

4.1.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected.

4.1.2 Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.

4.1.3 Performance-enhancing mechanisms for employee participation should be permitted to develop.

4.1.4 Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.

4.1.5 Stakeholders, including individual employees and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.

## **4.2 Identification and Definition of Stakeholders**

### **4.2.1 Members**

The members play a vital role in the success of the association and the reason for being of the association. The sustainability of the association also relies on their active participations in all the affairs of the institution from the planning and implementation of its program and services.

The association commits to provide services to all members at its best. It will continue to pursue the implementation of activities that will contribute to development of its individual members such as continuing education. It will provide necessary support or allocate resources to education program before and during their membership.

The association will also create an environment that will encourage members to err out their concerns. It will establish a suggestions box situated in each branch of partner MFI for the member to bring out their concerns.

### **4.2.2 Employees**

The progress and success of the association depends on its human resources and that only through carefully selected, well-trained, results-oriented, and dedicated employees can the association achieve its objectives.

Individuals hired by the association to work as either full-time or parttime worker under a contract of employment duly notarized upon signing, has recognized rights and duties as stated in the MBA's Personnel Manual. The Association shall address to the State's Labor Laws that will protect the well-being of the employees. Specific policies on the protection and promotion of employees well-being is presented in the employee's manual.

The MBA shall continue to make planned efforts to facilitate the learning of job related behavior of its stakeholders current and future roles and responsibilities aligned with the Association's goals and direction.

The employees shall be given trainings in the form but not limited to (i) Formal – undergraduate course and/ or masters degree; (ii) On the job training or coaching; (iii) In house lectures; and, (iv) Local or international courses, seminars, study tours, workshops and conferences.

#### **4.2.3 Board**

The Board is the governing body and primarily responsible for ensuring good governance in association. The Board formulates the strategic direction and monitors the performance of the management. It also ensures that the systems are in place for transparency and accountability.

The association is committed to strengthening its Board by providing continuing education through participation in conferences and seminars.

#### **4.2.4 MFI Partners**

MFI partners are the primary source of the Association's membership, and in the establishment of good relationship to members. They are the fund mobilization partners of the association and play the important role especially in the collection of premiums and contributions.

The association is committed to provide the following support to its partner MFI and its affiliates:

- 1) Ensure fast service and continued access to micro insurance benefits and other services of the MBA.
- 2) Establish and implement approved guidelines pertaining to MFI and other related parties.
- 3) Conduct products and services orientation and technical services to partner organizations.
- 4) Conduct fair business transactions and ensure that the interest does not conflict with the interest of MFI Partners.
- 5) Provide incentives through service fee
- 6) With partner MFI/affiliates execute a service agreement/management contract defining the roles and responsibilities of the contracting parties

#### **4.2.5 Suppliers/Contractors**

The Association engages the assistance of suppliers and/or contractors to provide services that the association will need for its daily operations. As part of its value chain, the Association will monitor its engagements with suppliers and contractors to make sure that they practice good governance and protects the environment. The Association will only engage suppliers/contractors that meet these standards.

To ensure that engagements with suppliers/contractors will be impartial and transparent; the Association will conduct a bidding process for projects with contracts amounting to more One Hundred Thousand Pesos (PhP 100,000) where

minimum of three (3) suppliers shall submit their proposal and business profile to the management for background check and validation of proposal.

The association shall appoint the General Manager/Finance Officer to lead the bidding and selection process. All decisions on the selection of suppliers shall be presented and approved by the board.

Selected supplier/contractor shall be issued a legal contract/agreement that will be notarized to make the engagement binding. The procurement process to be followed are the following:

- 1) Project Specification. The association through the appointed officer should define the specific description of the project/materials to be procured. The specified project or materials should be presented to the Board for approval.
- 2) Request for Bids. The approved project specification should be posted in the association website. In addition the association will also send out invitation to Bid.
- 3) Bidding. The invited bidders should submit sealed Bid to the office of the association
- 4) Reviewing the Bid. On the designated date, the association through the designated officer will conduct a review and come up with recommendation.
- 5) Awarding of the Contract. The contract will be awarded to the lowest bidder.

For procurement of projects/materials below One Hundred Thousand Pesos, the association through its Administrative Officer, will conduct canvass to at least three (3) suppliers by request for quote as per specification.

#### **4.2.6 Community of Operations**

In any business, there is a need for the support of the community where it operates. The Association acknowledged the significant role of the community in achieving its vision mission particularly in helping people become less vulnerable.

The Association will strengthen its relationship with the community by sharing information about its programs and services. Such services will include but not limited to Calamity Assistance Program, Education Assistance, Livelihood Training Program and other project identified by the community where the association is operating. Moreover, the association should participate in the implementation of development project undertaken by its partner MFI and its affiliates.

#### **4.2.7 Environmental Sustainability**

The Association's business operation does not directly affect the environment. However, it is still committed to do its part in promoting environmental sustainability through various initiatives within the office, among its directors and employees and with its stakeholders.

#### **4.2.8 Regulatory Agencies**

Regulatory agencies are essential in any industry as they provide the framework to which an association should legally operate. These policies, guidelines and circulars issued by the regulatory agencies promote fairness and increase the level of confidence of the members, implementers and other stakeholders.

The Association shall ensure full compliance to the requirements, policies, circulars, memoranda, and guidelines issued by regulatory agencies such as the Insurance Commission, Securities and Exchange Commission, Bureau of Internal Revenue, Local Government Units and other government agencies.

The association shall appoint/designate a person who will act as Compliance Officer to ensure compliance to the above-mentioned agencies.

### **4.3 Right to Training and Development**

The Association shall promote and facilitate necessary training to all stakeholders.

The Management will conduct an orientation to all BOTs on the content of this manual. Moreover, during the assembly it will be reviewed prior to the conduct of the election.

All BOT and key officers of the Association are required to attend Governance Training Workshop and Seminar on Anti Money Laundering Act to be conducted by IC accredited provider.

### **4.4 Feedback and Grievance Policy for Stakeholders**

The Association 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.

All stakeholders are encouraged to play their part in improving the overall effectiveness and success of the association particularly in strengthening its integrity. The association shall ensure the protection of an employee or other stakeholder that reveals illegal/ unethical behavior from retaliation.

The following shall be the procedure in filing for illegal and unethical behavior:

1. Filing of complaint to the grievance committee
2. Investigation as to the extent and reality of the complaint
3. Conduct of conference with the party involve
4. Coming up of the resolution on the complain.

The association shall also adopt the mechanism prescribed by the Insurance Commission in dealing with disputes related to complaints of policy holder. This mechanism known as Alternative Dispute Resolution for Micro Insurance (ADReM) wherein the member-policy holder can access mediation and conciliation at the lower cost and at the following levels: