

Property of the ASEAN Capital Markets Forum (ACMF)

COMPANY NAME:	<b>TRAVELLERS INSURANCE &amp; SURETY CORPORATION</b>		COMPANY STRUCTURE: class 1      class 2      ● class 3 class 4   class 5	
FINANCIAL YEAR END	2019			
SECTOR	<input checked="" type="checkbox"/> Insurance	<input checked="" type="checkbox"/> MBA		
<b>A. Rights of Shareholders</b>				
A.1	<u>Basic Shareholder Rights</u>		Y/ N	Reference/Source document
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final.	OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	Y	No dividends payable  --- <a href="#">Please see Page 70 of Annual Statement 2019</a>  <a href="#">Please see the company's Amended By-Laws particularly Article XI Section II thereof</a>

A.2	<u>Right to participate in decisions concerning fundamental corporate chances.</u>			
<i>Do shareholders love the right to Participate in:</i>				
A.2.1	Amendments to the company's constitution*	OECD Principle II (B) Shareholders should have the right to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or Similar governing documents of the company.	Y	Under the List of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015  --- <a href="#">Please see the company's Amended By-Laws particularly Article XIII thereof</a>
A.2.2	The authorization of additional shares?	OECD Principle II (B): (2) the authorization of additional shares.	Y	Under the List of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015  --- <a href="#">Please see BY-LAWS ARTICLE VI, SEC. 2</a>

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A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company*	OECD Principle II.(B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company	y	Under the List of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015  As prescribed by the Corporation Code of the Philippines, the shareholders are given the right to participate in decisions concerning amendment of the Company's Articles of Incorporation, the authorization of additional shares, and the transfer of all or substantially all assets, if any.

A.3	<u>Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</u>			
A3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	OECD Principle II (C): (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be	y	Under the List of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015  ---  <a href="#">Please see Article VI of the Amended By-Laws</a>



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A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM*		Y	<a href="#">Please see Article VI of the Amended By-Laws</a>
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	OECD Principle II (C); and	Y	<a href="#">Minutes of the AGM</a>
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?	ICGN 2.4.2: All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	<a href="#">Minutes of the AGM</a>
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM*		Y	<a href="#">Minutes of the AGM</a>
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	<a href="#">Minutes of the AGM</a>
A.3.13	Did the company organize their most recent AGM in an easy to reach location	OECD Principle II (C)	Y	<a href="#">Please see Notice to the Stockholders CY 2019</a>
A.3.14	Does the company allow for voting in absentia?	<b>OECD Principle II (C):</b> (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes  OECD Principle II (C)	Y	Under the List of Default Items under Insurance Circular Letter (CL) No. 2015-23 dated 8 May 2015  <a href="#">Please see Section VI &amp; VII Article VI of the Amended By-Laws</a>
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM*		Y	<a href="#">Minutes of the AGM</a>
A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM*		Y	<a href="#">Minutes of the AGM</a>

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A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions*	OECD Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting	Y	<a href="#">Please see Company Website</a>
A.3.18	Do companies provide at least 21 days notice for all resolutions*		Y	<a href="#">Please see Notice to All Stockholders Meeting 2019</a>
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?		Y	<a href="#">Please see Notice to All Stockholders Meeting 2019</a>

A4	<u>Markets for corporate control should be allowed to function in an efficient and transparent manner.</u>			
A.4.1	In cases of mergers, acquisitions and/or takeovers <b>requiring</b> shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner.  (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.	N	

<b>A.5</b>	<u>The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</u>			
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	N/A	Default item for Class 3 under Insurance Circular Letter No. 2015-23 dated May 8, 2015

