i>Provide information or link/reference to a document containing information on how the directors performed this function (this can include board resolutions and minutes of meetings).</i>	The board meet regularly once every three (3) months face-to-face or via zoom meeting.
2	The Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<i>Indicate frequency of development of business objectives and strategy.</i>	All business conducted and all properties of the corporation

			<p><i>Links and reference:</i></p> <p><u><i>Minutes of Annual Membership Meeting</i></u></p> <p><u><i>Minutes and agenda of regular board meeting</i></u></p>	<p>controlled and held by the board of trustees.</p> <p>The board stands as the center of decisionmaking for the day-to-day affairs of the organization.</p>
Recommendation 2.3				
1	The Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p><i>Disclose and provide information or link/reference to a document containing the company's succession planning policies and programs and its implementation.</i></p> <p><i>Links and references:</i> <u><i>By-laws (Ammended)</i></u> <i>Pg.4, Article IV, section 1</i></p>	The board ensures and adopts an effective succession planning program together with the management and staff to practice good governance, sustainability and its continuous commitment to its stakeholders.
2	The Board adopts a policy for the retirement of directors and key officers.	Compliant	<p><i>Links/reference:</i> <u><i>Corporate Governance Manual</i></u> <i>Pages 4-5, letter F,</i> <i>(Duties, Functions of Responsibilities of the Board</i></p> <p><u><i>Corporate Governance Manual</i></u> <i>Page 7, No. 7, Vacancy of the board</i> <i>Page 5, No.3, Terms of office</i></p>	As stated in the governance manual, any vacancies occurring in the board may be filled by the vote at least a majority of the remaining directors.
Recommendation 2.4				
1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Compliant	<p><i>Provide information or link/reference to a document containing the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</i></p> <p><i>Links and references:</i> <u><i>Corporate Governance Manual</i></u> <i>Remuneration of the members of the board and officers</i> <i>Page 8, Letter J</i> <i>Page 7, Section 4, No.3</i> <i>Page 8-9, Section 6</i> <i>Page 10, Section 4</i> <i>Page 11, Section 4</i></p>	The board of directors is not entitled to any form of financial remuneration.
2	The Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		

Recommendation 2.5				
1	The Board has a formal and transparent board nomination and election policy.	Compliant	<p><i>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the candidates are shortlisted and how it encourages nominations from shareholders.</i></p> <p><i>Provide proof if minority shareholders have a right to nominate candidates to the board.</i></p> <p><i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i></p> <p><i>Links and references:</i></p> <p><u>Corporate Governance Manual</u> Page 8, letter H; Page 9, No.4 ; Page 14, Part V</p>	The Nomination Committee leads the process for identifying and makes recommendations to the Board on, candidates for appointment as Directors of the bank as well as those other positions requiring appointment by the Board of Directors, giving full consideration to succession planning and the leadership needs of the Group. The Board together with the management and employees commits to promote and ensure full disclosure, transparency and shall remain accountable to the Corporate Governance Manual. This is a commitment and a policy of the Board.
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	Compliant		
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	Compliant		
5	The Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director.	Compliant		
6	The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company.	Compliant		
Recommendation 2.6				
1	The Board has overall responsibility in ensuring that there is a policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p><i>Provide information or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs.</i></p> <p><i>Identify transactions that were approved pursuant to the policy.</i></p> <p><i>Links and references:</i> <u>Corporate Governance Manual</u> Page13, Letter J : Related party transactions by trustees and key Executives</p> <p><u>Online submission Investment Services Division</u></p>	For compliance all related party transaction 1 st quarter to 4 th quarter for 2021 submitted via IC online portal in ISD portal.
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
Recommendation 2.7				

1	The Board is primarily responsible for approving the selection of Management, led by the Chief Executive Officer (CEO) or his/her equivalent, and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).	Compliant	<i>Provide information or reference to a document containing the Board's policy on approving the selection of management.</i> <i>Identify the Management team appointed.</i> <i>Links and references:</i> <u>Corporate Governance Manual</u> Page 5,Letter H Duties, Functions of Responsibilities of the Board	One of the responsibility and approval in selecting or appointing any management and staff is done by the Board.
2	The Board is primarily responsible for assessing the performance of Management, led by the CEO or his/her equivalent and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).	Compliant	<i>Provide information or reference to a document containing the Board's policy on assessing the performance of management.</i> <i>Provide information on the assessment process and indicate frequency of assessment of performance.</i> <i>Links and references:</i> <u>Corporate Governance Manual</u> Page 15,Letter H Duties, Part VI: Performance and Evaluation	
Recommendation 2.8				
1	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that Management's performance is on par with the standards set by the Board and Senior Management.	Compliant	<i>Provide information or link/reference to a document containing the Board's performance evaluation framework for management and personnel.</i> <i>Links and references:</i>	Each year the performance evaluation is presented to the board and the management.
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance is on par with the standards set by the Board and Senior Management.	Compliant	<u>Corporate Governance Manual</u> Pg.1 Part VI: Performance and Evaluation	
Recommendation 2.9				
1	The Board ensures that an appropriate internal control system is in place.	Compliant	<i>Provide information or link/reference to a document showing the Board's responsibility in ensuring that an appropriate internal control system is in place, and what comprises the internal control system.</i>	Regular review of the internal control is undergone by the Board to ensure that the in place controls are current with the market standards and to determine its applicability to all processes.
2	The internal control system includes a mechanism for monitoring and managing potential/actual conflicts of interest of the board members/trustees, management and shareholders/members.	Compliant	<i>Links and references:</i> <u>Corporate Governance Manual</u> Pg.6 No. 5 Internal Control Responsibilities of the Board	

3	The Board adopts an Internal Audit Charter.	Compliant	<p><i>Provide reference or link to the company's Internal Audit Charter.</i></p> <p><i>Links and references:</i> <u>Corporate Governance Manual</u> Pg.6 No. 5 Internal Control Responsibilities of the Board</p>	
Recommendation 2.10				
1	The Board ensures 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	<p><i>Provide information or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</i></p>	Enterprise Risk management framework guidelines is not yet set and included to Corporate Governance manual.
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	<p><i>Provide proof of effectiveness of risk management strategies, if any.</i></p>	Management will study and create ERM for the coming year.
Recommendation 2.11				
1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	<p><i>Provide link to the company's website where the Board Charter is disclosed and/or other proof that it is publicly available.</i></p>	
2	The Board Charter serves as a guide to the directors/trustees in the performance of their functions.	Compliant	<p><i>Links and references:</i> CCT MBA By-Laws Page 6, Article V – Board of trustees, Section 1 – Powers of the Board of Trustees A-K</p>	
3	The Board Charter is publicly available.	Compliant		
Principle 3. ESTABLISHING BOARD COMMITTEES				
<p>The board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, compliance and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all the board committees should be contained in their respective board committee charters.</p>				
Recommendation 3.1				
1	The Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p><i>Provide information or link/reference to a document containing information of all board committees established by the company.</i></p> <p><i>Links and references:</i> <u>Corporate governance Manual</u> Pg. 8-10 Letter K no.1-6</p> <p><i>By-laws</i> Pg.9 - 10</p>	The board established a specific committees functions to aid in the optimal performance of its roles and responsibilities.

				-Governance committee -Oversight and audit committee -Nomination and election committee -Personal and remuneration committee -Executive committee
Recommendation 3.2				
1	The 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	<i>Provide information or link/reference to a document containing information of the Audit Committee, including its functions.</i> <i>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</i> <i>Links and references:</i> <i>Established audit committee</i> <u><i>Board Resolution 17-024</i></u>	The established audit committee is composed of the following board members: Jennifer Jan Y. Abella - Treasurer Raymundo Roberto - Independent trustee Serlina Rufin - Independent trustee
2	The Audit Committee is composed of at least three (3) qualified non-executive directors, the majority of whom, including the Chairperson, are independent directors.	Non-compliant	<i>Provide information or link/reference to a document containing information of the members of the Audit Committee, including their qualifications and type of directorship.</i> <i>Links and references:</i> <i>Established audit committee</i> <u><i>Board Resolution 17-024</i></u>	The Audit Committee shall be comprised of at least three (3) members of the board of trustees, one of whom must be independent board of good standing preferably with accounting and finance experiences.
3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Non-compliant	<i>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</i> <i>Links and references:</i> <i>Established audit committee</i> <u><i>Board Resolution 17-024</i></u> <u><i>Board of trustees</i></u>	The audit committee are: Jennifer Jan Y. Abella - Treasurer Raymundo Roberto - Independent trustee Serlina Rufin - Independent trustee
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	Non-compliant	<i>Provide information or link/reference to a document containing information of the Chairperson of the Audit Committee.</i> <i>Links and references:</i> <i>Established audit committee</i> <u><i>Board Resolution 17-024</i></u>	Jennifer Jan Y. Abella as the Chairperson of the Audit committee has a relevant background, knowledge, skills and experience she is a CPA (Certified Public Accountant) The other committees with provides

				<p>a significant and valuable inputs to support the effective performance of the committee and association.</p> <p>The chairperson of the board is Ruth S. Callanta, while audit committee chairperson is Jennifer Jan Y. Abella.</p>
Recommendation 3.3				
1	The 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	<p><i>Provide information or reference to a document containing information of the Corporate Governance Committee, including its functions.</i></p> <p><i>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</i></p> <p><i>Link and reference:</i></p> <p><u>Board resolution 17-005</u></p>	<p>The composed Governance committee of the board members are:</p> <p>Ruth S. Callanta - Chairperson Arlene Sy - Vice chairperson Alicia Pineda- Secretary</p>
2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	Non-compliant	<p><i>Provide information or link/reference to a document containing information of the members of the Corporate Governance Committee, including their qualifications and type of directorship.</i></p> <p><i>Link and reference:</i></p> <p><u>Board resolution 17-005</u></p>	<p>The composed Governance committee of the board members are:</p> <p>Ruth S. Callanta - Chairperson Arlene Sy - Vice chairperson Alicia Pineda- Secretary</p> <p>Based on the recommendation the composed committee should have independent directors. Will set the new committee with independent director as per recommendation.</p>
Recommendation 3.4				
1	The 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.	Non-compliant	<p><i>Provide information or link/reference to a document containing information of the Board Risk Oversight Committee (BROC), including its functions.</i></p>	<p>The formal creation of the (BROC) Board Risk Oversight Committee is not yet formally set. Such guidelines is part of the organizational</p>

			<i>Link reference:</i> <u><i>Corporate Governance Manual</i></u> <i>Page 10, letter N – Organizational Management.</i>	management in the Corporate Governance.
2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	Non-compliant	<i>Provide information or link/reference to a document containing information of the members of the BROC, including their qualifications and type of directorship.</i> <i>Link reference:</i> <u><i>Corporate Governance Manual</i></u> <i>Page 10, letter N – Organizational Management.</i>	As per recommendation, we will composed a BROC.
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-compliant	<i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</i> <i>Link reference:</i> <u><i>Corporate Governance Manual</i></u> <i>Page 10, letter N – Organizational Management.</i>	

Recommendation 3.5

1	All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<i>Provide information or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.</i>	All the composed committees have a broad information in their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	Compliant	<i>Links and references:</i> <u><i>By-laws</i></u> <i>Pg. 9 Article VII Governance committee</i> <i>Pg. 9 Article VIII Oversight committee</i> <i>Pg. 10 Article IX Executive committee</i>	

Principle 4. FOSTERING COMMITMENT

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 attend and actively participate in all meetings of the Board, Committees and shareholders/members in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Provide information or link/reference to a document containing the process and procedure for tele/videoconferencing board and/or committee meetings.	Majority of the Board of trustees, attends and actively participate in all meetings set face-to-face or via online.
2	The Directors review meeting materials for all Board and Committee meetings.	Compliant	Provide information or link/reference to a document containing the attendance and participation of directors to Board, Committee and shareholders' meetings. Links and references: <u>Attendance sheet of all board meeting for 2021</u> <u>Minutes and agenda of BOT meetings 2021</u>	
3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors Links and references: <u>Attendance sheet of all board meeting for 2021</u> <u>Minutes and agenda of BOT meetings 2021</u>	

Recommendation 4.2

1	Non-executive directors concurrently serve in not more than ten (10) public companies and/or registered issuers. If concurrently sitting in at least three (3) publicly listed companies, the maximum concurrent directorships shall be five (5) public companies and/or registered issuers.	Non-compliant	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in listed companies, registered issuers and public companies.	All CCT MBA Board of Trustees are non-Executive directors of the MBA. Also, none of them serve as directors/trustees of other public companies and/or registered issuers.
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Recommendation 4.3

1	The Directors notify the company's board before accepting a directorship in another company.	Non-compliant	Provide copy of/reference to the written notification to the board or minutes of board meeting wherein the matter was discussed. Links and references: <u>Corporate Governance manual</u> Page 3, Part II – Governance Structure, letter B – Multiple Board Seats.	This is not yet incorporated to our Corporate Governance manual, we will take this recommendation to this add to our Corporate Governance Manual.
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Principle 5. REINFORCING BOARD INDEPENDENCE

The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.

Recommendation 5.1

1	The Board is composed of a majority of non-executive directors who possess the necessary qualifications.	Compliant	<p><i>Identify or provide link/reference to a document identifying the directors, the type of their directorships and their qualifications.</i></p> <p><i>Links and references:</i> <u>CCT MBA By-Laws</u> Pg. 7 Composition Pg.8 Qualifications</p> <p><u>Board of trustees</u></p>	
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Recommendation 5.2

1	The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.	Compliant	<p><i>Provide information or link/reference to a document containing the number of independent directors in the board.</i></p> <p><i>Links and references:</i> <u>CCT MBA By-Laws</u></p> <p><u>Board of trustees</u></p>	
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Recommendation 5.3

1	The independent directors possess all the qualifications and none of the disqualifications to hold the position.	Compliant	<p><i>Provide information or link/reference to a document containing the qualifications of independent directors.</i></p> <p><i>Links and references:</i> <u>CCT MBA By-Laws</u> Pg.8 Section 4 Qualifications Pg.8 Section 5 Disqualifications of trustees or officers</p>	
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Recommendation 5.4

1	The company perpetually bars an independent director from serving in such capacity after the term limit of nine (9) years.	Compliant	<p><i>Provide information or link/reference to a document containing the company's policy on term limits for its independent director.</i></p> <p><i>Links and reference:</i> <u>CCT MBA By-Laws</u> page 7, Section 3 – Term of Office</p>	All CCT MBA Independent Trustee's term of office is limited to a term of three (3) years, subject for re-election of at most three (3) terms or (9) years.
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2	In the instance that the company retains an independent director in the same capacity after nine (9) years, the Board provides meritorious justification and seeks shareholders'/members' approval during the annual regular meeting.	Compliant	<p><i>Provide reference to the meritorious justification and proof of shareholders'/members' approval during the annual regular meeting.</i></p> <p><i>Links and reference:</i> <u>CCT MBA By-Laws</u> Pg.7 section 3 Term of office</p>	In the instance that we inadvertently retain an independent director in the same capacity after nine years, we will submit to the Insurance Commission a formal written justification and seek shareholders approval during the annual shareholders' meeting.
Recommendation 5.5				
1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	Compliant	<p><i>Identify the company's Chairperson of the Board and Chief Executive Officer (or its equivalent).</i></p>	<p>CCT MBA's Chairman of the Board is Ms. Ruth S. Callanta.</p> <p>CCT MBA's Chief Executive Officer or General Manager is Mr. Allan L. Legaspi.</p>
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.	Compliant	<p><i>Provide information or link/reference to a document containing the roles and responsibilities of the Chairperson of the Board and Chief Executive Officer (or its equivalent). Identify the relationship of the Chairperson and CEO.</i></p> <p><i>Links and reference:</i> <u>CCT MBA By-Laws</u> functions and powers of officers Pg.12 Section 1</p> <p><i>Pg.14 section 5 General Manager</i></p>	The CCT MBA by-laws clearly defined their responsibilities.
Recommendation 5.6				
1	The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director.	Compliant	<p><i>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairperson is an independent director.</i></p> <p><i>Links and references:</i> <u>Board of Trustees</u></p>	CCT MBA's Chairperson is neither an Independent Trustee nor the CEO (GM).
Recommendation 5.7				
1	The Directors/Trustees with material interest in a transaction affecting the corporation fully disclose his/her adverse interest, abstain from taking part in the deliberations for the same, and recuse from voting on	Non- Compliant	<p><i>Provide proof of full disclosure and abstention, if any, of the interested director/trustee.</i></p> <p>Links and references: <u>Corporate Governance Manual</u></p>	In every transactions or meetings no one abstaining in any deliberations for the same.

	the approval of transaction.		Pg.14 Disclosure and transparency	
Recommendation 5.8				
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.	Non-compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	No meeting held with external auditors and heads of the internal audit,compliance and risk functions.
2	The meetings are chaired by the lead independent director, if applicable.	Non-compliant		
Principle 6. ASSESSING BOARD PERFORMANCE				
The best measure of the Board’s effectiveness is 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 self-assessment of its performance as a whole.	Non-compliant	Provide proof of self-assessments conducted by the whole board, the individual members, the Chairperson and the Committees.	
2	The Chairperson conducts an annual self-assessment of his performance.	Non-compliant		
3	The individual members conduct a self-assessment of their performance.	Non-compliant		
4	Each committee conducts a self-assessment of its performance.	Non-compliant		
Recommendation 6.2				
1	The Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors/trustees and committees.	Non-compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders/members.	
2	The system allows for a feedback mechanism from the shareholders/members.	Non-compliant		
Principle 7. STRENGTHENING BOARD ETHICS				
The Board directors are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.				
Recommendation 7.1				

1	The Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of board members.	Compliant	<p><i>Provide information or link/reference to the company's Code of Business Conduct and Ethics.</i></p> <p><i>Links and references:</i> <u>CCT group of ministries code of conduct</u></p>	
2	The Code is properly disseminated to the members of Board.	Compliant	<p><i>Provide information or discuss how the company disseminated the Code to the members of the Board.</i></p> <p><i>Links and references:</i> <u>CCT group of ministries code of conduct</u></p>	
3	The Code is disclosed and made available to the public through the company website.	Compliant	<p><i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/disclosed.</i></p> <p><i>Links and references:</i> <u>CCT group of ministries code of conduct</u></p> <p><i>Quarterly reports of negative list submitted via online portal of Insurance commission</i></p>	Quarterly Reports to the Insurance Commission Negative List of Officers and Employees.

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	<p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</i></p> <p><i>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</i></p> <p><i>Links and references:</i> <u>CCT group of ministries code of conduct</u></p>	
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DISCLOSURE AND TRANSPARENCY

Principle 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES

The Board should establish corporate disclosure policies and procedures that are practical and in accordance with generally accepted 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/members and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p><i>Provide information or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders/members and other stockholders.</i></p> <p><i>Link and reference:</i> <u>CCT MBA Governance Corporate Manual</u></p>	The following material information that will be publicly made available are: financial reports such as (and not limited to) earnings, material acquisition, related third party transactions, board
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			Pg,14 Part V. Disclosure and transparency <u>2021 Financial Statement</u>	remuneration, audited financial statements, Structure (Bio-Data) and Remunerations	Board
Recommendation 8.2					
1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within five (5) business days.	Non-Compliant	Provide information or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's shares.		
2	The company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within five (5) business days.	Non-Compliant	Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.		
Recommendation 8.3					
1	The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Provide link to the company's website where the Manual on Corporate Governance is posted.		
2	The company's MCG is submitted to the SEC.	Compliant	Link and reference:		
3	The company's MCG is posted on the company website.	Compliant	<u>CCT MBA Governance Corporate Manual</u>		
Recommendation 8.4					
1	The company's corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR).		Provide link to the company's website where the Annual Corporate Governance Report is posted.		
2	The company's ACGR is submitted to the SEC.				
3	The company's ACGR is posted on the company website.				
Principle 9. STRENGTHENING EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY					
The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.					
Recommendation 9.1					
1	The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors.	Compliant	Provide information or link/reference to a document containing the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor. Links and references: <u>Corporate Governance Manual</u> Pg. 9, No.2 Oversight and audit committee	The committee is responsible for setting-up and the appointment of independent external auditors.	

2	The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and the shareholders/members.	Compliant	<i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i> <i>Links and references:</i> <u>5th AMM Minutes</u> <i>Pg.4 , letter N, Appointment of External Auditors</i>	The General membership approved appointment and seconded by the board that Reyes Tacandong and Company as CCT MBA’s external auditor , effective CY 2021.
3	For the removal of external auditor, the reasons for such removal or change are disclosed to the SEC, the shareholders/members, and the public through the company website and required disclosures.	Compliant	<i>Provide information or link/reference to a document containing the company’s reason for removal or change of external auditor.</i> <i>Links and references:</i> <u>5th AMM Minutes</u> <i>Pg.4 , letter N, Appointment of External Auditors</i>	The external auditor is appointed at the Annual Membership Meeting , during the 5 th AMM, General membership and board approved Reyes Tacandong and Company as external auditor.
Recommendation 9.2				
1	The 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	<i>Provide link/reference to the company’s Audit Committee Charter.</i> <i>Link/reference:</i> <u>Oversight and Audit Committee</u> <i>Pg. 9, No. 2 Oversight and audit committee</i>	In the CCT MBA Corporate governance manual, audit committee charter responsibility is disclosed.
2	The Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.	Compliant		
Recommendation 9.3				
1	The company discloses the nature of non-audit services performed by its external auditor in the Annual Report to manage potential conflict of interest cases.	Compliant	<i>Disclose the nature of non-audit services performed by the external auditor, if any.</i>	There are no non-audit services performed by CCT MBA’s external auditor.
2	The 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	<i>Provide link or reference to guidelines or policies on non-audit services.</i>	There are no non-audit services performed by CCT MBA’s external auditor.

Principle 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING				
The Board should ensure that the company discloses material and reportable non-financial and sustainability issues.				
Recommendation 10.1				
1	The Board has a clear and focused strategy on the disclosure of non-financial information.	Non-compliant	<i>Disclose or provide link to the company's policies and practices on the disclosure of non-financial information, including EESG issues.</i>	CCT MBA do not yet have 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.
2	The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.	Non-compliant	<i>Provide link or reference to the company's disclosure of strategic and operational objectives, with emphasis on EESG matters.</i>	CCT MBA does not yet have or adopt a globally recognized standard/framework in reporting sustainability and nonfinancial issues.
Principle 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION				
The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.				
Recommendation 11.1				
1	The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.	Compliant	<i>Provide link to the company's website.</i> <i>Link/reference:</i> https://www.cctmba.com/	CCT MBA ensure that the website is available/up and running with updated information, so that website visitor able to access association developments.
INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORKS				
Principle 12. STRENGTHENING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS				
To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management system.				
Recommendation 12.1				
1	The company has an adequate and effective internal control system in the conduct of its business.	Complaint	<i>List quality service programs for the internal audit functions.</i> <i>Indicate frequency of review of the internal control</i>	The association policy for an effective system of internal control An effective system of internal control that will ensure the

			<p>system.</p> <p>Link/reference: <u>Corporate Governance Manual</u> Page 6, Item no. 5 – Internal Control Responsibilities of the Board</p>	<p>integrity of the financial reports and the protection of all the assets of the association, for the benefit of all stockholders and stakeholders shall be implemented at all times by the association. Regular review of the internal control shall be undergone by the Board to ensure that the in place controls are current with the market standards and to determine its applicability to all processes.</p>
2	<p>The company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	Non -compliant	<p>Identify international framework used for Enterprise Risk Management.</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes. 2. Key risks the company is currently facing. 3. How the company manages the key risks. <p>Indicate frequency of review of the enterprise risk management framework.</p>	<p>As stated in the Corporate Governance Manual, management is responsible to the board for implementing the infrastructure for the organization's success through the following mechanisms in its organization as set by the Board: organizational structures that work effectively and efficiently in attaining the goals of the organization; useful planning, control, and risk management systems that assess risks on an integrated cross-functional approach;</p> <p>The association has no enterprise risk management framework yet.</p>
Recommendation 12.2				
1	<p>The 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.</p>	Compliant	<p>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm hired.</p> <p>Links and references:</p> <p><u>Corporate Governance Manual</u> Pg. 11, Letter P : Internal Auditor</p>	<p>CCT Group of ministries/CCT Multi-purpose Cooperative, internal audit team conducts the internal audit for CCT MBA.</p>

CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS/MEMBERS

Principle 13. PROMOTING SHAREHOLDER/MEMBER RIGHTS

The company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1

1	The Board ensures that basic shareholder/member rights are disclosed in the Manual on Corporate Governance.	Compliant	<p><i>Provide link or reference to the company's Manual on Corporate Governance where shareholders'/members' rights are disclosed.</i></p> <p>Links and reference: <u>Corporate Governance Manual</u> PG.11-12-13 Letter A-H</p>	Shareholder/member rights are disclosed in the Corporate Governance Manual including the following: voting rights, pre-emptive rights, power inspection, right to information, other members' benefits and appraisal right.
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Recommendation 13.2

1	The Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'/Members' Meeting with sufficient and relevant information at least twenty-one (21) days before the meeting.	Compliant	<p><i>Indicate the number of days before the annual or special stockholders'/members' meeting when the notice and agenda were sent out.</i></p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS).</i></p> <p>Links/reference: <u>Notice of Annual Membership Meeting 2021</u></p>	The notice of annual membership meeting was sent, Feb 16, 2021, 31 days before the actual date of the annual membership meeting dated Mar 18, 2021.
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Recommendation 13.3

1	The Board encourages active shareholder/member participation by making the result of the votes taken during the most recent Annual or Special Shareholders'/Members' Meeting publicly available the next working day.	Non-complaint	<p><i>Provide information or reference to a document containing all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</i></p> <p>Links/reference: <u>Minutes of the Annual Membership Meeting 2021</u></p>	Minutes of the annual membership meeting are posted in the website.
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2	The minutes of the Annual and Special Shareholders'/Members' Meetings were made available on the company website within five (5) business days from the date of the meeting.	Non-complaint	<p><i>Provide link to minutes of meeting in the company website.</i></p> <p><i>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</i></p> <p><i>Indicate also if the voting on resolutions was by poll.</i></p> <p><i>Include whether there was opportunity to ask question and the answers given, if any.</i></p> <p><i>Links/reference:</i> <u>Minutes of the Annual Membership Meeting 2021</u></p>	Minutes of the Annual membership meeting posted June 6,2022.
Recommendation 13.4				
1	The Board makes available, at the option of a shareholder/member, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-complaint	<p><i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.</i></p> <p><i>Provide link/reference to where it is found in the Manual on Corporate Governance.</i></p> <p><i>Links and reference:</i> <u>Corporate Governance Manual</u> Pg. 13-14, part IV -Stakeholders</p>	<p>The MBA protects the rights of its stakeholders including employee and their representative bodies. The stakeholders are free to communicate their concerns about illegal and/or unethical practices to the board. Their rights shall not be compromised after communicating such concern.</p> <p>We will create an separate dispute policy if this is what is required.</p>
Recommendation 13.5				
1	The Board establishes an Investor Relations Office (IRO) or Customer Relations Office (CRO) or its equivalent to ensure constant engagement with its shareholders/members.	Complaint	<p><i>Disclose the contact details of the officer/office responsible for investor relations, such as:</i></p> <p><i>1. Name of the person</i> <i>2. Telephone number</i> <i>3. Fax number</i> <i>4. E-mail address</i></p> <p><i>Links and reference:</i></p>	<p>Details of the officer/office contact number and person disclosed in CCT MBA website and Facebook page.</p> <p>CCT MBA management and key staff is equivalent to IRO or CRO they are engage with shareholders/members</p>

			CCT MBA website contact details CCT MBA Facebook page CCT MBA Management and key staff	concerns.
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	Compliant	<p><i>Indicate if the IRO or CRO or its equivalent was present during the ASM.</i></p>	<p>CCT MBA management and key staff is equivalent to IRO or CRO, they are present every shareholders'/meeting because their attendance are required.</p> <p>During the 2021 Annual membership meeting they are present via zoom online facility.</p>

DUTIES TO STAKEHOLDERS

Principle 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS

The rights of 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	The Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p><i>Identify the company's stakeholders and provide information or reference to a document containing the company's policies and programs for its stakeholders.</i></p> <p>Links and reference: Corporate Governance Manual Pg. 13-14, part IV- Stakeholders</p>	<p>CCT MBAs' stakeholder are the ff:</p> <ol style="list-style-type: none"> 1. Employees 2. Customers/Members 3. Suppliers/Contractors 4. Community of Operations 5. Environmental Sustainability 6. Partner-Agent MFI/s 7. Insurance Commission 8. Technical Service Providers
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Recommendation 14.2

1	The Board establishes clear policies and programs to provide a mechanism on the fair treatment, protection and enforcement of the rights of stakeholders.	Compliant	<p><i>Identify policies and programs for the protection, fair treatment and enforcement of the rights of the company's stakeholders.</i></p> <p>Links and reference: Via website: contains company disclosure</p>	CCT MBA keep updated the status of the association by any means of communication, orientation and using technology,
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			<u>Company disclosure</u> <u>Association contact details</u> Via Facebook: CCT MBA Facebook Center for Community Transformation Facebook	
Principle 15. ENCOURAGING EMPLOYEES' PARTICIPATION				
A mechanism for employee participation should be developed to create a symbiotic working environment consistent with the realization of the company's objectives and good corporate governance goals.				
Recommendation 15.1				
1	The Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	Provide information or link/reference to company policies, programs and procedures that encourage employee participation. Links and reference: <u>CCT Group of ministries 2021 Annual report</u> Page 38-41	Employees actively participate of association goals and in its governance. At the beginning of 2021, CCT MBA conducted a nationwide reorientation program for all CCT staff based in the Regions/Areas. The objective of this program is to (re)educate its co-workers on the features and benefits of CCT MBA's insurance programs in the hope that they will be the ambassadors of CCT's social security ministry in the communities. CCT MBA revisited their claims processes. They also relaxed documentary requirements by accepting substitute or alternative documents for what was originally required. By doing this, they

				<p>were able to make their response time earlier, allowing them to release the initial 50% of benefits on the day of a member's demise. This process improvement itself eventually proved to be the best marketing tool that the ministry have at the communities</p>
Recommendation 15.2				
1	The Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct and Ethics.	Non-compliant	<p><i>Identify or provide link/reference to the company's policies, programs and practices against corruption.</i></p> <p><i>Links and reference:</i></p> <p><u><i>Anti-fraud Manual</i></u></p> <p><u><i>Code of Conduct</i></u></p>	<p>The association does not have anti-corruption policy and program.</p> <p>However, the association does not and will not tolerate fraud in any and all forms, whether carried out by the Association's members or by outsiders/non-members, its trustees, management or staff, or by its microfinance partners, consultants or suppliers. As appropriate, CCTMBA will investigate any suspected, reported, or actual fraud including but not limited to insurance claims, benefits, premiums, contributions, collection, remittance, enrollment or misappropriation of assets. If there is probable cause, CCTMBA will take appropriate action/s based on the gravity of the offense or even take legal action including reporting the fraud to proper authorities in order to get conviction, recover assets or obtain compensation for loss.</p>
2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p><i>Identify how the board disseminated the policy and program to the employees across the organization.</i></p>	<p>At the beginning of 2021, CCT MBA conducted a nationwide reorientation program for all CCT</p>

			<p>Links and reference: <u>Corporate Governance Manual</u> Pg. 3. Governance structure > Pg. 8 letter J No. 1 Development program</p> <p><u>2021 CCT Group of Ministries Annual report</u> Pg. 39</p>	<p>staff based in the Regions/Areas. The objective of this program is to (re)educate its co-workers on the features and benefits of CCT MBA's insurance programs in the hope that they will be the ambassadors of CCT's social security ministry in the communities.</p>
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Recommendation 15.3

1	The Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Non-compliant	<p><i>Disclose or provide link/reference to the company whistleblowing policy and procedure for employees.</i></p> <p><i>Indicate if the framework includes procedures to protect the employees from retaliation.</i></p>	<p>Whistleblowing policy framework, practices and procedure is not yet integrated to the corporate governance manual</p> <p>The board will establish the policy, framework and ensures the implementation.</p>
2	The 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.	Non-compliant	<p><i>Provide contact details to report any illegal or unethical behavior.</i></p>	
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	Non-compliant	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p>	

Principle 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The company should be socially responsible in all its dealings with the communities in which 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

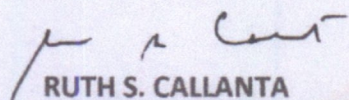
1	The company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p><i>Provide information or reference to a document containing the company's community involvement and environment-related programs.</i></p> <p>Links and reference: <u>2021 CCT Group of Ministries Annual report</u> Pg. 39, God's breakthroughs for CCT MBA</p>	<p>In the face of uncertainties, the Lord allowed CCT MBA to keep and fulfill its promise to its members of providing them with insurance benefits upon the members' demise. For the year 2021 a total of 479 insurance claims have been filed and processed at CCT MBA with a total amount of PhP12,858,000 as benefits given. Fifty percent of this amount was handed to the beneficiaries of deceased members on the day of their passing, or on the day it was reported to CCT MBA.</p>
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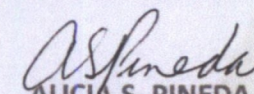


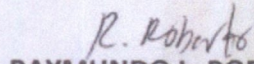
CERTIFICATION

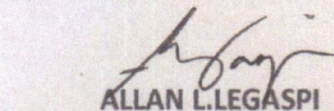
The undersigned certify that the responses and explanations set forth in the above Company's Annual Corporate Governance Report are true, complete and correct of our own personal knowledge and/or based on authentic records.

Signed in the City of **CITY OF MANILA** on the **JUL 15 2022** of 20__.


RUTH S. CALLANTA
CHAIRMAN OF THE BOARD
Signature over printed name


ALICIA S. PINEDA
CORPORATE SECRETARY
Signature over printed name


RAYMUNDO L. ROBERTO
INDEPENDENT DIRECTOR
Signature over printed name


ALLAN L. LEGASPI
PRESIDENT/CEO (General Manager)
Signature over printed name



ALLAN L. LEGASPI
CORPORATE GOVERNANCE
COMPLIANCE OFFICER
Signature over printed name

Resigned Oct 12, 2021
SERLINA C. RUFIN
INDEPENDENT DIRECTOR
Signature over printed name

JUL 15 2022
SUBSCRIBED AND SWORN to before me this _____ day of _____, 20__, by the following who are all personally known to me (or whom I have identified through competent evidence of identity) and who exhibited to me their respective identification document as follows:

NAME	ID	DATE/PLACE ISSUED
1. RUTH S. CALLANTA	P2394492B	JUL 1, 2019 - DFA NCR SOUTH
2. ALLAN L. LEGASPI	P4944729B	FEB 26, 2020 - DFA NCR EAST
3. ALICIA S. PINEDA	NO2-09-004996	EXP. 12/31/2022 - LTO N34
4. RAYMUNDO L. ROBERTO	N15-82-038394	EXP. 09/23/2022 - LTO N11
5. SERLINA C. RUFIN	P7084834B	JUL 1, 2021 - DFA SAN PABLO

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ATTY. GILBERTO B. PASMANERO
Notary Public until December 31, 2023
Notarial Commission 2022 - 052
IBP# 165726 Pasig for yr 2022
PTR# 0154719 Mla - 1-3-2022
Roll # 25473, TIN# 103-098-346
MCLE Exempt. No. VII-NP004370 til 4-14-2025



Address: 5/F Echelon Tower, 2100 A. Makini Street, Malate, Manila, 1004, Philippines

Phone lines: (632) 524 1810 / 524 1819 / 524 1835 / 400 6901 / 400 6909

Fax: (632) 524 1819 loc. 203

www.cct.org.ph

October 12, 2021

CENTER FOR COMMUNITY TRANSFORMATION
MUTUAL BENEFIT ASSOCIATION, INC.

To the Board of Trustees

Greetings in Jesus' Name.

The purpose of this letter is to inform you that I am resigning my position as Independent Trustee of the CCT MBA's Board of Trustees. My other commitments have become too great for me to be able to fulfill the requirements of my position.

I feel that it is in the best interest of both myself and CCT MBA if I step down from my board responsibilities. I hereby relinquish all responsibilities and privileges of my membership, effective immediately. I hope you understand.

I apologize for any inconvenience that my absences may have caused.

Thank you for the opportunity you have given me to be part of the CCT MBA board. It had been a great experience learning from the other members of the Board even for a short period of time. I certainly believe that the work of God will continue wherever God will take CCT MBA.

Yours truly,



REV. SERLINA RUFIN

