

Property of the ASEAN Capital Markets Forum (ACMF)

COMPANY NAME:	EMPIRE INSURANCE COMPANY		COMPANY STRUCTURE:  <input type="radio"/> Class 1 <input checked="" type="radio"/> Class 3 <input type="radio"/> Class 5 <input type="radio"/> Class 2 <input type="radio"/> Class 4	
FINANCIAL YEAR END	2017			
SECTOR	<input checked="" type="checkbox"/> Insurance	<input type="checkbox"/> MBA		
<b>A. Rights of Shareholders</b>				
<b>A.1</b>	<b>Basic Shareholder Rights</b>		<b>Y/ N</b>	<b>Reference/Source document</b>
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	<b>OECD Principle II: The Rights of Shareholders and Key Ownership Functions</b> (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	N/A	No declaration of Dividends for 2017. Audited Financial Statement-2017. General Information Sheet 2017 and 2018.
<b>A.2</b>	<b>Right to participate in decisions concerning fundamental corporate changes.</b>			EIC Corporate Governance 2017 & 2018 Supplement
	<b><i>Do shareholders have the right to participate in:</i></b>			
A.2.1	Amendments to the company's constitution?	<b>OECD Principle II</b> (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	Articles of Incorporation Article SIXTH.
A.2.2	The authorisation of additional shares?	<b>OECD Principle II (B):</b> (2) the authorisation of additional shares.	Y	Articles of Incorporation Article Sixth page 5
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	<b>OECD Principle II.(B):</b> (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.	Y	Annual stockholders Mtg. Special Meeting will be convened as the needs arise.
<b>A.3</b>	<b>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.</b>			EIC Corporate Governance 2017 & 2018 Supplement

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A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	<b>OECD Principle II (C):</b> (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	Y	Annual Stockholders Meeting Minutes. By Laws Article II Section 7 Page 4
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	Annual Stockholders Mtg Minutes. By-Laws Article I Section 5 page 2. Nomination committee welcomes all nomination for evaluation.
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	Annual Stockholders Meeting Minutes. By Laws Article I Section 5 page 2
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	<b>OECD Principle II (C):</b> Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	Y	Annual Stockholders Meeting Minutes. By Laws Article I Section 5 page 2
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	<b>OECD Principle II (C):</b> (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	Annual Stockholders Meeting Minutes 2017 & 2018
A.3.6	Do the minutes of the most recent AGM record questions and answers?		Y	Annual Stockholders Meeting Minutes 2017 & 2018
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	Annual Stockholders Meeting Minutes 2018
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	Annual Stockholders Meeting Minutes 2018
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?		<b>OECD Principle II (C); and</b>  <b>ICGN 2.4.2:</b> 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.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?	<b>ICGN 2.4.2:</b> 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.	N	Annual Stockholders Mtg. Minutes 2018
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	Annual Stockholders Meeting Minutes 2018

Property of the ASEAN Capital Markets Forum (ACMF)

A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	Annual Stockholders Meeting Minutes 2018
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	<b>OECD Principle II (C)</b>	Y	Head Office; Annual Stockholders Meeting Minutes
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 whether cast in person or in absentia	Y	Annual Stockholders Meeting Minutes. By Laws Article I Section 5 page 2. Proxy Forms
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	<b>OECD Principle II (C)</b>	Y	Annual Stockholders Meeting Minutes 2018
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?		N	Annual Stockholders Meeting Minutes 2018
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?	<b>OECD Principle II (C):</b> (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	website
A.3.18	Do companies provide at least 21 days notice for all resolutions?		Y	Beyond 21 days: In 2018 38 days notice prior to meeting
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	2018 Agenda of Meeting include explanation for agenda item in the Notices to Stockholders; sent to Stockholders 38 days prior to meeting.

<b>A.4</b>	<b>Markets for corporate control should be allowed to function in an efficient and transparent manner.</b>	EIC Corporate Governance 2017 & 2018 Supplement
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A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	<p><b>OECD Principle II (E):</b> Markets for corporate control should be allowed to function in an efficient and transparent manner.</p> <p>(1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.</p>	Y	<p>No case of merger has transpired. In case there be, the Board will appoint an independent party to evaluate and such be indicated in Regular Board Meeting and Stockholders Meeting Minutes. It shall be governed by IC Circular Letter 2015-11 on Rules &amp; Regulations on consolidation &amp; Merger of Insurance Companies; Amended Insurance Code R.S. 160607 Title 16.</p>
<p><b>A.5</b>                    <b>The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</b></p>		<p>EIC Corporate Governance 2017 &amp; 2018 Supplement</p>		
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?	<p><b>OECD Principle II (F):</b> The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</p>	Y	<p>The Notices and Agenda sent to Stockholders with disclosed Policy.</p>