



# ANNUAL REPORT 2025



# TABLE OF CONTENTS

## 01

### INTRODUCTION

Message from the Chairperson .....	01
About Our Institution .....	02
Our Products .....	03
Our Status .....	04

## 02

### FINANCIAL & OPERATIONS UPDATE

Financial Highlights .....	05
Financial Comparative Report .....	06
Claims Update .....	9
Operations Comparative Report .....	10
Social Protection Program .....	14

## 03

### ALL ABOUT SEDP MBA

SEDP MBA Logo Through the Years .....	17
Partners and Links .....	17
Compliance to Good Governance .....	17

## 04

### GOOD GOVERNANCE

Governance .....	18
Board of Trustees Officers and Members .....	19
Board of Trustees Profile .....	20
Board Committees .....	24
Board of Trustees Meetings .....	26
Board Resolutions .....	26
Committee Meetings .....	35

## 05

### EMPLOYEE RELATIONS MANAGEMENT

Our Team .....	41
Employee Management .....	42
Employee Rewards Policy .....	42

## 06

### ACTIVITIES

SEDP MBA Activities .....	44
SEDP MBA Corporate Social Responsibility .....	57

## 07

### TRAININGS AND DEVELOPMENT

BOT, Management & Staff Training Conducted .....	72
Management & Staff Trainings/ Webinars Attended .....	79
Board of Trustees Trainings/ Webinars Attended .....	81

## 08

MEDIA BRIEFING .....	82
----------------------	----

## 09

### POLICES, STAKEHOLDERS, AND RISK

Policies .....	83
Roles Of Stakeholder .....	84
Policy On Dividends .....	87
Risk Management .....	88

## 10

APPOINTMENT OF 2025 EXTERNAL AUDITOR .....	90
---	----

## 11

REGULATORY & COMPLIANCE .....	91
-------------------------------	----

## 12

CONTACT US .....	92
------------------	----



## Message from the CHAIRPERSON

It is with deep humility, gratitude, and a strong sense of purpose that I assume the role of President and Chairman of the Board of SEDP MBA after succeeding a truly dedicated and remarkable leader, Rev. Fr. Jose Jovic E. Lobrigo, whose vision, discipline, and commitment to the poor brought our Mutual Benefit Association to unprecedented levels. Since 2023 and on its second year in 2024, SEDP MBA received 1 Golden Arrow Award from the Asean Corporate Governance Scorecard (ACGS).

“The ACGS measures the performance of the companies in the areas of facilitating the rights and equitable treatment of shareholders, sustainability and resilience, how they relate to their different stakeholders, ensuring transparency and accountability through timely disclosure of material information, and how the board guides the company strategically, monitors the management, and ensures the board’s accountability to the company and the shareholders.”

This only means that through his exemplary leadership, SEDP MBA earned numerous distinctions and recognitions that affirmed our mission, strengthened our credibility, and honored our service to the most vulnerable.

While we take pride in these achievements, they also challenge us to do more and to do better. As we move forward, we are called not only to preserve this legacy of excellence but to sustain it—by strengthening governance, enhancing service delivery, and ensuring that every recognition we earn reflects a deeper and more faithful service to the poor.

As we anchor our services and mission with SEDP, Inc. SEDP MBA which takes care of the social protection aspect of the entrepreneurial poor will strive to improve its services. This 2025, we were able to offer a new product which addressed the risk brought about by calamities and disasters.

My leadership will build upon the strong foundation laid by my predecessor. Together with the Board of Trustees, our management, and dedicated staff, we will strengthen good governance, promote transparency, and pursue sustainable growth. I am committed to safeguarding this mission and ensuring that our programs continue to respond to the real and urgent needs of our members, especially the poor.

May God continue to bless our MBA and guide us in this shared commitment to service and excellence.

**MS. TERESITA Q. GALANG, CPA, DBA, LPT**  
*Chairperson*



# ABOUT OUR INSTITUTION

SEDP MBA is a non-stock non-profit Association registered with the Securities and Exchange Commission (SEC) with Reg. No. CN20092141 and licensed to operate as Microinsurance-Mutual Benefit Association (Mi-MBA) by the Insurance Commission (IC).

It is a subsidiary of SEDP – Simbag sa Pag-Asenso Inc., (A Microfinance NGO) a microfinance institution which operates primarily in Bicol Region and some part of Samar Province.

SEDP MBA is owned and governed by its members. Implementation of Plans and Priorities are carried by the management and oversees by the Board of Trustees.

## Mission

“IMPROVE SOCIAL PROTECTION FOR  
SEDP MEMBERS AND LOW INCOME  
GROUPS”

## Vision

“TO BE AMONG THE LEADING  
MUTUAL MICROINSURANCE  
PROVIDER IN BICOL”

## Core Values

CHRIST CENTERED  
MEMBERS SATISFACTION  
SERVICE EXCELLENCE

## ORGANIZATIONAL OBJECTIVES

- **MEMBERS PERSPECTIVE** - To maintain and increase membership for the sustainability of the program and to provide additional social protection programs that will safeguard the members from various risks.
- **FINANCIAL PERSPECTIVE** – To be financially stable and sustainable by properly monitoring the operational expenses versus the approved budget.
- **INTERNAL PERSPECTIVE** – Sound governance shall be in-place to maintain good performance and/or exceed the target performance indicators.
- **LEARNING & GROWTH PERSPECTIVE** – To maintain the good performance of the organization, it is of at most importance, to capacitate the staff and the members of the Board of Trustees by providing training programs, capacity building activities and exposure trips to hone their individual expertise both for their personal and organizations development as a whole.

# OUR PRODUCTS

## BASIC LIFE INSURANCE PLAN (BLIP)

Basic Life Insurance Plan is the primary product of SEDP MBA which covers life protection to members and their families on unforeseen event especially during untimely death of member and/or his qualified dependents.

With a minimum of **Eighty Pesos (Php 80)** monthly contribution the member can avail of the following benefits:

- Death Benefit
- Disability Benefit
- Living Benefit
- Daily Hospitalization Income Benefit (DHIB)

TALAAN NG BASIC LIFE INSURANCE PLAN (BLIP) NA BENEFISYO									
TAGAL NG PAGIGING KASAPI	SANHI NG PAGKAMATAY	HALAGA NG BENEFISYO					PAGKABALDADO	DHIB	EQUITY VALUE
		KASAPI	ASAWA	ANAK	MAGULANG	KAPATID			
WALA PANG 6 NA BUWAN		2,500.00	WALA	WALA	WALA	WALA	2,500.00	ISANG (1) LIBONG PISO ANG NAKALALAN SA BAWAT KASAPI KAPAG NA OSPITAL NG HINDI BABABA SA LABING (12) DALAWANG ORAS HANGGANG LIMANG (5) ARAW SA LOOB NG ISANG TAON  KALAHATI (50%) NG BUONG KONTRIBUSYON AY IBABALIK SA KASAPI KAPAG NAMATAY/NABALDADO NAG RESIGN O NAG RETIRO	
ANIM NA BUWAN HANGANG BAGO MAG ISANG (1) TAON	SAKIT	10,000.00	5,000.00	2,000.00	5,000.00	2,000.00	10,000.00		
	AKSIDENTE	20,000.00	10,000.00	4,000.00	10,000.00	4,000.00			
ISANG (1) TAON HANGANG BAGO MAG DALAWANG (2) TAON	SAKIT	20,000.00	7,500.00	4,000.00	7,500.00	4,000.00	20,000.00		
	AKSIDENTE	40,000.00	15,000.00	8,000.00	15,000.00	8,000.00			
DALAWA (2) TAON HANGANG BAGO MAGTATLONG (3) TAON	SAKIT	30,000.00	10,000.00	6,000.00	10,000.00	6,000.00	30,000.00		
	AKSIDENTE	60,000.00	20,000.00	12,000.00	20,000.00	12,000.00			
TATLONG (3) TAON O HIGIT PA	SAKIT	50,000.00	15,000.00	10,000.00	15,000.00	10,000.00	50,000.00		
	AKSIDENTE	100,000.00	30,000.00	20,000.00	30,000.00	20,000.00			

## CREDIT LIFE INSURANCE PLAN (BLIP)

### LOAN REDEMPTION

The outstanding loan balance of the member during his/her death or total and permanent disability is considered paid.

SEDP MBA shall assume payment of the outstanding principal amount to the loan provider thereby considered full payment of the loan.

### LOAN REDEMPTION

SEDP MBA will compute the Principal amount paid by the member upon his/her death or total and permanent disability, in so doing the total amount paid by the member shall be refunded to the declared beneficiary.

# OUR STATUS



**100,058**  
MEMBERSHIP



**233,909,932**

CURRENT ASSET

**316,593,666**

NON CURRENT ASSET



**83,933,362**

BLIP CONTRIBUTION

**25,565,327**

CLIP CONTRIBUTION



**550,503,598**

TOTAL ASSET

**307,407,222**

TOTAL LIABILITIES



**125,953,669**

REVENUE



**243,096,376**

FUND BALANCE



**97,108,882**

BENEFIT AND  
OPERATING EXPENSE



**31,890,326**

NET SURPLUS



**56,404,026**

GUARANTEE FUND

# FINANCIAL HIGHLIGHTS

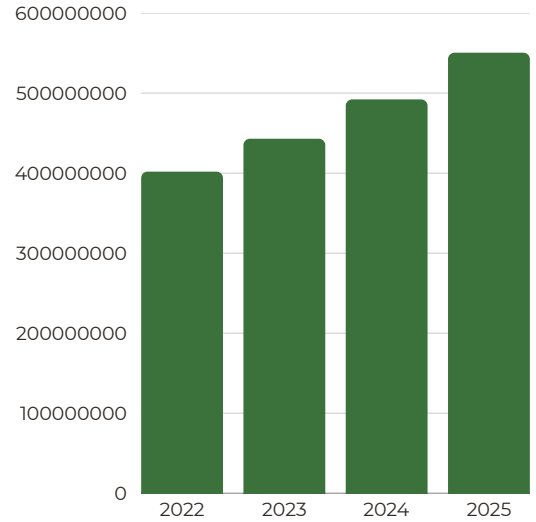
PARTICULARS	2025	2024	VARIANCE ( INC/DEC )
ASSET	550,503,598.00	492,136,887.00	11.86%
LIABILITIES	307,407,222.00	279,629,899.00	9.93%
FUND BALANCE	243,096,376.00	212,506,988.00	14.39%
REVENUE	125,953,669.00	115,816,756.00	8.75%
BLIP CONTRIBUTION	83,933,362.13	78,525,669.00	6.89%
CLIP CONTRIBUTION	25,565,327.38	23,135,318.00	10.50%
OPERATING EXPENSE	97,108,882.00	94,733,017.00	2.51%
NET SURPLUS	31,890,326.00	21,083,739.00	51.25%
COMPREHENSIVE INCOME	31,890,326.00	21,995,778.00	44.98%
GUARANTY FUND	56,404,026.00	50,929,091.00	10.75%
GENERAL FUND	87,353,950.00	74,769,756.00	16.83%

# FINANCIAL COMPARATIVE REPORT

## (2022-2025)

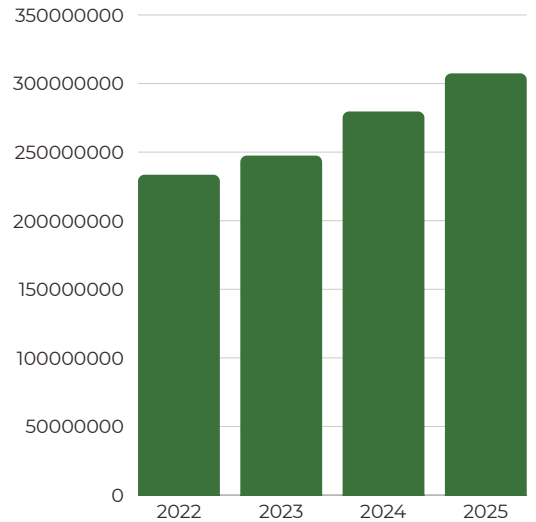
### ASSET

YEAR	STATUS	PERCENT (INC/DEC)
2022	401,850,374.00	10.00%
2023	442,984,140.00	10.00%
2024	492,136,887.00	11.00%
2025	550,503,598.00	11.86%



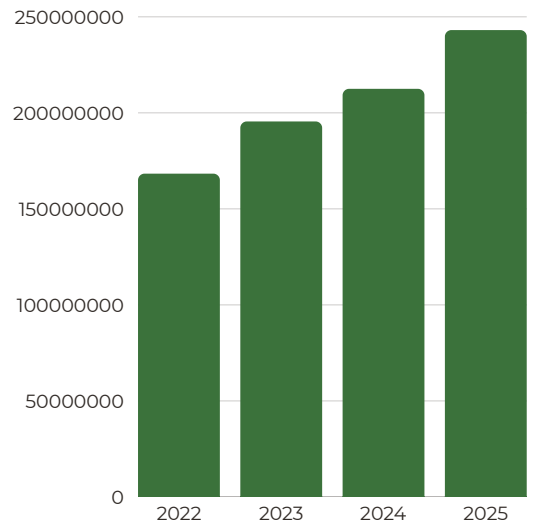
### LIABILITIES

YEAR	STATUS	PERCENT (INC/DEC)
2022	233,516,329.00	4.00%
2023	247,470,099.00	6.00%
2024	279,629,899.00	13.00%
2025	307,407,222.00	9.93%



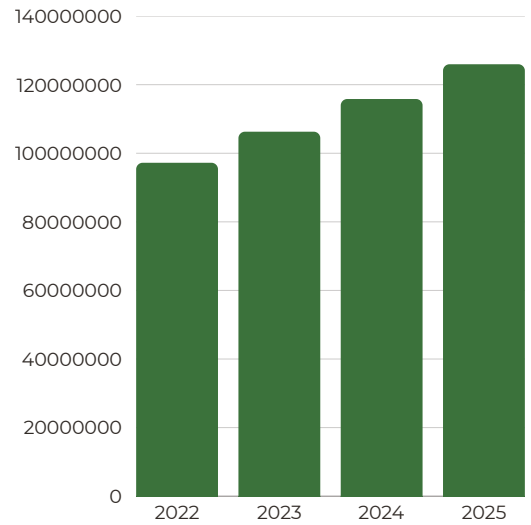
### FUND BALANCE

YEAR	STATUS	PERCENT (INC/DEC)
2022	168,334,045.00	18.00%
2023	195,514,041.00	16.00%
2024	212,506,988.00	9.00%
2025	243,096,376.00	14.39%



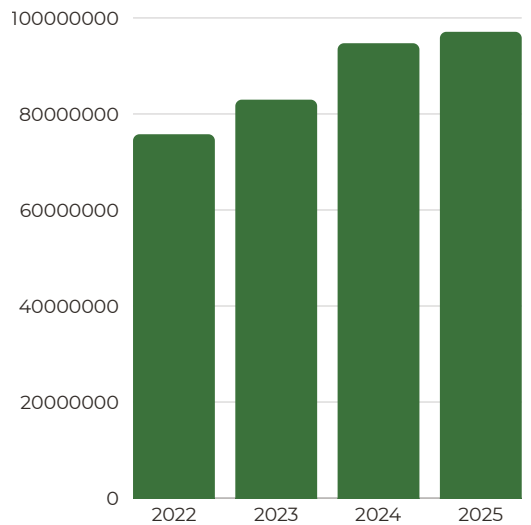
## REVENUE

YEAR	STATUS	PERCENT (INC/DEC)
2022	97,223,866.00	3.00%
2023	106,284,509.00	9.00%
2024	115,816,756.00	9.00%
2025	125,953,669.00	8.75%



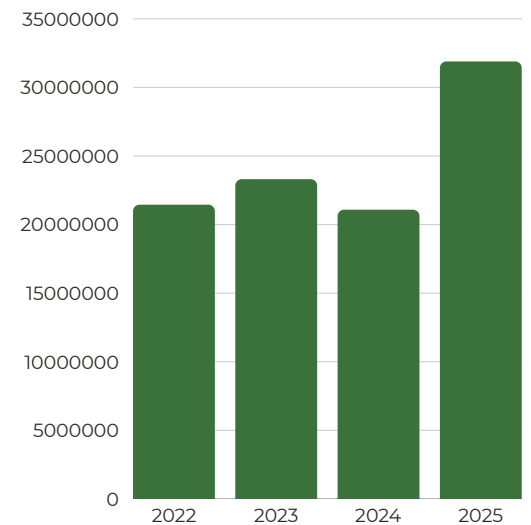
## OPERATING EXPENSE

YEAR	STATUS	PERCENT (INC/DEC)
2022	75,775,080.00	-4.00%
2023	82,977,118.00	10.00%
2024	94,733,017.00	14.00%
2025	97,108,882.00	2.51%



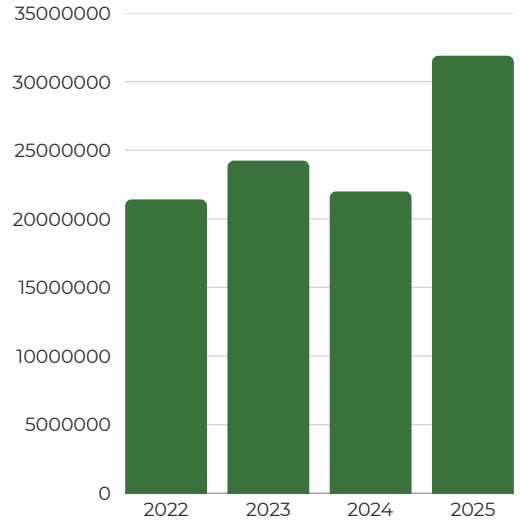
## NET SURPLUS

YEAR	STATUS	PERCENT (INC/DEC)
2022	21,448,786.00	35.00%
2023	23,307,391.00	9.00%
2024	21,083,739.00	-9.00%
2025	31,890,326.00	51.25%



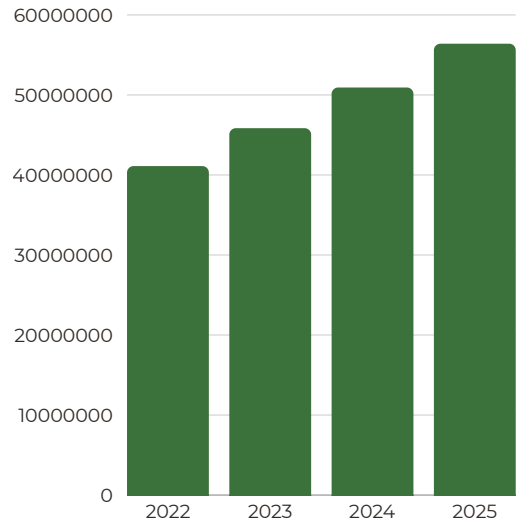
## COMPREHENSIVE INCOME

YEAR	STATUS	PERCENT (INC/DEC)
2022	21,414,304.00	32.00%
2023	24,242,602.00	13.00%
2024	21,995,778.00	-9.00%
2025	31,890,326.00	44.98%



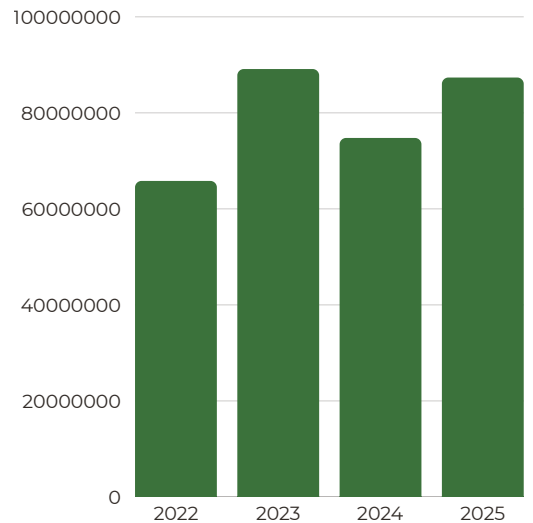
## GUARANTY FUND

YEAR	STATUS	PERCENT (INC/DEC)
2022	41,109,295.00	12.00%
2023	45,846,042.00	12.00%
2024	50,929,091.00	11.00%
2025	56,404,026.00	10.75%



## GENERAL FUND

YEAR	STATUS	PERCENT (INC/DEC)
2022	65,816,901.00	33.00%
2023	89,124,292.00	26.00%
2024	74,769,756.00	-19.00%
2025	87,353,950.00	16.83%



# CLAIMS UPDATE

## JANUARY-DECEMBER 2025

		AVERAGE PER DAY
NUMBER OF CLAIMS PAID	2,407	7
AMOUNT OF CLAIMS PAID	Php 32,489,105.00	Php 89,011.25
<b>DETAILS</b>		
1,007	BASIC LIFE INSURANCE PLAN CLAIMS	Php 25,714,500.00
356	CREDIT LIFE INSURANCE PLAN CLAIMS	Php 5,949,005.00
1,044	DAILY HOSPITALIZATION INCOME BENEFIT CLAIMS	Php 825,600.00

## BASIC LIFE INSURANCE PLAN CLAIMS

INSURED	NUMBER OF CLAIMS PAID	AMOUNT OF CLAIMS PAID
MEMBER (Disability)	18	Php 820,000.00
MEMBER (Death)	434	Php 17,847,000.00
SPOUSE	374	Php 5,327,500.00
CHILD	116	Php 1,015,000.00
PARENT	70	Php 705,000.00

## CREDIT LIFE INSURANCE PLAN CLAIMS

NUMBER OF CLAIMS PAID	TOTAL AMOUNT OF PRINCIPAL LOAN	TOTAL AMOUNT OF LOAN REDEMPTION	TOTAL AMOUNT OF LOAN REFUND
356	Php 5,949,005.00	Php 3,350,142.06	Php ,598,862.94

## DAKILA PLAN 40 CLAIMS

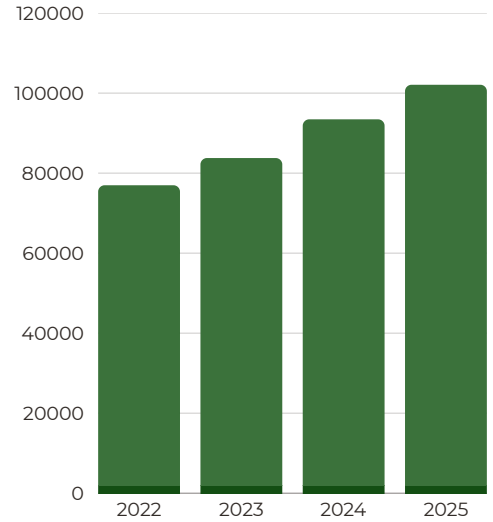
FREE DAKILA ENROLLMENT	<b>1,156</b>	REGULAR DAKILA ENROLLMENT	<b>1,189</b>
NO. OF CLAIMS	<b>16</b>	NO. OF CLAIMS	<b>10</b>
AMOUNT RELEASED	<b>735,000.00</b>	AMOUNT RELEASED	<b>410,000.00</b>

# OPERATIONS COMPARATIVE REPORT

## (2022-2025)

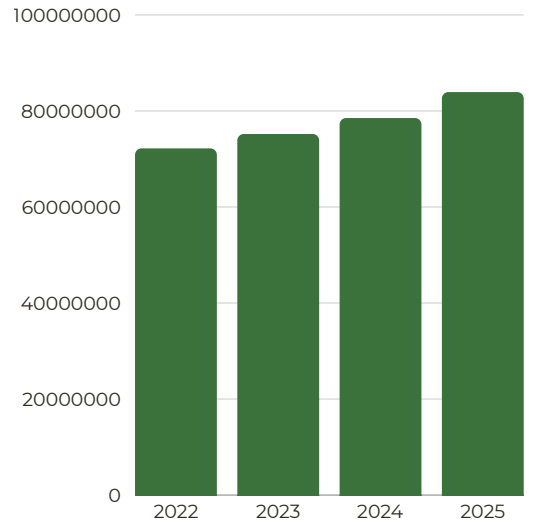
### MEMBERSHIP

YEAR	STATUS	PERCENT (INC/DEC)
2022	74,994	-4.00%
2023	81,746	9.00%
2024	91,423	12.00%
2025	100,058	9.45%



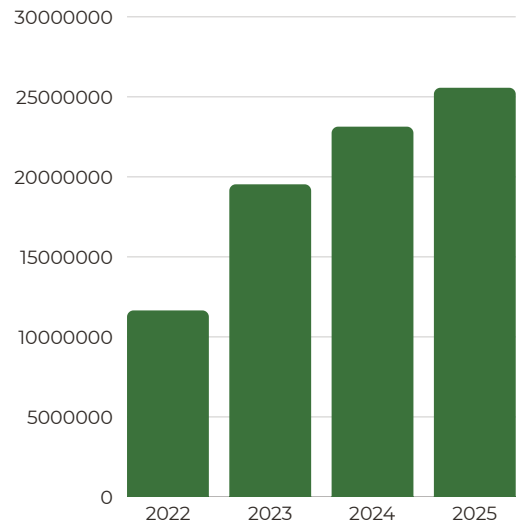
### BLIP CONTRIBUTION

YEAR	STATUS	PERCENT (INC/DEC)
2022	72,206,198.00	1.00%
2023	75,202,752.00	4.00%
2024	78,525,669.00	4.00%
2025	83,933,362.13	6.89%



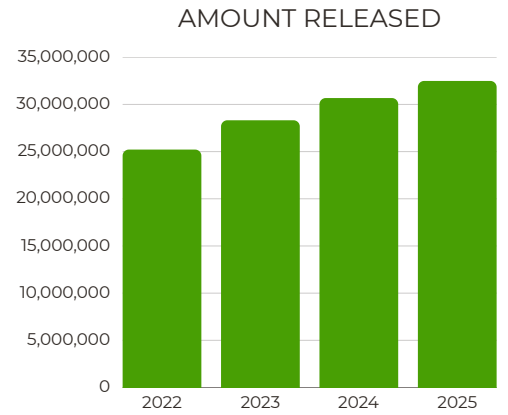
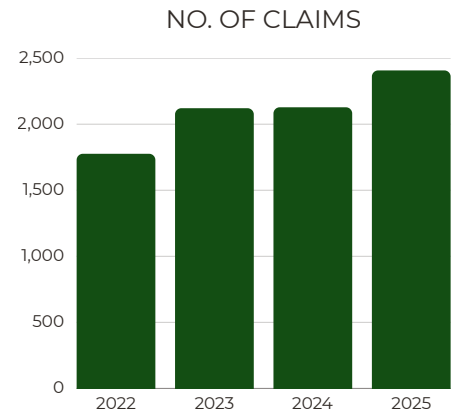
### CLIP CONTRIBUTION

YEAR	STATUS	PERCENT (INC/DEC)
2022	11,651,787.00	-31.00%
2023	19,532,195.00	68.00%
2024	23,135,318.00	18.00%
2025	25,565,327.38	10.51%



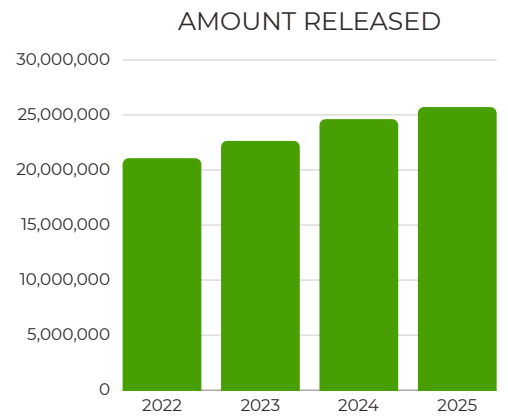
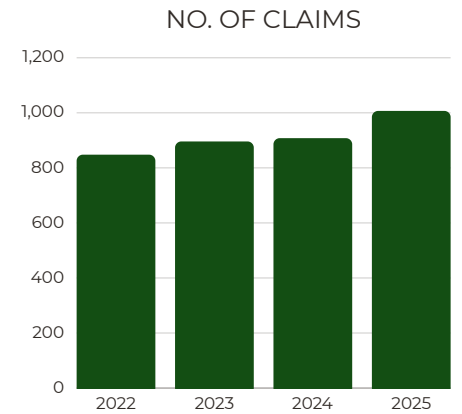
## CLAIMS PAID

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)	
			# OF CLAIMS	AMOUNT RELEASED
2022	1,776	25,216,032.00	-9.00%	-14.00%
2023	2,121	28,320,188.40	19.00%	12.00%
2024	2,128	30,675,643.20	0.33%	8.00%
2025	2,407	32,489,105.00	13.11%	5.91%



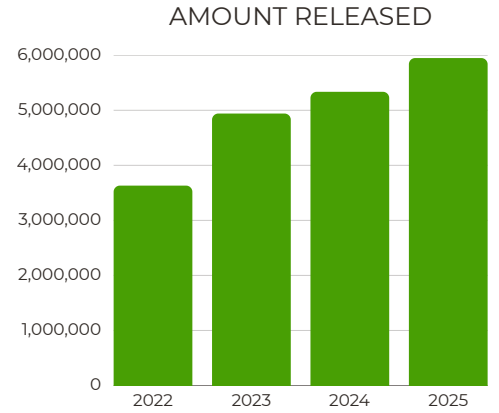
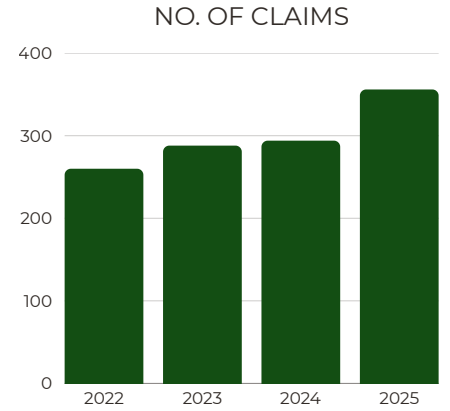
## BLIP CLAIMS

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)	
			# OF CLAIMS	AMOUNT RELEASED
2022	848	21,073,500.00	-14.00%	-10.00%
2023	896	22,643,500.00	6.00%	7.00%
2024	908	24,618,500.00	1.00%	9.00%
2025	1,007	25,714,500.00	10.90%	4.45%



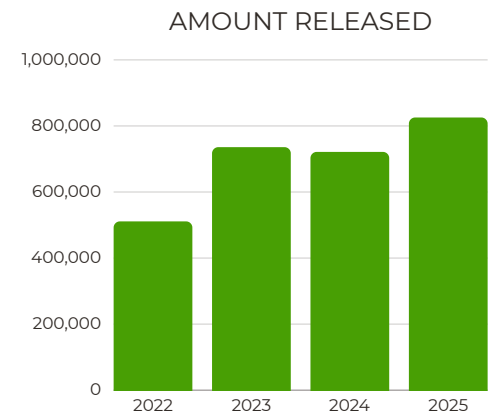
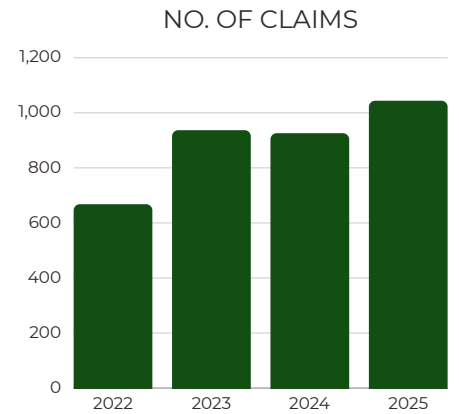
## CLIP CLAIMS

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)	
			# OF CLAIMS	AMOUNT RELEASED
2022	260	3,631,532.00	-35.00%	-33.00%
2023	288	4,940,888.40	11.00%	36.00%
2024	294	5,335,743.20	2.00%	8.00%
2025	356	5,949,005.00	21.09%	11.49%



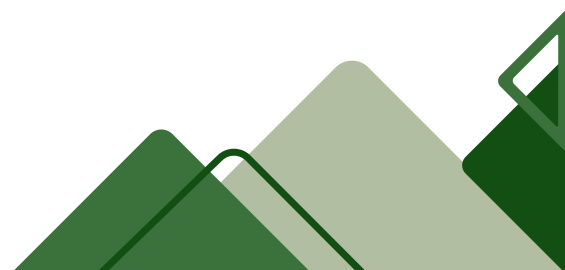
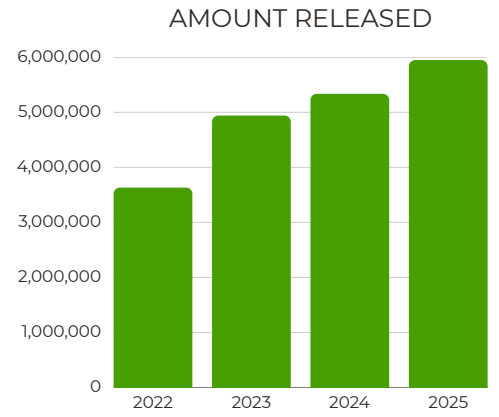
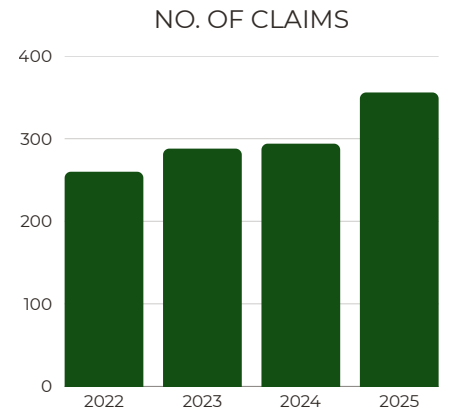
## DHIB CLAIMS

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)	
			# OF CLAIMS	AMOUNT RELEASED
2022	668	511,000.00	19.00%	18.00%
2023	937	735,800.00	40.00%	44.00%
2024	926	721,400.00	-1.00%	-2.00%
2025	1,044	825,600.00	12.74%	14.44%



## DAKILA CLAIMS

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	% (INC/DEC)	
			# OF CLAIMS	AMOUNT RELEASED
2022	19	760,000.00	46.00%	
2023	288	4,940,888.40	21.05%	
2024	294	5,335,743.20	<b>-39.13%</b>	
2025	356	5,949,005.00	85.71%	104.46%



# SOCIAL PROTECTION PROGRAM

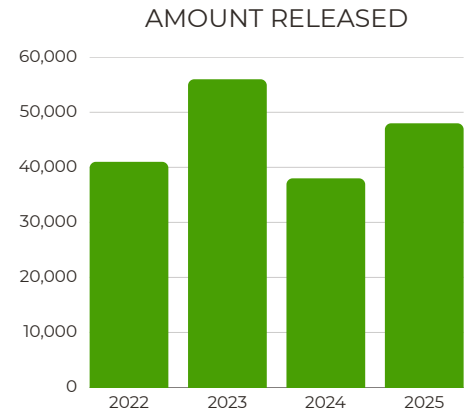
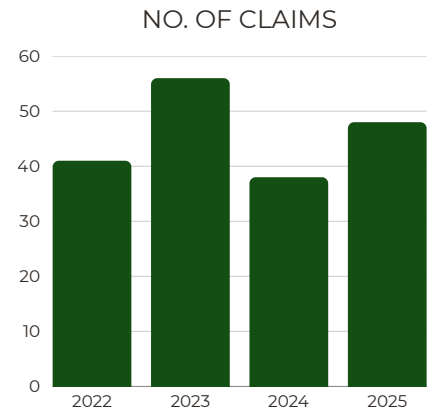


**1,581**  
SSS ENROLLMENT

	NUMBER OF MEMBERS	AMOUNT RELEASED
MARRIAGE VALIDATION	<b>48</b>	<b>48,000.00</b>
CALAMITY ASSISTANCE	FIRE	<b>21</b>
	TYPHOON	<b>0</b>
	VOLCANIC ACTIVITIES	<b>0</b>
SEDP CARE	<b>74</b>	<b>740,000.00</b>
LAMAY PACKAGE	<b>158</b>	<b>296,598.75</b>

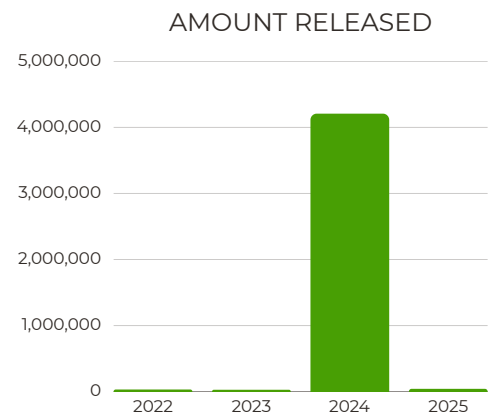
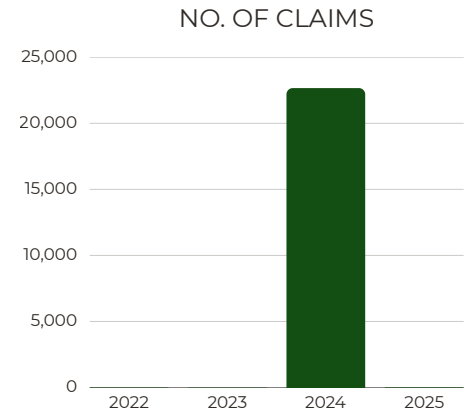
## MARRIAGE VALIDATION

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)
2022	41	41,000.00	37.00%
2023	56	56,000.00	37.00%
2024	38	38,000.00	-32.00%
2025	48	48,000.00	26.32%



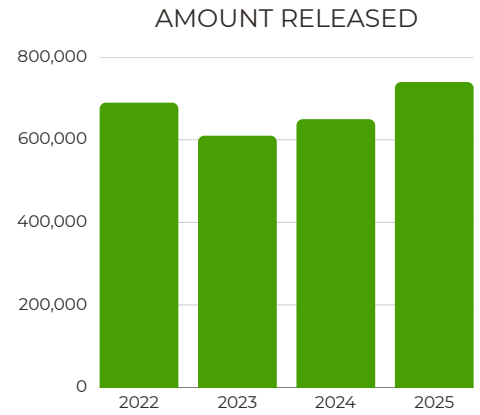
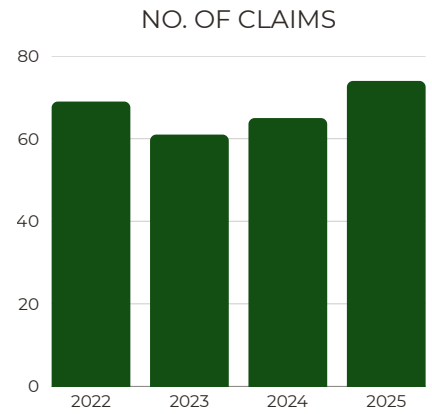
## CALAMITY ASSISTANCE REGULAR CATASTROPHE

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)
2022	16	32,000.00	23.00%
2023	14	28,000.00	-12.00%
2024	22,665	4,208,150.00	14,965.00%
2025	21	42,000.00	-99.91%



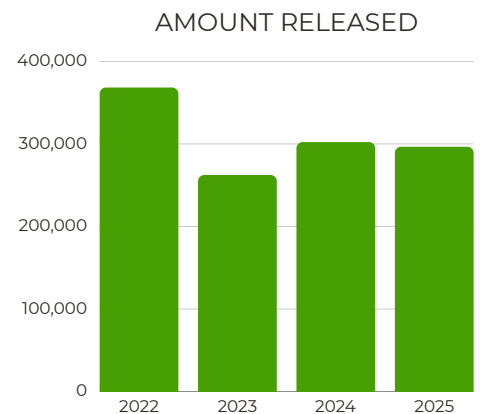
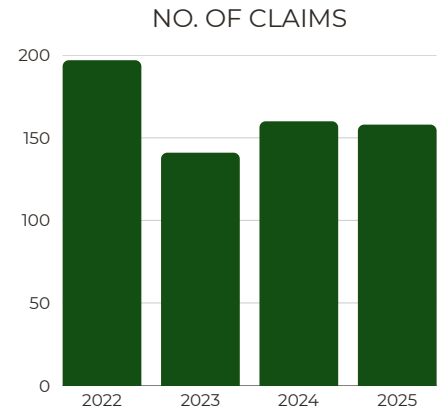
## SEDP CARE

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)
2022	69	690,000.00	-7.00%
2023	61	610,000.00	-12.00%
2024	65	650,000.00	7.00%
2025	74	740,000.00	13.85%



## LAMAY PACKAGE

YEAR	NO. OF CLAIMS	AMOUNT RELEASED	PERCENT (INC/DEC)
2022	197	368,312.25	37.00%
2023	141	262,358.00	-28.00%
2024	160	302,232.00	15.00%
2025	158	296,598.75	-1.25%



# SEDP MBA LOGO THROUGH THE YEARS



2009 - 2015



2016 - 2020



2021 - PRESENT

# PARTNERS AND LINKS



# COMPLIANCE TO GOOD GOVERNANCE



# GOVERNANCE

The Board of Trustees (BOT) is the governing body elected by the members that exercises the corporate powers of the association. SEDP MBA is composed of Seven (7) Board of Trustees members.

Among the Seven (7) BOT members four (4) of them are Independent Trustees with expertise in the field of Finance, Governance and Management. The Independent Trustees shall serve a Nine (9) year term limit (stipulated in the By Laws amendment). He/She shall render voluntary service to the organization that is independent of the management and major substantial stakeholders.

## MULTIPLE BOARD SETS

SEDP MBA Board of Trustees have significant roles and functions in the direction of the institution wherein active participation in all meetings and activities related to its operations are required. In so doing, SEDP MBA limits the involvement of each Trustee to a maximum of 3 Board Sets assignment to other companies so that they can actively participate to all meetings and activities required by SEDP MBA.

## COMMITMENT TO CORPORATE GOOD GOVERNANCE

SEDP MBA is committed in the promotion of corporate good governance within its organization and among its stakeholders. Together with the Board of Trustees and Management, SEDP MBA will remain steadfast in monitoring the performance of the organization, strive to make good and sound decisions, and will hold its governing board accountable for its execution in achieving our corporate goals.

The Corporate Governance Manual shall serve as its guide in ensuring the organization's practice of good governance, sustainability and its continuous commitment to its stakeholders in providing efficient and innovative programs and services for the growth of the community in which we operate.

## BOARD OF TRUSTEES PERFORMANCE EVALUATION

At the beginning of the year, the individual Board of Trustees conducted their Annual Performance Evaluation through Self-Rating and Peer-Rating scheme. A separate evaluation is also conducted for a per Committee level assessment. The assessment objective is to help each member of the Board of Trustees to evaluate what are their strengths and what are the areas to improve on.



# BOARD OF TRUSTEES OFFICERS AND MEMBERS



**CHAIRMAN OF  
THE BOARD**

**MS. TERESITA  
GALANG, CPA, DBA**



**VICE CHAIRMAN/  
INDEPENDENT  
TRUSTEE**

**REV. FR. REX PAUL  
ARJONA**



**BOARD SECRETARY/  
INDEPENDENT  
TRUSTEE**

**REV. FR. RAFAEL  
SAMBAJON**



**TREASURER**

**MS. ROCHELLE  
APOON**



**INDEPENDENT  
TRUSTEE**

**REV. FR. ERIC  
MARTILLANO**



**MEMBER**

**MS. MAY ANN  
CARILLO**



**MEMBER**

**MS. MARISSA  
LOVERES**

# BOARD OF TRUSTEES PROFILE



## ACADEMIC QUALIFICATIONS:

**Doctor in Business Administration**  
Aquinas University of Legazpi

**Master in Business Administration**  
Divine Word College Legazpi

**Bachelor of Science in Commerce**  
**Major in Accounting**  
Divine Word College of Legazpi

## OTHER CORPORATE DIRECTORSHIP

None

## DATE OF FIRST APPOINTMENT

January 1, 2019

## TERM OF OFFICE

Three Years (2024 - 2027)

## TYPE OF DIRECTORSHIP

Independent Trustee

**AGE:** 63 Years old

## MS. TERESITA GALANG, CPA, DBA CHAIRMAN OF THE BOARD

### RELATIVE EXPERIENCE:

#### ASSOCIATE PROFESSOR II

Bicol University, Dept. of Accountancy  
Legazpi City

#### COST ACCOUNTANT

OSSA International

#### INSURANCE UNDERWRITER

Philippine American Life Insurance Corp.

### TRAININGS & SEMINARS ATTENDED

- AMLA & Governance Workshop
- National Microinsurance Forum
- Management Forum
- Investment Management Seminar
- Learning Session on Governance
- ACGS Orientation
- Risk Management
- Keeping Up To Date: New Trends and Regulations in Accounting Practice
- The Governance of Environmental and Social Issues: Managing E & S Risks
- Bridging the Gap between the University and the Modern Workforce
- Play It Forward, Securing a Sustainable Future-The Great Reshuffle: Recruitment and Retention Challenges
- Understanding the Taxpayers' Bill of Rights
- Play It Forward, Securing A Sustainable Future -CPAs As Industry Leaders In A Highly Disrupted Period
- The Philippine Development Plan: Securing A Sustainable And Prosperous Future
- Play It Forward, Securing A Sustainable Future -Opening Plenary
- Annual Conference Microfinance Council of the Philippines
- Online Investment Briefing
- 2024 Management Forum
- National Microinsurance Forum 2025: "Partnerships for Greater Financial Inclusion"
- Learning Session: Institutional Stock Investments 101
- Mi-MBA Leadership Summit
- Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs
- 2025 MCPI Conference
- 2025 Management Forum
- 2025 ICMIF



### ACADEMIC QUALIFICATIONS:

#### Master in Development Management

Asian Institute of Management

#### Diploma in Local Government Mgt.

Bicol University, Legazpi City

### OTHER CORPORATE DIRECTORSHIP

SEDP-Simbag sa Pag-Asenso Inc.

#### DATE OF FIRST APPOINTMENT

June 2021

#### TYPE OF DIRECTORSHIP

Independent Trustee

AGE: 47 Years old



### OTHER CORPORATE DIRECTORSHIP

None

#### DATE OF FIRST APPOINTMENT

June 1, 2023

#### TERM OF OFFICE

Three Years (2023 - 2026)

#### TYPE OF DIRECTORSHIP

Independent Trustee

AGE: 43 Years old

## REV. FR. REX PAUL ARJONA

### VICE CHAIRPERSON

#### RELATIVE EXPERIENCE:

##### President and CEO

SEDP-Simbag sa Pag Asenso Inc. ( A Microfinance NGO)

##### Executive Director

Social Action Center Diocese of Legazpi

##### Private Sector Representative

Regional Development Council

NEDA Region V

##### Microinsurance MBA Association of the

Philippines (MiMAP) RIMANSI

#### TRAININGS & SEMINARS ATTENDED

- AMLA & Governance Workshop
- Microinsurance Forum
- Management Forum
- Investment Management Seminar
- Learning Session on Governance
- ACGS Orientation
- Annual Conference Microfinance Council of the Philippines
- 2025 Operations Summit
- 2025 MCPI Conference

## REV. FR. RAFAEL SAMBAJON

### BOARD SECRETARY

#### ACADEMIC QUALIFICATIONS:

##### AB Philosophy

Mater Salutis College Seminary Sipi, Daraga, Albay

##### BA Theology

Holy Rosary Major Seminary Graduate School of Theology

Concepcion Pequeña, Naga City

#### RELATIVE EXPERIENCE:

##### Parish Administrator

Parish of the Our Lady of the Holy Rosary, Balogo, Oas

##### Parochial Vicar

St. Gregory de Great Cathedral, Legazpi City

##### MDS Director

SEDP-Simbag sa Pag Asenso Inc. ( A Microfinance NGO)

#### TRAININGS & SEMINARS ATTENDED

- 2023 Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs
- 2022 MCPI Annual Conference
- MCPI 2023 Reboot Microfinance Sustainability Summit
- Orientation for New Board of Trustee
- Annual Conference Microfinance Council Philippines



### ACADEMIC QUALIFICATIONS:

**Bachelor of Arts in Economics**

### OTHER CORPORATE DIRECTORSHIP

None

### DATE OF FIRST APPOINTMENT

June 1, 2022

### TERM OF OFFICE

Four years (2022 - 2026)

### Type of Directorship

Member

**AGE:** 45 Years old



### OTHER CORPORATE DIRECTORSHIP

None

### DATE OF FIRST APPOINTMENT

June 1, 2025

### TERM OF OFFICE

Three Years (2025 - 2028)

### TYPE OF DIRECTORSHIP

Independent Trustee

**AGE:** 52 Years old

## MS. ROCHELLE APOON

### TREASURER

### RELATIVE EXPERIENCE:

**Barangay Nutrition Scholar**

**MBA Coordinator**

### TRAININGS & SEMINARS ATTENDED

- Orientation for New Board of Trustee
- Leadership Training Workshop
- Risk Management
- Governance and Anti-Money Laundering
- Act (AMLA) Workshop for Mi-MBAs
- Farmers Ass & Values Formation
- Regional Cluster Key Leaders Assembly
- Capability Building Rice, Corn & Vegetable
- Talakayan sa Kabukiran sa Ligao City
- Farmers Information & Technology Services
- Climate Change Field Study
- National Microinsurance Forum 2024: "Sustainable & Inclusive Finance for Climate Resiliency"
- Corn Expo East West
- Farm and Fisheries Clustering & Consolidation Program
- Department of Agriculture's Regional Office Conducted Interview to Corn farmers
- Orientation of Women's Planters
- City Agricultural KADIWA AGRI-Fair
- Limmaya Agricultural Services(Soil Treatment)
- Crop Production Assistance
- PAFC-Albay National Gawad Saka
- Hog Raising Seminar
- Product Launching Farmers Big Meeting
- National Microinsurance Forum 2025: "Partnerships for Greater Financial Inclusion"

## REV. FR. ERIC MARTILLANO

### INDEPENDENT TRUSTEE

### ACADEMIC QUALIFICATIONS:

**AB Philosophy**

Mater Salutis College Seminary

**Bachelor in Sacred Theology**

Holy Rosary Major Seminary

**Masters in Pastoral Theology**

Holy Rosary Major Seminary

**Masters in Social Services and Development**

Asian Social Institute

### RELATIVE EXPERIENCE:

**Executive Director**

Social Action Center Diocese of Legazpi

**Catholic Priest**

Diocese of Legazpi

### TRAININGS & SEMINARS ATTENDED

- Orientation for New Board of Trustee
- Bicol Local Governance Regional Resource Center (LGRRC) – Multi-Stakeholder Council (MSAC)

## MS. MAY ANN CARILLO

### MEMBER

#### RELATIVE EXPERIENCE:

Purok Officer

Barangay Coordinator

MBA Coordinator

#### TRAININGS & SEMINARS ATTENDED

- Orientation for New Board of Trustee
- 2025 Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs
- Menopausal-Induced Awareness Campaign
- Self Enhancement Training: Hair and Make-up
- National Microinsurance Forum 2026: "Bayanihan for Resilience: Scaling Microinsurance in a Climate Emergency"

#### ACADEMIC QUALIFICATIONS:

College Graduate  
Computer Secretarial

#### OTHER CORPORATE DIRECTORSHIP

None

#### DATE OF FIRST APPOINTMENT

June 1, 2025

#### TERM OF OFFICE

Three years (2025 - 2028)

#### Type of Directorship

Member

AGE: 39 Years old

## MS. MARISSA LOVERES

### MEMBER

#### RELATIVE EXPERIENCE:

Purok Officer

MBA Coordinator

#### TRAININGS & SEMINARS ATTENDED

- Orientation for New Board of Trustee
- 2025 Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs

#### ACADEMIC QUALIFICATIONS:

High School Graduate

#### OTHER CORPORATE DIRECTORSHIP

None

#### DATE OF FIRST APPOINTMENT

June 1, 2025

#### TERM OF OFFICE

Two Years (2025 - 2027)

#### TYPE OF DIRECTORSHIP

Member

AGE: 42 Years old

# BOARD COMMITTEES

SEDP MBA Board Committees were created to oversee and ensure that the priority plans & programs of the organization is well implemented by the Management through its monitoring function during the submission of reports on the scheduled quarterly meeting.

The SEDP MBA have 7 Board Committees:

- Governance Committee
- HR and Remuneration Committee
- Nomination Committee
- Finance Committee
- Audit Committee
- Board Risk Oversight Committee (BROC)
- Related Party Transactions Committee (RPT)

## BOARD COMMITTEE COMPOSITION

### GOVERNANCE COMMITTEE

The Governance Committee shall be composed of a minimum of three (3) but not more than five (5) members. One member shall be from an independent member of the board of trustees while the rest shall be from the regular members.

The Governance Committee provides for the board's effectiveness and continuing development.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	MS. TERESITA GALANG, CPA, DBA	INDEPENDENT TRUSTEE
Members:	MS. REMEGIA BALUCIO	NON-EXECUTIVE DIRECTOR
	REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE
	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE

### HR AND REMUNERATION COMMITTEE

The HR and Remuneration Committee is composed of at least four members. Majority of the committee should be an independent director, including the Chairman.

The SEDP MBA HR and Remuneration Committee, as an oversight, advice and assist the Board in fulfilling its responsibilities on matters relating to human resources.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	MS. TERESITA GALANG, CPA, DBA	INDEPENDENT TRUSTEE
Members:	MS. REMEGIA BALUCIO	NON-EXECUTIVE DIRECTOR
	REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE
	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE

### NOMINATION COMMITTEE

The Nomination Committee shall be composed of at least three (3) of the board of directors, one of whom must be independent.

The SEDP MBA Nomination Committee is hereby vested sole authority to conduct and supervise the election for the members of the Board of Trustees and other officers to proclaim the winner.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	MS. TERESITA GALANG, CPA, DBA	INDEPENDENT TRUSTEE
Members:	MS. REMEGIA BALUCIO	NON-EXECUTIVE DIRECTOR
	REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE
	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE

## FINANCE COMMITTEE

The Committee shall be composed of a minimum of three (3) but not more than five (5) members.

The Finance Committee is established as an independent committee of the Board of Trustees whose primary duties are to oversee and review the financial plans and policies of SEDP MBA and implementation of such plans and policies and to assist the Board of Trustees in reviewing investment, strategies, and transactions and in overseeing SEDP MBA's capital and financial resources.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	REV. FR. REX PAUL ARJONA	INDEPENDENT TRUSTEE
Members:	MS. ROCHELLE APOON	MEMBER
	MS. MARISSA LOVERES	MEMBER
	MS. JOCELYN DIAZ	NON-EXECUTIVE DIRECTOR

## AUDIT COMMITTEE

The Audit Committee shall be composed of at least three (3) members to be appointed by the Board of Trustees from among the trustees with background in accounting and finance, including an independent trustee who shall be the chairperson of the Committee.

The Audit Committee provides oversight of the institutions internal and external auditors.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE
Members:	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE
	MS. ROCHELLE APOON	MEMBER
	MS. MAY ANN CARILLO	MEMBER

## BOARD RISK OVERSIGHT COMMITTEE (BROC)

The BROC should be composed of at least three members, the majority of whom should be independent directors, including the Chairman. At least one member of the committee must have relevant experience and thorough knowledge on risk management. The Chairman should not be at the same time Chairman of the Board or of any other committee.

The BROC Committee oversee the system of limits to discretionary authority that the board delegates to management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE
Members:	REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE
	MS. TERESITA GALANG, CPA, DBA	INDEPENDENT TRUSTEE
	MS. RIZA RABE, CPA	NON-EXECUTIVE DIRECTOR

## RELATED PARTY TRANSACTION COMMITTEE

The RPT Committee should be composed of at least three non-executive directors. The majority of whom should be independent. The committee Chairman, should be an independent Trustee. The members of the Committee have sufficient, recent & relevant expertise & experience in fulfilling their role.

The RPT Committee set materiality threshold for each type of transaction to related parties such as investment, financial assistance, contract agreements and others.

	COMMITTEE	TYPE OF DIRECTORSHIP
Chairperson:	MS. TERESITA GALANG, CPA, DBA	INDEPENDENT TRUSTEE
Members:	REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE
	MS. MAY ANN CARILLO	MEMBER
	MS. MARISSA LOVERES	MEMBER

# BOARD OF TRUSTEES MEETINGS

The regular Board of Trustees Meeting is conducted Quarterly. Documents/Materials for discussion shall be distributed to the members of the Board of Trustees at least 5 working days before the conduct of meeting together with the notice of meeting. During the meeting, the Management presents the proposed agenda either for information, for acceptance or for approval.

Regular reports include the quarterly operational highlights and the Financial Statement Status Report. In the discussion the member of the Board of Trustees strictly scrutinized the comparative reports versus the approved targets and budgets. By this, the board of Trustees can easily decide on the matter. By the year 2025, the Board was happy for the performance of SEDP MBA not only by obtaining the increase in Surplus as stipulated in the Audited Financial Statements but also recognized the improvement in the ASEAN Corporate Governance Scorecard (ACGS) performance evaluation result along this line. The Board of Trustees challenged the management to strive more to get at least 80% in rating for the next evaluation period.

## BOARD OF TRUSTEES MEETINGS CONDUCTED

NAME OF TRUSTEE	DESIGNATION	ANNUAL MEETING	NO. OF BOT MEETINGS	NO. OF MEETINGS ATTENDED	PERCENT RATING
MS. TERESITA GALANG	CHAIRMAN	✓	10	10	100%
REV. FR. REX PAUL ARJONA	VICE - CHAIRMAN	✓	10	10	100%
REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE/ BOARD SECRETARY	✓	10	10	100%
MS. ROCHELLE APOON	TREASURER	✓	10	10	100%
REV. FR. ERIC MARTILLANO	INDEPENDENT TRUSTEE	✓	6	6	100%
MS. MAY ANN CARILLO	MEMBER	✓	7	7	100%
MS. MARISSA LOVERES	MEMBER	✓	7	7	100%

## BOARD RESOLUTIONS

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
FEBRUARY 18, 2025	Board of Trustees Resolution No. 1 Series of 2025.	<b>AUTHORIZED REPRESENTATIVE OF FR. JOSE VICTOR E. LOBRIGO AT THE MICROINSURANCE MBA ASSOCIATION OF THE PHILIPPINES (MIMAP) RIMANSI</b>  RESOLVED, as it is hereby resolved that the Board of Trustees appoints Ms. Teresita Q. Galang, OIC Vice-Chairman of SEDP MBA as authorized representative of Fr. Jose Victor E. Lobrigo at the Microinsurance MBA Association of the Philippines (MIMAP) RIMANSI.	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
FEBRUARY 18, 2025	Board of Trustees Resolution No. 2 Series of 2025.	<b>Mi-MBA LEADERSHIP SUMMIT PARTICIPANTS</b> RESOLVED, as it is hereby resolved that the Board of Trustees appointed Ms. Amy Bombuhay, Ms. Teresita Galang, and Ms. Ella Gonzalo as the official participants of SEDP MBA at the Mi-MBA Leadership Summit on March 13, 2025, at The Atrium, Enderun Colleges, McKinley Hill, Fort Bonifacio, Taguig City.	APPROVED
	Board of Trustees Resolution No. 3 Series of 2025.	<b>AUTHORIZED REPRESENTATIVES OF SEDP MBA TO THE ANNUAL GENERAL ASSEMBLY MEETING OF MIMAP (RIMANSI) ON MARCH 14, 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approves the appointment of Ms. Teresita Q. Galang and Ms. Ella Gonzalo as the official representatives of SEDP MBA at the Annual General Assembly Meeting of MIMAP (RIMANSI) on March 14, 2025.	APPROVED
MARCH 12, 2025	Board of Trustees Resolution No. 4 Series of 2025.	<b>AUTHORIZE REPRESENTATIVE TO EXECUTE THE AFFIDAVIT OF UNDERTAKING AND DEED OF ASSIGNMENT OF SIMBAG SA EMERHENSYA ASIN DAGDAG PASEGURO MUTUAL BENEFIT ASSOCIATION (SEDP MBA) INC. TO THE INSURANCE COMMISSION</b> RESOLVED, as it is hereby resolved that the Board of Trustees authorized Ms. Teresita Q. Galang to execute the affidavit of undertaking and deed of assignment of Simbag Sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA) Inc. to the Insurance Commission.	APPROVED
APRIL 7, 2025	Board of Trustees Resolution No. 5 Series of 2025.	<b>2024 OPERATIONS REPORT</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA 2024 Operations Report.	APPROVED
	Board of Trustees Resolution No. 6 Series of 2025.	<b>2025 PROPOSED ANNUAL PLAN</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA 2025 Proposed Annual Plan.	APPROVED
	Board of Trustees Resolution No. 7 Series of 2025.	<b>AUTHORIZED REPRESENTATIVE TO EXECUTE THE FOREGOING AFFIDAVIT OF AUTHENTICITY FOR THE ANNUAL INVENTORY OF THE EXISTING ASSETS OF SIMBAG SA EMERHENSYA ASIN DAGDAG PASEGURO MUTUAL BENEFIT ASSOCIATION INC. (SEDP MBA) AS OF DECEMBER 31, 2024</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the appointment of Ms. Josie Belen, Administrative and Finance Officer, to execute the aforementioned Affidavit of Authenticity for the annual inventory of SEDP MBA's existing assets as of December 31, 2024, for submission to the Insurance Commission.	APPROVED
	Board of Trustees Resolution No. 8 Series of 2025.	<b>INTEREST RATE ON SAVINGS TO BE CREDITED TO EQUITY VALUE OF THE MEMBERS FOR THE YEAR 2024</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the 0.07% interest rate to be credited to Equity Value of the members for the year 2024.	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS									
APRIL 7, 2025	Board of Trustees Resolution No. 9 Series of 2025.	<b>ANTI- MONEY LAUNDERING (AMLA) COMPLIANCE OFFICER</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the appointment of Ms. Ella Gonzalo, General Manager, as the Anti-Money Laundering Compliance Officer of SEDP MBA, following the retirement of the previous General Manager.	APPROVED									
	Board of Trustees Resolution No. 10 Series of 2025.	<b>PERAA SIGNATORIES</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the authorized signatories for Private Education Retirement Annuity Association (PERAA) with their signing function  <table border="1"> <thead> <tr> <th>Name</th> <th>Position</th> <th>Signing Function</th> </tr> </thead> <tbody> <tr> <td>Ms. Ella Gonzalo</td> <td>General Manager</td> <td>A, B, C, D</td> </tr> <tr> <td>Ms. Josie Belen</td> <td>Admin and Finance Officer</td> <td>B, C &amp; D</td> </tr> </tbody> </table>	Name	Position	Signing Function	Ms. Ella Gonzalo	General Manager	A, B, C, D	Ms. Josie Belen	Admin and Finance Officer	B, C & D	APPROVED
	Name	Position	Signing Function									
	Ms. Ella Gonzalo	General Manager	A, B, C, D									
	Ms. Josie Belen	Admin and Finance Officer	B, C & D									
	Board of Trustees Resolution No. 11 Series of 2025.	<b>PRODUCT PROPOSAL FOR CALAMITY AND FIRE INSURANCE "SIMBAG CALAMIDAD"</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the product Proposal for Calamity and Fire Insurance "Simbag Calamidad",	APPROVED									
	Board of Trustees Resolution No. 12 Series of 2025.	<b>2025 ANNUAL GENERAL MEMBERSHIP MEETING SCHEDULE ANNOUNCEMENT</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the 2025 Annual General Membership Meeting Schedule Announcement.	APPROVED									
	Board of Trustees Resolution No. 13 Series of 2025.	<b>INTEREST ON INDIVIDUAL LIVING BENEFITS OF MEMBERS FOR THE YEAR 2023-2024</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the 1% interest value on individual Living Benefits of members for the year 2023-2024.	APPROVED									
	Board of Trustees Resolution No. 14 Series of 2025.	<b>STAFF SALARY INCREMENT BASED ON THE 2024 PERFORMANCE EVALUATION</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the percentage of salary increment of MBA staff based on the 2024 performance evaluation.	APPROVED									
Board of Trustees Resolution No. 15 Series of 2025.	<b>2025 STAFF BENEFITS</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the alignment of 2025 MBA staff benefits based on approved Simbag Inc's benefits.	APPROVED										
Board of Trustees Resolution No. 16 Series of 2025.	<b>GENERAL MANAGER EVALUATION and GENERAL MANAGER SALARY</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the monthly salary of Ms. Ella Gonzalo effective January 1, 2025.	APPROVED										
Board of Trustees Resolution No. 17 Series of 2025.	<b>REPLACEMENT OF SEDP MBA STAFF COORDINATOR</b>  RESOLVED, as it is hereby resolved that the Board of Trustees approved the replacement of the resigned MBA Staff Coordinator.	APPROVED										

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
APRIL 7, 2025	Board of Trustees Resolution No. 18 Series of 2025.	<p><b>ONE (1) INDEPENDENT TRUSTEE- REPRESENTATIVE FROM SAC</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the appointment of Fr. Eric Martillano as the representative of the Social Action Center and incoming Independent Trustee of SEDP MBA.</p>	APPROVED
	Board of Trustees Resolution No. 19 Series of 2025.	<p><b>EXTENSION OF ONE (1) BOARD OF TRUSTEE FROM THE GENERAL MEMBERSHIP</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the one-year term extension of Ms. Rochelle Apoon as BOT Member from Area 3.</p>	APPROVED
	Board of Trustees Resolution No. 20 Series of 2025.	<p><b>NOMINEES FOR BOARD OF TRUSTEES FROM GENERAL MEMBERSHIP</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA Nominees from Cluster 1 (Area 1) and Cluster 2 (Area 2) from the General Membership.</p>	APPROVED
	Board of Trustees Resolution No. 21 Series of 2025.	<p><b>SCHEDULES</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the schedules of release of Proxy forms and canvassing of proxy Votes.</p>	APPROVED
	Board of Trustees Resolution No. 22 Series of 2025.	<p><b>FINANCIAL REPORT FOR THE YEAR 2024</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the Financial Report for the year 2024.</p>	APPROVED
	Board of Trustees Resolution No. 23 Series of 2025.	<p><b>INVESTMENT MIX</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the Investment Mix as of March 14, 2025.</p>	APPROVED
	Board of Trustees Resolution No. 24 Series of 2025.	<p><b>2025 PROPOSED BUDGET</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA proposed budget for the year 2025.</p>	APPROVED
	Board of Trustees Resolution No. 25 Series of 2025.	<p><b>ADDITIONAL GUARANTY FUND</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approved the Php 5,000,000.00 additional Guaranty Fund as of December 31, 2024.</p>	APPROVED
	Board of Trustees Resolution No. 26 Series of 2025.	<p><b>ACCEPTANCE OF RETIREMENT FUND FROM SEDP Inc.</b></p> <p>RESOLVED, as hereby resolved, that the Board of Trustees accepts the Php 1,449,847.97 retirement fund for the following staff from SEDP Inc. to the SEDP MBA PERAA Fund:</p> <ol style="list-style-type: none"> <li>1. Francia Bobier</li> <li>2. Jennie Sayson</li> <li>3. Arjohn Apellado</li> <li>4. Ella Gonzalo</li> </ol>	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
APRIL 7, 2025	Board of Trustees Resolution No. 27 Series of 2025.	<b>SOCIAL ACTION PROPOSAL</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Social Action Proposal, subject to the submission of the required documents.	APPROVED
	Board of Trustees Resolution No. 28 Series of 2025	<b>MIMAP SPONSORSHIP PACKAGE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Php 20,000.00 MIMAP Publication Sponsorship Package	APPROVED
	Board of Trustees Resolution No. 29 Series of 2025.	<b>GOVERNANCE and AMLA WORKSHOP (GAW)</b> RESOLVED, as it is hereby resolved that the Board of Trustees approve Ms. Ella Gonzalo and Ms. Teresita Galang to attend the Governance and AMLA Workshop on May 14-16, 2025.	APPROVED
MAY 31, 2025	Board of Trustees Resolution No. 30 Series of 2025.	<b>CHANGE OF REFERENCE NAME</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the change of reference name from SEDP MBA to SIMBAG MBA.	APPROVED
JUNE 25, 2025	Board of Trustees Resolution No. 31 Series of 2025.	<b>SEDP MBA BOARD OF TRUSTEES OFFICERS FOR THE YEAR 2025-2026</b> RESOLVED, as it is hereby resolved that the Board of Trustees motion duly made, seconded, and unanimously carried the SEDP MBA Board of Trustees Officers.	APPROVED
	Board of Trustees Resolution No. 32 Series of 2025.	<b>SEDP MBA COMMITTEES COMPOSITION</b> RESOLVED, as it is hereby resolved that the Board of Trustees motion duly made, seconded, and unanimously carried the SEDP MBA BOT Committees Composition for the year 2025-2026.	APPROVED
	Board of Trustees Resolution No. 33 Series of 2025.	<b>2025 MICROFINANCE COUNCIL OF THE PHILIPPINES (MCPI) SUMMIT PARTICIPANTS</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the attendance of Ms. Ella Gonzalo and Ms. Teresita Galang at the Microfinance Council of the Philippines (MCPI) Summit to be held on July 30–31, 2025, at Century Park Hotel, Manila.	APPROVED
	Board of Trustees Resolution No. 34 Series of 2025.	<b>MBA STAFF ILOCOS TOUR</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the participation of Ms. Nica Madrona and Ms. Charmaine Tubalinal in the 2025 Ilocos Tour scheduled on July 9–13, 2025.	APPROVED
	Board of Trustees Resolution No. 35 Series of 2025.	<b>NETSUITES ACCOUNTING SYSTEM</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Netsuites Accounting System.	APPROVED
	Board of Trustees Resolution No. 36 Series of 2025.	<b>SEDP MBA STAFF AND BOT TEAM BUILDING SCHEDULE</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the conduct of the SEDP MBA Staff, Incoming and Outgoing Board of Trustees, and Committee Members Teambuilding on July 25–26, 2025.	

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
JUNE 25, 2025	Board of Trustees Resolution No. 37 Series of 2025.	<b>NEW SEDP MBA BOT ORIENTATION SCHEDULE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the schedule for the orientation for new SEDP MBA Board of Trustees.	APPROVED
	Board of Trustees Resolution No. 38 Series of 2025.	<b>BOARD OF TRUSTEES MEETING SCHEDULE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approve that the next SEDP MBA Board of Trustees will be on July 22, 2025, Lunchtime	APPROVED
	Board of Trustees Resolution No. 39 Series of 2025.	<b>SEDP MPC PILI PROJECT PROPOSAL</b> RESOLVED, as it is hereby resolved that the Board of Trustees approve the release of ₱375,000.00 to SEDP MPC to support the above-mentioned training activities under the PILI Project for SEDP MBA members.	APPROVED
	Board of Trustees Resolution No. 40 Series of 2025.	<b>OPENING OF MBA STAFF COORDINATOR POSITION</b> RESOLVED, as it is hereby resolved that the Board of Trustees the opening of MBA Staff Coordinator position.	APPROVED
JULY 24, 2025	Board of Trustees Resolution No. 41 Series of 2025.	<b>ACCOMPLISHMENT REPORT FOR THE 1ST QUARTER OF 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approves the accomplishment report for the 1st Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 42 Series of 2025.	<b>APPOINTMENT OF INTERNATIONAL LIAISON OFFICER</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the appointment of Fr. Jose Victor Lobrigo as International Liaison Officer of SEDP MBA	APPROVED
	Board of Trustees Resolution No. 43 Series of 2025.	<b>STAFF PERFORMANCE BASED INCENTIVE FOR THE 1ST QUARTER OF 2025</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves Performance-based incentive for the 1st Quarter of 2025	APPROVED
	Board of Trustees Resolution No. 44 Series of 2025.	<b>PROXY VOTES COUNT</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the 22,649 proxy votes for the election during the Annual General Membership meeting on May 31, 2025.	APPROVED
	Board of Trustees Resolution No. 45 Series of 2025.	<b>FINANCIAL REPORT FOR THE 1ST QUARTER OF 2025</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the Financial Report for the 1st Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 46 Series of 2025.	<b>AUDITED FINANCIAL STATEMENT FOR THE YEAR 2024</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Audited Financial Statement for the Year 2024.	APPROVED
	Board of Trustees Resolution No. 47 Series of 2024.	<b>AUDIT SERVICE PROPOSAL FOR THE YEAR ENDING 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Quilab and Garsuta Certified Public Accountants to conduct the External Audit for the year 2025.	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
JULY 24, 2025	Board of Trustees Resolution No. 48 Series of 2025.	<p><b>2025 MI-MBA MANAGEMENT FORUM</b></p> <p>RESOLVED, as it is hereby resolved that the Board of Trustees approve the following participants for the 2025 MI-MBA Management Forum</p> <ol style="list-style-type: none"> <li>1. Teresita Galang</li> <li>2. Fr. Rafael Sambajon</li> <li>3. Ella Gonzalo</li> <li>4. Josie Belen</li> <li>5. Nica Madrona</li> <li>6. SEDP Staff (1)</li> </ol>	APPROVED
	Board of Trustees Resolution No. 49 Series of 2025.	<p><b>ACCOMPLISHMENT REPORT FOR THE 2nd QUARTER OF 2025</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the Accomplishment Report for the 2nd Quarter of 2025</p>	APPROVED
AUGUST 19, 2025	Board of Trustees Resolution No. 50 Series of 2025.	<p><b>STAFF PERFORMANCE BASED INCENTIVE FOR THE 2nd QUARTER OF 2025</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves Performance-based incentive for the 2nd Quarter of 2025</p>	APPROVED
	Board of Trustees Resolution No. 51 Series of 2025.	<p><b>PERAA RETIREMENT BENEFITS OF MS. JENNIE SAYSON</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the PERAA retirement benefit of Ms. Jennie Sayson.</p>	APPROVED
	Board of Trustees Resolution No. 52 Series of 2025.	<p><b>UPDATED/ NEW STAFF ALLOWANCE</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the Updated/New Staff Allowance.</p>	APPROVED
	Board of Trustees Resolution No. 53 Series of 2025.	<p><b>FINANCIAL REPORT FOR THE 2nd QUARTER OF 2025</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the Financial Report for the 2nd Quarter of 2025.</p>	APPROVED
	Board of Trustees Resolution No. 54 Series of 2025.	<p><b>INVESTMENT MIX</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the Investment Mix as of August 6, 2025</p>	APPROVED
	Board of Trustees Resolution No. 55 Series of 2025.	<p><b>BANK SIGNATORIES</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the signatories for all accounts under SEDP MBA</p>	APPROVED
	Board of Trustees Resolution No. 56 Series of 2025.	<p><b>EXIT EXTERNAL AUDIT MEETING FINDINGS</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees accept the Exit External Audit Meeting Findings</p>	APPROVED
	Board of Trustees Resolution No. 57 Series of 2025.	<p><b>BROC KEY RISK AREAS AND COMMITTEES' ROLE</b></p> <p>RESOLVED, as it is hereby resolved, that the Board of Trustees approves the BROC Key Risk Areas and Committees' Role</p>	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
AUGUST 19, 2025	Board of Trustees Resolution No. 58 Series of 2025.	<b>RPT KEY RISK AREAS AND COMMITTEES' ROLE</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the RPT key risk areas and Committees' role	APPROVED
	Board of Trustees Resolution No. 59 Series of 2025.	<b>GENERAL MANAGER EVALUATION &amp; SALARY</b> RESOLVED, as it is hereby resolved, that the Board of Trustees approves the monthly salary of Ms. Ella Gonzalo	APPROVED
SEPTEMBER 19, 2025	Board of Trustees Resolution No. 60 Series of 2025.	<b>AUTHORIZED SIGNATORY TO ALL DOCUMENTS RELATIVE TO THE RENEWAL OF BIR TAX EXEMPTION CERTIFICATE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved that Ms. Ella Gonzalo is the authorized signatory to all documents relative to the renewal of BIR tax exemption certificate.	APPROVED
	Board of Trustees Resolution No. 61 Series of 2025.	<b>AUTHORIZED PERSON TO APPLY FOR THE UPDATING OF REGISTRATION INFORMATION AND ADDITIONAL TAX TYPE DETAILS OF SIMBAG SA EMERHENSYA ASIN DAGDAG PASEGURO MUTUAL BENEFIT ASSOCIATION (SEDP MBA) INC. WITH THE BUREAU OF INTERNAL REVENUE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved to authorize Mr. Arjohn Apellado to apply for the updating of registration information and additional tax type details of Simbag Sa Emerhensya Asin Dagdag paseguro Mutual Benefit Association (SEDP MBA) Inc. with the Bureau of Internal Revenue	APPROVED
OCTOBER 7, 2025	Board of Trustees Resolution No. 62 Series of 2025.	<b>PROPOSED ALLOCATION OF SURPLUS IN EXCESS OF 20% FREE AND UNASSIGNED FUND BALANCE</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Proposed Allocation of Surplus in Excess of 20% Free and Unassigned Fund.	APPROVED
	Board of Trustees Resolution No. 63 Series of 2025.	<b>REPRESENTATIVE OF SIMBAG SA EMERHENSYA ASIN DAGDAG APASEGURO MUTUAL BENEFIT ASSOCIATION (SEDP MBA) INC. TO THE AOA SEMINAR 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved that Ms. Teresita Galang, Chairman Of The Board, as Simbag Sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA) Inc. representative to the AOA Seminar 2025.	APPROVED
DECEMBER 3, 2025	Board of Trustees Resolution No. 64 Series of 2025.	<b>ACCOMPLISHMENT REPORT FOR THE 3rd QUARTER OF 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the accomplishment report for the 3rd Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 65 Series of 2025.	<b>PROPOSED INCENTIVE STRUCTURE FOR SIMBAG CALAMIDAD INSURANCE PRODUCT</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the proposed Incentive Structure for Simbag Calamidad Insurance Product.	APPROVED

DATE OF MEETING	RESOLUTION NUMBER	BOARD RESOLUTION	STATUS
DECEMBER 3, 2025	Board of Trustees Resolution No. 66 Series of 2025.	<b>CALAMITY ASSISTANCE FOR TYPHOON UPONG AND UWAN</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Calamity Assistance for Typhoon Upong and Uwan amounting to Php 4,769,275.00.	APPROVED
	Board of Trustees Resolution No. 67 Series of 2025.	<b>STAFF PERFORMANCE-BASED INCENTIVE FOR THE 3RD QUARTER OF 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA staff Performance-based incentive for the 3rd Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 68 Series of 2025.	<b>FINANCIAL REPORT FOR THE 3rd QUARTER OF 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Financial Report for the 3rd Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 69 Series of 2025.	<b>INVESTMENT MIX</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Investment Mix as of November 12, 2025.	APPROVED
	Board of Trustees Resolution No. 70 Series of 2025.	<b>SIMBAG MFI PROPOSAL FOR CORPORATE TOKEN</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Simbag MFI proposal for corporate tokens for Center Officers, Simbag staff, and the MSI Board of Trustees.	APPROVED
DECEMBER 18, 2025	Board of Trustees Resolution No. 71 Series of 2025.	<b>ACCOMPLISHMENT REPORT FOR THE 4th QUARTER OF 2025 AS OF NOVEMBER 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the accomplishment report for the 4th Quarter of 2025 as of November 2025.	APPROVED
	Board of Trustees Resolution No. 72 Series of 2025.	<b>STAFF PERFORMANCE-BASED INCENTIVE FOR THE 4TH QUARTER OF 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the SEDP MBA staff Performance-based incentive for the 4th Quarter of 2025.	APPROVED
	Board of Trustees Resolution No. 73 Series of 2025.	<b>2025 STAFF YEAR- END BENEFITS</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the 2025 Staff year-end benefits	APPROVED
	Board of Trustees Resolution No. 74 Series of 2025.	<b>NATIONAL MICROINSURANCE FORUM 2026 PARTICIPANTS</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the participants for the National Microinsurance Forum on January 20, 2026 (Tuesday) at the Le Pavillon Event Hall, Pasay City.	APPROVED
	Board of Trustees Resolution No. 75 Series of 2025.	<b>FINANCIAL REPORT FOR THE 4TH QUARTER OF 2025 AS OF NOVEMBER 2025</b> RESOLVED, as it is hereby resolved that the Board of Trustees approved the Financial Report for the 4th Quarter of 2025 as of November 2025.	APPROVED

# COMMITTEE MEETINGS

## GOVERNANCE COMMITTEE MEETINGS

DATE	AGENDA	GOVERNANCE COMMITTEE MEETINGS					
		BOARD OF TRUSTEES	NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%		
MARCH 17, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. OPERATIONS REPORT FOR THE YEAR 2024</li> <li>2. 2025 PROPOSED ANNUAL PLAN</li> <li>3. AUTHORIZING MS. JOSIE BELEN TO EXECUTE THE FOREGOING AFFIDAVIT OF AUTHENTICITY FOR THE ANNUAL INVENTORY OF THE EXISTING ASSETS OF SIMBAG SA EMERHENSYA ASIN DAGDAG PASEGURO MUTUAL BENEFIT ASSOCIATION INC. (SEDP MBA) AS OF DECEMBER 31, 2024</li> <li>4. INTEREST RATE ON SAVINGS TO BE CREDITED TO EQUITY VALUE OF THE MEMBERS FOR THE YEAR 2024</li> <li>5. ANTI- MONEY LAUNDERING COMPLIANCE OFFICER</li> <li>6. PERAA VSIGNATORIES</li> <li>7. MEMORANDUM OF AGREEMENT ON OFFICE BUILDING PREMISE</li> <li>8. FINALIZED PRODUCT PROPOSAL FOR CALAMITY AND FIRE INSURANCE "SIMBAG CALAMIDAD"</li> <li>9. ANNUAL GENERAL MEMBERSHIP MEETING SCHEDULE ANNOUNCEMENT</li> <li>10. REFERENDUM                             <ul style="list-style-type: none"> <li>o MS. TERESITA GALANG AS REPRESENTATIVE OF FR. JOSE VICTOR LOBRIGO AT MIMAP BOARD OF TRUSTEES</li> <li>o MS. TERESITA GALANG AS AUTHORIZED REPRESENTATIVE TO EXECUTE THE AFFIDAVIT OF UNDERTAKING AND DEED OF ASSIGNMENT</li> </ul> </li> </ol>	MS. TERESITA GALANG, CPA, DBA Chairperson	5	5	100%		
		MS. REMEGIA BALUCIO Member	5	5	100%		
		REV. FR. ERIC MARTILLANO Member	3	3	100%		
		REV. FR. RAFAEL SAMBAJON Member	4	4	100%		
		MAY 26, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/APPROVAL <ol style="list-style-type: none"> <li>1. ACCOMPLISHMENT REPORT FOR THE 1ST QUARTER OF 2025</li> </ol> G. OTHERS <ol style="list-style-type: none"> <li>1. APPOINTMENT OF INTERNATIONAL LIASON OFFICER</li> </ol>				
		AUGUST 8, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR AND SPECIAL COMMITTEE MEETING F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. ACCOMPLISHMENT REPORT FOR THE 2ND QUARTER OF 2025</li> </ol> H. OTHERS <ol style="list-style-type: none"> <li>2. AUDIT EXIT MEETING</li> <li>3. E-CHO MCPI</li> </ol>				
		NOVEMBER 27, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. ACCOMPLISHMENT REPORT FOR THE 2ND QUARTER OF 2025</li> <li>2. NEW PRODUCT UPDATE                             <ol style="list-style-type: none"> <li>A. SIMBAG CALAMIDAD INSURANCE PRODUCT STATUS UPDATE</li> <li>B. PROPOSED INCENTIVE STRUCTURE FOR SIMBAG CALAMIDAD INSURANCE PRODUCT</li> </ol> </li> <li>3. COMPLIANCE &amp; REGULATORY UPDATES                             <ol style="list-style-type: none"> <li>A. UPDATE ON APPLICATION FOR CERTIFICATE FOR TAX EXEMPTION</li> </ol> </li> <li>4. BOARD DEVELOPMENT &amp; CAPACITY BUILDING                             <ol style="list-style-type: none"> <li>A. NEW BOT MEMBERS' ORIENTATION – STATUS UPDATE</li> </ol> </li> <li>5. ITEMS FOR RATIFICATION:                             <ul style="list-style-type: none"> <li>REFERENDUM 1: AUTHORIZATION OF APELLADO TO BIR</li> <li>REFERENDUM 2: REPRESENTATIVE TO ICMIF AOA SEMINAR 2025</li> <li>REFERENDUM 3: RATIFICATION: AUTHORIZATION TO EXECUTE CTE DOCUMENTS</li> <li>REFERENDUM 4: PROPOSED SURPLUS ALLOCATION</li> </ul> </li> </ol> H. OTHERS <ol style="list-style-type: none"> <li>1. CALAMITY ASSISTANCE</li> </ol>				

DATE	AGENDA
DECEMBER 17, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. 2025 4TH QUARTER ACCOMPLISHMENT</li> <li>2. SOCIAL ACTION CENTER PROPOSAL</li> </ol>

## HR AND REMUNERATION COMMITTEE MEETINGS

HR AND REMUNERATION COMMITTEE MEETINGS			
BOARD OF TRUSTEES	NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
MS. TERESITA GALANG, CPA, DBA Chairperson	6	6	100%
MS. REMEGIA BALUCIO Member	6	6	100%
REV. FR. ERIC MARTILLANO Member	3	3	100%
REV. FR. RAFAEL SAMBAJON Member	5	5	100%

DATE	AGENDA
MARCH 17, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE FPREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. STAFF SALARY INCREMENT BASED ON THE 2024 PERFORMANCE EVALUATION</li> <li>2. 2025 STAFF BENEFITS</li> <li>3. REFERENDUM               <ol style="list-style-type: none"> <li>I. PARTICIPANTS FOR THE MI-MBA LEADERSHIP SUMMIT</li> <li>II. AUTHORIZED REPRESENTATIVE FOR MIMAP ANNUAL GENERAL MEETING</li> </ol> </li> <li>4. GENERAL MANAGER EVALUATION</li> <li>5. GENERAL MANAGER SALARY</li> </ol> H. OTHERS <ol style="list-style-type: none"> <li>1. RE-ECHO INVESTMENT 101</li> </ol>
MARCH 25, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. REPLACEMENT OF MBA STAFF COORDINATOR</li> </ol>
MARCH 26, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. STAFF PERFORMANCE-BASED INCENTIVE FOR THE 1ST QUARTER</li> </ol>
AUGUST 8, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR AND SPECIAL COMMITTEE MEETING F. BUSINESS ARISING FROM THE FPREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL <ol style="list-style-type: none"> <li>1. STAFF PERFORMANCE- BASED INCENTIVE FOR THE 2<sup>ND</sup> QUARTER OF 2025</li> <li>2. RETIREMENT BENEFIT OF MS. JENNIE SAYSON</li> <li>3. UPDATED/ NEW EMPLOYEE ALLOWANCES</li> <li>4. GENERAL MANAGER EVALUATION</li> </ol>

DATE	AGENDA
NOVEMBER 27, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL 1. STAFF PERFORMANCE- BASED INCENTIVE FOR THE 3RD QUARTER OF 2025
DECEMBER 17, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL 1. STAFF PERFORMANCE- BASED INCENTIVE FOR THE 4 <sup>TH</sup> QUARTER OF 2025 2. 2025 YEAR-END BENEFITS 3. 2026 NATIONAL MICROINSURANCE FORUM

## NOMINATION COMMITTEE MEETINGS

NOMINATION COMMITTEE MEETINGS			
BOARD OF TRUSTEES	NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
MS. TERESITA GALANG, CPA, DBA Chairperson	3	3	100%
MS. REMEGIA BALUCIO Member	3	3	100%
REV. FR. ERIC MARTILLANO Member	0	0	-
REV. FR. RAFAEL SAMBAJON Member	3	3	100%

DATE	AGENDA
MARCH 17, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. READING AND APPROVAL OF THE MINUTES OF THE LAST REGULAR COMMITTEE MEETING F. BUSINESS ARISING FROM THE FPREVIOUS MEETING AND ACTION TAKEN G. MATTERS FOR DISCUSSION/ APPROVAL 1. ONE (1) INDEPENDENT TRUSTEE- REPRESENTATIVE FORM SAC 2. EXTENSION OF ONE (1) BOARD OF TRUSTEE FROM THE GENERAL MEMBERSHIP 3. NOMINEES FOR BOARD OF TRUSTEES FROM GENERAL MEMBERSHIP A. AREA 1 B. AREA 2
MARCH 25, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/ APPROVAL 1. BOARD OF TRUSTEE NOMINEE FROM BATAN SPO 2. SCHEDULES A. RELEASE OF PROXY FORMS B. CANVASS OF PROXY VOTES
MARCH 26, 2025	A. CALL TO ORDER B. PRAYER C. DETERMINATION OF QUORUM D. APPROVAL OF THE PROPOSED AGENDA E. MATTERS FOR DISCUSSION/ APPROVAL 1. PRESENTATION OF PROXY VOTES COUNT F. OTHERS 1. APPOINTMENT OF INTERNATIONAL LIASON OFFICER

# FINANCE COMMITTEE MEETINGS

FINANCE COMMITTEE MEETINGS			
BOARD OF TRUSTEES	NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
REV. FR. REX PAUL ARJONA Chairperson	5	5	100%
MS. ROCHELLE APOON Member	5	5	100%
MS. MARISSA LOVERES Member	3	3	100%
MS. JOCELYN DIAZ Member	5	5	100%

DATE	AGENDA
MARCH 19, 2025	<p>A. CALL TO ORDER</p> <p>B. PRAYER</p> <p>C. DETERMINATION OF QUORUM</p> <p>D. APPROVAL OF THE PROPOSED AGENDA</p> <p>E. READING AND APPROVAL OF THE MINUTES OF THE LAST COMMITTEE MEETING</p> <p>F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN</p> <p>G. MATTERS FOR DISCUSSION/ APPROVAL</p> <ol style="list-style-type: none"> <li>1. REPORT FOR THE YEAR 2024</li> <li>2. INVESTMENT MIX AS OF MARCH</li> <li>3. 2025 PROPOSED BUDGET</li> <li>4. ADDITIONAL GUARANTY FUND</li> <li>5. ACCEPTANCE OF RETIREMENT FUND FROM SEDP INC.</li> <li>6. INTEREST RATE ON SAVINGS TO BE CREDITED TO EQUITY VALUE OF THE MEMBERS FOR THE YEAR 2024</li> <li>7. INTEREST IN EQUITY VALUE FOR THE YEAR 2023 AND 2024</li> </ol> <p>H. OTHERS</p> <ol style="list-style-type: none"> <li>1. SOCIAL ACTION PROPOSAL</li> <li>2. OPENING OF CHECKING ACCOUNT IN CAMALIG BANK</li> <li>3. DUE FROM MBA</li> </ol>
MAY 26, 2025	<p>CALL TO ORDER</p> <p>B. PRAYER</p> <p>C. DETERMINATION OF QUORUM</p> <p>D. APPROVAL OF THE PROPOSED AGENDA</p> <p>E. MATTERS FOR DISCUSSION/APPROVAL</p> <ol style="list-style-type: none"> <li>1. FINANCIAL REPORT FOR THE 1<sup>ST</sup> QUARTER OF 2025</li> <li>2. STAFF PERFORMANCE-BASED INCENTIVE FOR THE 1<sup>ST</sup> QUARTER OF 2025</li> </ol>
AUGUST 7, 2025	<p>A. CALL TO ORDER</p> <p>B. PRAYER</p> <p>C. DETERMINATION OF QUORUM</p> <p>D. APPROVAL OF THE PROPOSED AGENDA</p> <p>E. READING AND APPROVAL OF THE MINUTES OF THE LAST COMMITTEE MEETING</p> <p>F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN</p> <p>G. MATTERS FOR DISCUSSION/ APPROVAL</p> <ol style="list-style-type: none"> <li>1. FINANCIAL REPORT FOR THE 2<sup>ND</sup> QUARTER OF 2025</li> <li>2. INVESTMENT MIX</li> <li>3. BANK SIGNATORIES</li> <li>4. PERFORMANCE BASED INCENTIVE FOR THE 2<sup>ND</sup> QUARTER OF 2025</li> </ol> <p>H. OTHERS</p> <ol style="list-style-type: none"> <li>5. UPDATE ON MEMBER'S QUITTY</li> <li>6. TEAMBUILDING SCHEDULE</li> <li>7. ESG INVESTMENT</li> <li>8. UPDATED/ NEW STAFF ALLOWANCE</li> <li>9. CONDOMINIUM ADDITIONAL FURNITURE'S AND FIXTURES</li> <li>10. INTERNAL COMMUNICATION</li> <li>11. HMO BUDGET</li> </ol>
NOVEMBER 14, 2025	<p>A. CALL TO ORDER</p> <p>B. PRAYER</p> <p>C. DETERMINATION OF QUORUM</p> <p>D. APPROVAL OF THE PROPOSED AGENDA</p> <p>E. READING AND APPROVAL OF THE MINUTES OF THE LAST COMMITTEE MEETING</p> <p>F. BUSINESS ARISING FROM THE PREVIOUS MEETING AND ACTION TAKEN</p> <p>G. MATTERS FOR DISCUSSION/ APPROVAL</p> <ol style="list-style-type: none"> <li>1. FINANCIAL REPORT FOR THE 3<sup>RD</sup> QUARTER OF 2025</li> <li>2. INVESTMENT MIX</li> <li>3. PERFORMANCE BASED INCENTIVE FOR THE 3<sup>RD</sup> QUARTER OF 2025</li> </ol> <p>H. OTHERS</p> <ol style="list-style-type: none"> <li>4. MEMBERS' ADVISORY NO. 002 SERIES OF 2025: FREE AND UNASSIGNED FUND BALANCE</li> <li>5. SIMBAG INC PROPOSAL FOR SEDP MBA</li> </ol>
DECEMBER 17, 2025	<p>A. CALL TO ORDER</p> <p>B. PRAYER</p> <p>C. DETERMINATION OF QUORUM</p> <p>D. APPROVAL OF THE PROPOSED AGENDA</p> <p>E. MATTERS FOR DISCUSSION/ APPROVAL</p> <ol style="list-style-type: none"> <li>1. FINANCIAL REPORT FOR THE 4<sup>TH</sup> QUARTER OF 2025</li> <li>2. STAFF PERFORMANCE-BASED INCENTIVE FOR THE 4<sup>TH</sup> QUARTER OF 2025</li> </ol>

## AUDIT COMMITTEE MEETINGS

AUDIT COMMITTEE MEETINGS				
BOARD OF TRUSTEES		NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
REV. FR. ERIC MARTILLANO Chairperson		1	1	100%
REV. FR. RAFAEL SAMBAJON Member		2	2	100%
MS. ROCHELLE APOON Member		3	3	100%
MS. MAY ANN CARILLO Member		1	1	100%

DATE	AGENDA
FEBRUARY 24, 2025	<ol style="list-style-type: none"> <li>1. RESPONSIBILITIES FOR FINANCIAL STATEMENT</li> <li>2. SCOPE OF AUDIT</li> <li>3. SIGNIFICANT AUDIT MATTERS</li> <li>4. TIMELINE</li> </ol>
MAY 26, 2025	<ol style="list-style-type: none"> <li>1. FINANCIAL STATEMENTS AUDIT – MANAGEMENT &amp; EA RESPONSIBILITY</li> <li>2. FINANCIAL HIGHLIGHTS 03 SIGNIFICANT AUDIT MATTERS</li> <li>3. RESPONSIBILITIES FOR FINANCIAL STATEMENT</li> </ol>
AUGUST 12, 2025	<ol style="list-style-type: none"> <li>1. SEDP MBAI FINANCIAL CONDITION</li> <li>2. SUMMARY OF NON-ADMITTED ASSET</li> <li>3. REGULATORY REQUIREMENTS</li> <li>4. OTHER FINDINGS</li> <li>5. QUESTION AND ANSWER</li> </ol>

## BOARD RISK OVERSIGHT COMMITTEE MEETINGS

BROC MEETING				
BOARD OF TRUSTEES		NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
REV. FR. RAFAEL SAMBAJON Chairperson		4	4	100%
REV. FR. ERIC MARTILLANO Member		4	4	100%
MS. TERESITA GALANG, CPA, DBA Member		4	4	100%
MS. RIZA RABE, CPA Member		4	4	100%

DATE	AGENDA
APRIL 7, 2025	1ST QUARTER RISK ASSESSMENT REPORT
JULY 24, 2025	2ND QUARTER RISK ASSESSMENT REPORT
OCTOBER 7, 2025	3RD QUARTER RISK ASSESSMENT REPORT
DECEMBER 18, 2025	4TH QUARTER RISK ASSESSMENT REPORT

## RELATED PARTY TRANSACTION COMMITTEE MEETINGS

RPT COMMITTEE MEETING				
BOARD OF TRUSTEES		NO. OF COMMITTEE MTGS	NO. OF MEETINGS ATTENDED	%
MS. TERESITA GALANG, CPA, DBA Chairperson		4	4	100%
REV. FR. RAFAEL SAMBAJON Member		4	4	100%
MS. MAY ANN CARILLO Member		4	4	100%
MS. MARISSA LOVERES Member		4	4	100%

DATE	AGENDA
APRIL 7, 2025	1ST QUARTER RELATED PARTY TRANSACTION REPORT
JULY 24, 2025	2ND QUARTER RELATED PARTY TRANSACTION REPORT
OCTOBER 7, 2025	3RD QUARTER RELATED PARTY TRANSACTION REPORT
DECEMBER 18, 2025	4TH QUARTER RELATED PARTY TRANSACTION REPORT

# REMUNERATION POLICY FOR THE BOARD AND GENERAL MANAGER

The members of the Board of Trustees served the association in a volunteer manner wherein only actual reimbursements of transportation expense, communication expense and capacity building .

For the year 2025, A total of One Hundred Eighty One Thousand pesos (Php 181,000.00) was release to cover the SEDP MBA Board of Trustees expenses in the performance of their duties and responsibilities.

NAME OF TRUSTEE	DESIGNATION	AMOUNT REIMBURSED
MS. TERESITA GALANG	CHAIRMAN	PHP 34,000.00
REV. FR. REX PAUL ARJONA	VICE - CHAIRMAN	PHP 27,500.00
REV. FR. RAFAEL SAMBAJON	INDEPENDENT TRUSTEE/ BOARD SECRETARY	PHP 32,500.00
MS. ROCHELLE APOON	TREASURER	PHP 32,000.00
REV. FR. ERIC MARTILLANO	IDEPENDENT TRUSTEE	PHP 18,000.00
MS. MAY ANN CARILLO	MEMBER	PHP 17,000.00
MS. MARISSA LOVERES	MEMBER	PHP 20,000.00
<b>TOTAL</b>		<b>PHP 181,000.00</b>

The SEDP MBA HR and Remuneration Committee oversees the remuneration strategies adopted by SEDP-MBA, review policies related to remuneration arrangements (including incentives) applicable to SEDP-MBA management and staff when necessary and Ensure regular updates are received from management on changes or emerging issues and consider the impact on current remuneration practices and agreements.

The SEDP MBA HR and Remuneration Committee proposed to the SEDP MBA Board of Trustees the salary structure wherein the salary of the staff were based. The monthly compensation of the General Manager was discussed through an executive session, without the presence of the General Manager.

The General Manager receives a monthly compensation equivalent to Fifty Three Thousand Pesos (Php 53,000.00).

## PERFORMANCE APPRAISALS OF THE BOARD, COMMITTEE MEMBERS, AND THE GENERAL MANAGER

As part of its commitment to strengthening governance and ensuring organizational effectiveness, SEDP MBA implements a structured performance evaluation system for both its Board of Trustees and General Manager.

The Board of Trustees undergoes a one-time annual evaluation to assess its overall performance and effectiveness in carrying out its fiduciary and strategic responsibilities. This evaluation focuses on key areas such as policy direction, oversight functions, participation, and collective decision-making. The results provide valuable insights that guide the Board in identifying areas for improvement and reinforcing accountability and good governance practices.

On the other hand, the General Manager is subject to a semestral performance evaluation, conducted twice a year by the Board of Trustees during non-executive sessions. This assessment measures the General Manager's leadership effectiveness, decision-making, and accomplishment of strategic and operational targets. It also evaluates the General Manager's overall contribution to the organization's growth and sustainability.

Through this dual evaluation approach, SEDP MBA ensures that both governance and management functions remain aligned with the organization's goals, standards, and mission. The process promotes transparency, continuous improvement, and a results-oriented culture that supports long-term institutional success.

# OUR TEAM



**MS. ELLA S. GONZALO**  
GENERAL MANAGER  
COMPLIANCE OFFICER



**MS. JOSIE B. BELEN**  
Admin and Finance  
Officer/ Alternate  
Compliance Officer



**MS. NICA B. MADRONA**  
Management Support  
Staff/ Corporate  
Secretary/ DPO



**MS. MA. CHARMAINE  
B. TUBALINAL**  
Claims Processor



**MR. MIZRAIM A.  
ARNEDO**  
MBA Staff  
Coordinator



**MR. JASON M. BUBAN**  
Bookkeeper



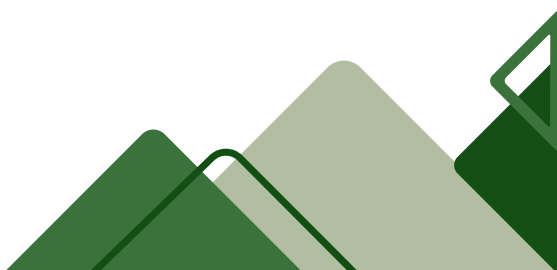
**MS. KRISTINE JOY C.  
MILLANO**  
Visual Creator



**MR. ARJOHN L.  
APELLADO**  
Bookkeeper



**MS. FRANCIA B.  
BOBIER**  
Cashier



# EMPLOYEE MANAGEMENT

The SEDP MBA Management Team, led by the General Manager, oversees key institutional functions including finance, administration, human resources, and marketing. The General Manager reports directly to the Board of Trustees and is responsible for supervising core personnel and ensuring the effective implementation of institutional strategies aligned with the organization's goals.

The role of the General Manager encompasses the overall management of operations, enforcement of administrative policies, oversight of budget planning and execution, and promotion of strong collaboration among internal teams and external partners. In addition, the General Manager plays an active role in strategic decision-making to drive the organization's mission forward.

For the year 2025, SEDP MBA has a 1 General Manager, 1 Officer and 7 rank and file staff

NAME OF STAFF	DESIGNATION	SALARY GRADE	GENDER
Ms. Ella S. Gonzalo	General Manager	G6S5	<i>Female</i>
Ms. Josie Belen	Admin. and Finance Officer	G6S4	<i>Female</i>
Ms. Nica Madrona	Management Support Staff	G4S2	<i>Female</i>
Ms. Ma. Charmaine Tubalinal	Claims Processor	G4S3	<i>Female</i>
Mr. Mizraim Arnedo	MBA Staff Coordinator	G4S2	<i>Male</i>
Mr. Jason Buban	Bookkeeper	G3S2	<i>Male</i>
Mr. Arjohn Apellado	Bookkeeper	G3S3	<i>Male</i>
Ms. Francia Bobier	Cashier	G4S2	<i>Female</i>
Ms. Kristine Joy Millano	Visual Creator	G3S9	<i>Female</i>

The staff salary is reviewed periodically by the HR and Remuneration Committee to ensure that it is at par with market rate.

## EMPLOYEE REWARDS POLICY

### ANNUAL SALARY INCREMENT

Employees undergo performance evaluations semi-annually, covering January to June and July to December. The Annual Evaluation result will be the basis of the annual salary increment of the staff for the succeeding year, only staff with Descriptive scale of Very Satisfactory and Outstanding are eligible for the increase. The SEDP MBA Board of Trustees will determine the percentage calculations on which raises are to be based.

### PERFORMANCE BASED INCENTIVE

Employees are granted performance-based incentives in accordance with the management's success in meeting quarterly key result area (KRA) objectives. However, the approval of these incentives by the Board of Trustee is conditional upon the submission and review of the accomplishment report.

## NON-MONETARY BENEFITS

Non-monetary benefits significantly contribute to employee satisfaction, motivation, and retention. Although financial rewards are important, non-financial incentives can be just as effective—if not more so—in promoting a healthy work culture, nurturing loyalty, and driving performance. These benefits often mirror the organization's values and reflect its genuine commitment to the personal and professional well-being of its workforce.

The SEDP MBA provides:

- Access to workshops, training sessions, certifications, and continued learning helps employees advance their skills and careers.
- Adjustable working hours
- Structured career development plans and mentoring opportunities
- Programs that promote physical and mental health
- Organize events, team outings, and social activities

## PROVISION OF HMO AND HEALTH SUPPORT FOR EMPLOYEES

In line with its strong commitment to employee wellness, SEDP MBA provides a comprehensive Health Maintenance Organization (HMO) package to ensure staff have access to essential healthcare services. This benefit includes medical, dental, and optical coverage aimed at supporting overall health and well-being.

For this period, SEDP MBA allocated a total of ₱41,211.00 to cover employees' health-related needs, distributed as follows:

- ₱19,211.00 for medical check-ups and laboratory tests
- ₱7,000.00 for dental care, including consultations, cleaning, and basic procedures
- ₱5,000.00 for optical services such as eye examinations and prescription eyewear
- ₱10,000.00 for staff dependent medical assistant

This initiative highlights SEDP MBA's dedication to fostering a healthy and resilient workforce, recognizing that caring for employees' well-being directly contributes to the organization's sustained growth and success.

# SEDP MBA ACTIVITIES

The SEDP MBA activities aims to foster team connections, develop skills, and create positive work environment, all of which contribute to the overall well-being and success of the institution. Through this activities, SEDP MBA Management can uplift morale, fortify interpersonal connections, and instill a sense of belonging among employees.

Moreover, such activities offer platforms for fostering creativity, innovation, and collaboration, thus strengthen teamwork and problem-solving abilities. Essentially, this SEDP MBA activities are crucial in fostering a dynamic and supportive workplace culture, which is essential for attracting, retaining, and empowering talented employees, thereby driving institutional growth.



## JANUARY 2025

# KATUWANG SA KALUSUGAN: MOA SIGNING WITH CARESPAN

A Memorandum of Agreement was signed between SIMBAG Microfinance and CareSpan Integrated Digital Care on January 16, 2025, in support of a planned pilot implementation of digital health services in selected communities to assess its acceptance among members.

The signing was attended by Fr. Rex Paul Arjona, President and CEO of SIMBAG Microfinance; Mr. Jon Ramos, Head of Account Development of CareSpan Asia; Dr. Juan V. Estevez, Assistant Medical Director of Estevez Memorial Hospital; and Ms. Angelica Morga, Company Nurse of SIMBAG Microfinance. Also present were the Branch Managers (BM) and Satellite Parish Office Managers (SPOM) from the selected pilot areas where the program will be implemented.



CareSpan aims to provide accessible healthcare services even in geographically isolated and underserved communities. This partnership seeks to introduce innovative and effective primary care solutions, including early detection and management of chronic diseases, helping reduce or prevent costly hospital expenses—ultimately benefiting SIMBAG members.

The agreement between SIMBAG Microfinance and CareSpan Integrated Digital Care marks a significant step toward improving and accelerating access to healthcare, especially in hard-to-reach communities. Through digital health services, SIMBAG members will benefit from faster and more convenient access to healthcare, including consultations, remote patient monitoring, and electronic medical records.

This initiative is not only a technological innovation but also a move toward a more inclusive healthcare system in the Philippines. Members of SIMBAG are also encouraged to register under the PhilHealth Konsulta program to further support the implementation of this initiative and maximize its benefits for more communities.

FEBRUARY 2025

## FORMATOR'S TRAINING

A total of twenty-one (21) formators of Simbag Microfinance from the Diocese of Legazpi attended the Formators Training held on January 31, 2025.

The activity aimed to provide the formators with a refresher and deeper understanding of key formation programs and seminars, including the Basic Bible Orientation (BBO), Basic Bible Facilitation (BBF), and the Commitment Building Ceremony (CBC), which are implemented in phases 1 to 5 across the various Simbag centers.

Through this training, the formators were further equipped and strengthened in their role of facilitating spiritual and values formation among members, ensuring the effective delivery of formation activities within Simbag Microfinance communities.



## VISUALLY IMPAIRED VOICE IN ALBAY INCORPORATED (VIVA) ORIENTATION

An orientation was conducted by SEDP MBA for the members of the Visually Impaired Voice in Albay Incorporated (VIVA) Massage Center on February 26, 2025, at the Aurora Building, Barriada Road, Legazpi City. The session was led by Ms. Liza Bitas, the MBA Coordinator of SEDP MBA.

The orientation covered affordable microinsurance options for the members, as well as additional protection for their families. Through this activity, it is expected that the members will gain sufficient knowledge about the benefits provided by SEDP MBA.



## MARCH 2025

# FIRE DRILL AND ORIENTATION OF BFP LEGAZPI CENTRAL OFFICE

The staff of SEDP MBA and SEDP MPC successfully participated in the Fire Drill and Orientation led by SFO1 Alben M. Ordizo, together with his colleagues FO2 Stephen Noel Lunas, FO2 Troy Yves Martinez, and FO2 Nico Basbacio from the BFP Legazpi Team.

This activity forms part of the institutions' ongoing advocacy for safety and disaster preparedness, as well as compliance with established rules and regulations.

Through this training, the staff enhanced their knowledge and skills in properly responding to emergencies, particularly fire-related incidents.



## APRIL 2025

# STAFF LENTEN RECOLLECTION



SEDP MBA conducts a yearly Lenten recollection for its staff as part of its commitment to holistic development and spiritual enrichment. Held during the season of Lent, the activity provides employees with an opportunity to pause from their daily responsibilities and reflect on their personal and professional lives in preparation for Easter.

The recollection typically includes guided reflections, prayer sessions, and moments of silence that encourage participants to reconnect with their faith and values. It also serves as a venue for staff to strengthen their sense of purpose, renew their commitment to service, and foster unity within the organization.

Through this annual activity, SEDP MBA continues to nurture not only the professional growth of its employees but also their spiritual well-being, promoting a workplace culture grounded in compassion, integrity, and shared responsibility.

## NANAY INFLUENCER WORKSHOP

On April 22, 2025, SIMBAG Microfinance, through its Research, Documentation, and Social Marketing (RDSM) Unit, successfully conducted a unique Nanay Influencer Workshop, attended by more than 30 MBA Coordinators from MPC and various Satellite Parish Offices.

The workshop aimed to equip and empower mothers in the community to become digital ambassadors of SIMBAG Microfinance. By sharing their personal stories of growth, success, and life experiences, they are expected to help bring SIMBAG's mission and message closer to more people.

The training covered basic digital content creation skills, including the use of simple editing tools, development of effective visual materials, and proper strategies for sharing messages on social media. This initiative seeks to enhance the participants' confidence and effectiveness in using technology as a tool for communication and advocacy.

At the heart of the workshop is the belief that every mother has the potential to become an inspiration within her community—not only as a provider for her family but also as a catalyst for positive change. In this context, being an “influencer” is not about popularity, but about spreading hope, opportunity, and goodness through one's personal journey of progress and success.

This initiative forms part of SIMBAG Microfinance's broader commitment to expand knowledge, strengthen communication of its mission, and ultimately support microentrepreneurs across the Bicol and Samar regions. It promotes continuous community empowerment through collective action and shared growth.



MAY 2025

## CENTER OFFICERS' TRAINING (COT-1)

Simbag Microfinance conducted a Center Officers' Training (COT-1) for its members in the Municipality of Prieto Diaz, Sorsogon on May 9, 2025. During the activity, the members were taught about Christian Leadership as well as their obligations and responsibilities as Center Officers. The COT, or Center Officers' Training, is part of the Formation and Training programs provided by the Members Development Services Unit (MDS) for members, with the aim of enhancing their knowledge of their duties and responsibilities as Center Officers.



## ORIENTATION FOR BENEFICIARIES OF 4P'S PROGRAM



On May 20, 2025, a Barangay Orientation was conducted in Brgy. Binanuahan, Pilar, Sorsogon (Pilar SPO), where the products and services of Simbag were discussed, along with the importance of MicroInsurance from SEDP MBA. We extend our heartfelt gratitude to the 95 beneficiaries of the 4Ps program who participated.

The activity aimed to increase awareness and understanding among community members regarding the financial services and protection available to them. Participants were introduced to Simbag's various programs designed to support livelihood and financial stability, as well as the vital role of MicroInsurance in providing security during unforeseen events such as illness, accidents, or loss of life.

Through this orientation, beneficiaries gained valuable insights that can help them make informed decisions for their families' welfare and future. The active participation of the 4Ps beneficiaries reflects the community's eagerness to learn and take steps toward financial resilience.



MAY 2025

## SEDP MBA HELD 2025 ANNUAL GENERAL MEMBERSHIP MEETING

The 16th Annual General Membership Meeting (AGM) of SEDP MBA was held on May 31, 2025, at Sarte Hall El Palacio, located at 61 Sikatuna Street, Old Albay District, Legazpi City. This gathering was attended by the Board of Trustees, management, staff, top leadership, and selected member representatives from various SEDP operational areas.

The primary objective of the meeting was to update members on SEDP MBA's financial performance, with particular emphasis on the protection benefits available to members. These include coverage for death, disability, daily hospitalization allowance, and credit loan insurance. Members also benefit from additional support programs such as Calamity Assistance, Marriage Validation, and SEDP Care.

The AGM serves as a crucial venue for fostering transparency in the organization's operations, plans, and initiatives. It provides members with the opportunity to voice concerns, ask questions, and actively participate in important decision-making processes most notably, the election of directors. This engagement promotes accountability and helps ensure that the leadership remains responsive to the needs and priorities of its members.

Towards the end of the activity, the election of new Board of Trustees was conducted wherein the following were elected:

Ms. May Ann Carillo - Cluster 1  
Ms. Marissa Loverez - Cluster 2

With this, the 2 outgoing members of the Board of Trustees; Ms. Rosana Ballarbare & Ms. Amalia Clarianes were recognized by the assembly for their dedication and significant contribution to the growth of the institution.



## JULY 2025

# SIMBAG GOES TO ILOCOS

A total of forty (40) employees of SIMBAG Microfinance and SEDP MBA successfully participated in the 5-Day Ilocos Tour 2025, held from July 9 to 13, 2025. The activity was organized to provide employees an opportunity to explore the rich history, culture, and natural attractions of selected destinations in Vigan, Laoag, and Pagudpud.

The Ilocos Tour 2025 is a program of Simbag Microfinance designed as a form of motivation and recognition for employees who have demonstrated outstanding performance, loyalty, and dedication over the years. It also aims to strengthen camaraderie within the institution and promote personal and professional growth through meaningful experiences and learning outside the workplace.

Following the success of the first Ilocos Tour in 2017, the program was once again implemented to provide employees with a meaningful break from their daily work responsibilities while further enhancing their commitment and motivation.

Simbag Microfinance and SEDP MBA continues to uphold its commitment to supporting the well-being, professional development, and continuous learning of its employees.



**AUGUST 2025****SIMON OF CYRENE ORIENTATION**

An orientation was conducted by SEDP MBA in partnership with Simon of Cyrene for PWD leaders from different barangays of Daraga, Albay, held on August 13, 2025, at the Training Hall of Simon of Cyrene Daraga, Albay.

The activity was led by SEDP MBA Coordinator Ms. Liza Bitas, together with Daraga Branch Manager Mr. Cris Capong and SPO Manager Ms. Janice Ferrer.

The orientation focused on affordable microinsurance products available for members, as well as additional protection benefits for their families. Through this activity, participants are expected to gain sufficient knowledge and understanding of the benefits provided by SEDP MBA, helping them make informed decisions for their financial security and protection.



# SEPTEMBER 2025

## STRATEGIC PLANNING

SEDP MBA officially kicked off its Strategic Planning Workshop 2025 at the SEDP MBA Social Hall with engaging discussions and interactive workshops attended by the organization's staff and key participants. The first day was fully dedicated to guiding the SEDP MBA team through the process of crafting effective, responsive, and member-centered strategies that will strengthen the organization's programs and services in the years ahead.

Through collaborative activities and insightful sessions, participants explored practical approaches to strategic planning, emphasizing innovation, sustainability, and responsiveness to the evolving needs of members. The enthusiasm and active participation of everyone set a productive and inspiring tone for the workshop.

The second day of the Strategic Planning Workshop 2025 continued with a quick recap of the learnings and highlights from the first day. Discussions then focused on Segment Value Propositions, Distribution Channel Structures, and Customer Care Options — key areas that contribute to improving service delivery and member satisfaction.

The sessions were complemented by engaging workshops and plenary presentations, encouraging participants to share ideas, insights, and strategies that can further enhance organizational performance. The energy and collaboration displayed throughout the activity left participants motivated and optimistic as SEDP MBA continues its commitment to providing excellent service and meaningful support to its members.



NOVEMBER 2025

## FINANCIAL LITERACY SESSIONS

Simbag conducted an Asenso Training for 49 members of the Daraga Satellite Parish Outreach on November 7, 2025.

The training was led by the Enterprise Development Unit of SEDP Multi-Purpose Cooperative, where key topics such as Loan Management, Budgeting and Savings, and Goal Setting were discussed.

This initiative is part of the Value-Added Services provided by SIMBAG to guide members and equip them with the knowledge and skills needed for proper financial management.



## SIMBAG CALAMIDAD INSURANCE BENEFIT DISTRIBUTION



The Simbag Calamidad Insurance Benefit Distribution (1st Batch) was conducted for 18 members affected by Typhoon Opong on November 19, 2025, in Poblacion, Aroroy, Masbate. The distribution was led by Aileen Mapanao and Mike Om poc.

We remain committed to serving and providing immediate assistance in times of need.



## SCHOLARS' GATHERING AND ADVENT RECOLLECTION

A total of 406 scholars of Simbag Microfinance and SEDP MBA attended the Scholar's Gathering and Advent Recollection held on November 30, 2025.

The Advent Recollection is part of the Spiritual Formation Services provided not only to scholars but also to members and employees of Simbag Microfinance and SEDP MBA.

#SimbagEdukasyon – turning dreams into reality, lifting families out of poverty.



## SIMBAG MEMBERS GATHERING 2025

The Simbag Members' Gathering 2025 was successfully held on December 12, 2025, at Divine Word College of Legazpi, bringing together members from various areas in a meaningful celebration of unity, gratitude, and shared purpose.

The gathering served as an opportunity to strengthen camaraderie among members while reflecting on the organization's milestones and achievements throughout the year. It also provided a venue to recognize the active participation and continued support of members who play a vital role in the growth and sustainability of Simbag Microfinance.

Various activities were conducted during the event, fostering engagement, inspiration, and a deeper sense of belonging among participants. The program highlighted the importance of cooperation, discipline, and commitment in achieving both personal and collective progress.

Through this annual gathering, Simbag Microfinance and SEDP MBA reaffirmed its mission of empowering communities and improving lives. The event not only celebrated accomplishments but also inspired members to continue working together toward a more secure and progressive future.



## STAFF ADVENT RECOLLECTION AND GENERAL ASSEMBLY

The Annual Christmas Recollection for SIMBAG Staff was successfully held on December 19, 2025, at the Divine Word College of Legazpi High School Campus, with the active participation of SEDP MBA staff.

The activity served as a meaningful opportunity for reflection, spiritual renewal, and fellowship as employees gathered to celebrate the true essence of Christmas. Through inspiring talks, prayers, and group activities, participants were encouraged to strengthen their faith, appreciate the value of unity, and prepare their hearts for the holiday season.

The recollection also provided a time for the staff to relax, reconnect, and express gratitude for the blessings and accomplishments throughout the year. The event was truly a memorable and enriching experience for everyone who attended.



## 2025 STAFF CHRISTMAS GATHERING AND AWARDS NIGHT

The 2025 Staff Christmas Gathering and Awards Night was successfully held on December 20, 2025, at the Divine Word College of Legazpi High School Campus. The event brought together employees from Simbag Microfinance, SEDP MBA and SEDP MPC in a joyful celebration of camaraderie, gratitude, and achievement.

The gathering served as a special occasion to recognize and honor the dedication, hard work, and valuable contributions of the staff who continuously make the organization's success possible. Filled with festive performances, inspiring moments, and well-deserved awards, the celebration strengthened unity and appreciation among all staff.

More than just a year-end event, the occasion reflected the organization's sincere gratitude to its people — the heart of every accomplishment and service throughout the year.



# SEDP MBA CORPORATE SOCIAL RESPONSIBILITY

The provision and implementation of SEDP MBA Corporate Social Responsibility was made possible through the collaboration with the Diocesan Commission on Social Concern of the Diocese of Legazpi, SEDP- Simbag sa Pag-Asenso Inc. (A Microfinance NGO) and the SEDP Multi-Purpose Cooperative. Some of the activities for the year 2025 are the following that benefited our member beneficiaries.



## STUDY AND WORK ABROAD PROGRAM

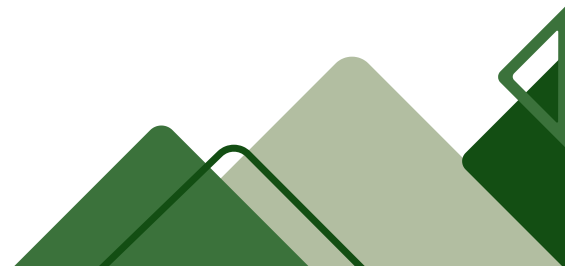
Another beneficiary of SIMBAG Microfinance has signed a Memorandum of Understanding (MOU) for the Study and Work Abroad Program on February 18, 2025. The signing was attended by Mr. Hermarex Ordan, Members Development Services Officer; Ms. Joanne Armero, Advocacy and Education Coordinator; Ms. Janice Ferrer, Daraga SPOM; and Mr. Cris Caponga, Daraga Branch Manager.

The beneficiary is Ms. Mary Jobie P. Rico from Daraga SPO. Joining the signing were her elder sister, Ms. Mary Claire P. Rico, and her mother, Ms. Jodema P. Rico, who has been a member of SIMBAG Microfinance for 13 years under the SKBP-Penafrancia Center, Daraga Branch.

Ms. Rico is the second beneficiary of SIMBAG Microfinance to study at Minghsin University of Science and Technology in Taiwan, where she will pursue a Bachelor of Science in Industrial Engineering, Major in Management. This opportunity is part of the Academe-Industry Collaboration Program for International Students under Taiwan's New Southbound Policy of MUST.

SIMBAG Microfinance extends its heartfelt gratitude to the Missionary Sisters of St. Charles Borromeo, especially Sister Marci, for bringing this program to the Roman Catholic Diocese of Legazpi and for their pastoral service to Filipino students studying at MUST.

This program provides a meaningful opportunity for the children of SIMBAG members, allowing them to pursue their dreams while helping support their families. Through initiatives like this, SIMBAG Microfinance continues to uplift the lives of its members and their families. It is hoped that more scholars will be sent to MUST in Hsinchu, Taiwan this year to help turn their dreams into reality.



## EDUCATIONAL ASSISTANCE CONTRIBUTION

Simbag Microfinance distributed Educational Assistance to its members from the Goa Satellite Parish on June 23, 2025, as part of its continued commitment to supporting the education of members' children.

The Educational Assistance is granted to good-performing members and centers (Green) who have children studying in Elementary, Junior High School, and Senior High School with a general weighted average of at least 85 percent.

The assistance was provided through Gift Certificates (GCs) amounting to Php 300 for elementary students and Php 500 for Junior and Senior High School students, which can be used to purchase school supplies and other educational needs.

This initiative is one of the value-added services of Simbag Microfinance, aimed at helping ease the financial burden of education and encouraging academic excellence among the children of its members.



## SIMBAG SCHOLARS' ANNUAL TESTIMONIAL RITES

The perseverance and sacrifices of our scholars—and of their parents who have long been members of SEDP - Simbag sa Pag-Asenso, Inc. and SEDP MBA—have borne fruit. A total of 95 students graduated from college this year out of the 396 Simbag Scholars for School Year 2024–2025.

Since 2004, Simbag Microfinance has provided support to 1,453 scholars pursuing college and technical-vocational courses. Of these, 919 have successfully earned their college degrees, fulfilling their dreams of finishing their education.

SEDP - Simbag sa Pag-Asenso, Inc. and SEDP MBA firmly believes that in every graduate lies the transformation of a family's story—toward a brighter and more hopeful future.



## SIMBAG SCHOLARS CONTRACT SIGNING

On August 5, 2025, forty-two (42) new scholars of Simbag Microfinance and SEDP MBA from the Daraga and Legazpi Branch formally attended the Scholarship Contract Signing, marking the beginning of their educational journey under the Simbag Scholarship Program.

The contract signing symbolizes the commitment of both the scholars and their families to pursue education with dedication, discipline, and perseverance. It also reflects Simbag Microfinance's continued mission of investing in the future of young individuals by providing opportunities for higher education and technical-vocational training.

Since 2004, Simbag Microfinance has supported a total of 1,453 scholars, helping them pursue college and technical-vocational courses. Of these, 919 scholars have successfully earned their diplomas, fulfilling their dreams and opening better opportunities for themselves and their families.

Through the Simbag Scholarship Program, Simbag Microfinance and SEDP MBA continues to uphold its commitment to education as a powerful tool for transforming lives, empowering families, and building stronger communities.



## CENTER KO PADABA KO (COPA)

A total of 104 members of Simbag Microfinance and SEDP MBA from the Satellite Parish Offices of Daraga, Legazpi Port, Albay District, and Anislag received free medical services during the Center Ko Padaba Ko (COPA) Medical Consultation held on September 17, 2025, at the SEDP Social Hall.

This program is an initiative of SIMBAG Microfinance aimed at recognizing high-performing centers and appreciating member participation and commitment. It was spearheaded by the Members Development and Services Unit (MDS) in collaboration with volunteer doctors and SIMBAG SPO staff, who provided free medical consultations and medicines to the members.



## FREE SOLAR PRODUCTS

On October 24–25, 2025, Hybrid Social Solutions Inc. (HSSI) and Simbag Microfinance joined forces in distributing 300 free solar products in Masbate Province to assist communities affected by Typhoon Opong.

This initiative is part of HSSI's Solar Access Program, a social enterprise initiative focused on providing quality and affordable solar technologies to remote and underserved communities in the Philippines.

With the support and collaboration of staff from the Masbate City SPO and Arroyo SPO of Simbag Microfinance, the solar products were successfully distributed to members who lost their homes or whose houses were damaged due to the impact of Typhoon Opong.

Through this partnership, HSSI and Simbag Microfinance continue to bring immediate relief and sustainable energy solutions to affected families, helping them recover and rebuild in the aftermath of disaster.



## SIMBAG SALUD

In a continued effort to support the health and well-being of its members, Simbag Microfinance Inc. (Simbag MFI) organized Medical Missions to provide essential health services to members and their families.

The mission offered a variety of free services, including health checkups, optical exams, dental care, and the distribution of free medicines. Medical professionals and volunteers were on hand to provide consultations and checkups, ensuring that members received proper guidance for any health concerns.

The optical services offered free eye exams, with prescription eyeglasses provided to those in need, while dental services included free checkups and basic treatments, helping members maintain good oral health. Additionally, members were given free medicines to address common ailments, ensuring that essential treatments were accessible to everyone.

This initiative was made possible through the collective efforts of medical professionals, volunteers, and Simbag MFI and SEDP MBA's commitment to supporting the health and well-being of their members. By offering these essential health services, the Medical Mission not only addressed immediate health needs but also reinforced the importance of preventive care and healthy living.

With the goal of fostering a healthier and more vibrant community, Simbag MFI and SEDP MBA continue to prioritize the holistic well-being of their members helping them lead healthier lives and improving their overall quality of life.

### DEL GALLEGO, CAMARINES SUR

February 20, 2025



### RAPU-RAPU, ALBAY

March 20, 2025



**SAN ROQUE, NORTHERN SAMAR**  
March 28, 2025



**BATO, CAMARINES SUR**  
May 22, 2025



**TIGAON, CAMARINES SUR**  
June 20, 2025



**BAAO, CAMARINES SUR**  
June 27, 2025



**PILAR, SORSOGON**  
August 1, 2025



## BASIC BIBLE ORIENTATION

In the Basic Bible Orientation and Facilitation, members are taught the “basics” of reading and using the Bible, as well as the proper way of sharing their reflections during the first part of their center meeting.

The BBO is one of the formation services provided by Simbag to members in order to strengthen and improve their spiritual life. This activity is focused on providing fundamental knowledge and essential teachings about the Bible, which serves as the foundation of a Christian life. It not only gives a clearer understanding of the teachings of the faith, but also teaches how these can be lived out in everyday life. The activity emphasizes the importance of loving God



## FINANCIAL LITERACY SESSION

Financial literacy sessions are an essential part of member development as they equip individuals with the knowledge and skills needed to manage their finances wisely and responsibly. Through these sessions, members are guided in understanding basic financial concepts such as budgeting, saving, borrowing, and goal setting, which are important in achieving financial stability.

These sessions help members develop proper money management habits by teaching them how to prioritize needs over wants, monitor their expenses, and allocate their income effectively. As a result, members become more disciplined in handling their household finances and are better prepared to meet their daily and future needs.

In addition, financial literacy strengthens the culture of saving among members. It encourages them to consistently set aside a portion of their income, no matter how small, to build financial security and prepare for emergencies or unexpected expenses. Members are also educated on responsible loan management, ensuring that they understand their repayment obligations and avoid over-indebtedness.

Furthermore, these sessions enhance members' decision-making skills by helping them make informed choices regarding financial products, investments, and insurance protection. They also promote long-term planning by guiding members in setting realistic financial goals such as education, business, or family needs.



**DARAGA SPO**  
MARCH 7, 2025



**POLANGUI SPO**  
OCTOBER 17, 2025



**PILAR SPO**  
OCTOBER 23, 2025

## BRIGADA KAPILYA

The Brigada Parokya is a member-initiated activity where participants conduct general cleaning and maintenance of their barangay chapel or church.

This activity reflects their commitment as servant leaders and demonstrates the principle of unity being promoted and taught by SEDP.



SETYEMBRE 08, 2025


**simbag**  
MICROFINANCE

SIMBAG MICROFINANCE

# KITA AN SIMBAG



## Kahandaan sa Bagyo: Simbag Microfinance Joins CRS for Anticipatory Action MPCA

**TINGNAN:** Nagsagawa ang **Simbag Microfinance** ng isang orientation tungkol sa **Anticipatory Action Multi-Purpose Cash Assistance (MPCA)** sa pakikipagtulungan ng **Catholic Relief Services (CRS) Philippines**. Tinalakay dito ang project purpose at ang mga proseso na dinaluhan ng mga staff mula sa Batan SPO na identified area ng nasabing project. Kasama rin sa ginanap na orientation ang ilang identified staff mula sa Main Office na magiging alternate staff support ng project implementation.

Layunin ng proyektong ito ay isa sa mga hakbang ng Simbag at CRS para mas mapalakas ang kahandaan ng members sa gitna ng banta at epekto ng kalamidad.



## COASTAL CLEAN-UP AT MANGROVE PLANTING IN CELEBRATION FOR SEASON OF CREATION

As part of its participation in the Season of Creation 2025, Simbag Microfinance joined the Coastal Clean-up and Mangrove Planting activity organized by St. Roche Parish on September 13, 2025, at Sitio Anonang, Brgy. Homapon, Legazpi City.

The activity was actively participated in by staff from the Main Office, Albay SPO, and Legazpi Port, who wholeheartedly joined parishioners and members of Barangay Homapon. Together, they cleaned the coastal area and planted mangroves as a symbol of environmental protection and care for creation.

This initiative aims not only to preserve and protect the environment but also to strengthen community unity toward a safer and greener future.

The Season of Creation serves as an important reminder that faith comes with the responsibility of caring for Mother Earth – an advocacy that Simbag Microfinance continues to uphold through active participation in environmental initiatives.





**ST. ROCHE PARISH** celebrates  
**SEASON OF CREATION 2025**  
Peace with Creation

- 
**Sunday for the Care of Creation**  
September 7, 2025 | All Masses
- 
**Mangrove Planting & Coastal Cleanup**  
Sept 13, 1PM | Sitio Anonang, Brgy. Homapon, Legazpi City
- 
**Parish Conference on Integral Ecology**  
October 5, 2025, 2PM | Taysan Church

*Ano an sakong Dolot Pagkamoot  
para sa pangataman kan  
kapalibotan asin gabos na linalang?*

PARISH CONFERENCE ON SOCIAL CONCERNS | INTEGRAL ECOLOGY MINISTRY

## FEEDING PROGRAM

A Feeding Program Activity was conducted by members of Simbag Microfinance at Sitio Bagong Sirang, Tinapian, Manito, Albay on November 4, 2025.

Children in the community received free meals provided by members of the TWO 2 Tinapian center.

The feeding program was a self-initiated activity of the members, with the support of their Satellite Parish Outreach (SPO), as a way of giving back and sharing the blessings they have received through simple community activities such as feeding programs and other outreach initiatives.



## PHILHEALTH REGION V CONDUCTED YAKAP ORIENTATION AND ONSITE ENROLLMENT AT EL PALACIO

On November 7, 2025, PhilHealth Region V successfully conducted an orientation and onsite enrollment for the Yaman ng Kalusugan Program (YAKAP) at El Palacio. The activity was attended by 212 members and staff of Simbag Microfinance.

With the assistance of representatives from Albay District SPO, Legazpi Port SPO, and Daraga SPO, participants were given the opportunity to enroll in the program, which provides free outpatient check-ups and medicines worth up to Php 20,000 per year.

The activity was actively supervised by Branch Manager Cris Caponga, together with Community Development Workers (CDW 2) and SPO Managers. Meanwhile, representatives from PhilHealth and Albay Doctors Hospital led the orientation and onsite enrollment.

YAKAP is a PhilHealth outpatient benefit program aimed at encouraging members to undergo regular health check-ups, take proper medication, and undergo cancer screening to prevent illness and maintain good health.



## SIMBANG GABI FEEDING PROGRAM

35 SPO successfully conducted its Simbang Gabi Feeding Program 2025, marking the second consecutive year of this meaningful SEDP MBA Christmas outreach activity. The program was organized to share blessings, spread joy, and strengthen community spirit during the nine-day Simbang Gabi celebration.

Through the collective efforts of staff, and members, warm meals and refreshments were served to churchgoers, children, senior citizens, and community members after Simbang Gabi mass. The activity aimed not only to provide food but also to promote the true essence of Christmas — love, generosity, unity, and compassion for others.

The continued success of the feeding program reflects the commitment of SEDP MBA and the 35 Simbag SPO in serving the community and extending assistance to those in need. This second year of implementation demonstrates the organization's dedication to making the Simbang Gabi celebration more meaningful and memorable for everyone.

As the organization continues this annual tradition, it hopes to inspire more people to participate in acts of kindness and community service, especially during the Christmas season.



## CHRISTMAS GIFT GIVING



A simple Christmas gift-giving activity was conducted by the Masoli Savers Group (MSG) Center in Masoli, Bato, Camarines Sur under the Nabua SPO on December 10, 2025.

Members received simple grocery items as an early Christmas gift sourced from their collective savings. The activity was made more organized and orderly through the guidance of their Community Development Worker, Andrew Adamos.

# BOT, MANAGEMENT & STAFF TRAININGS CONDUCTED

## SEDP MBA CONTINUES WITH BOARD OF TRUSTEES AND EMPLOYEE COMPETENCY DEVELOPMENT

Training is an essential aspect of any organization's growth and development. It helps employees and board members acquire new skills, learn about the latest trends in their respective fields, and improve their performance.

The Simbag sa Emerhensya asin Dagdag Paseguro Mutual Benefit Association Inc. (SEDP MBA) in partnership with Micro-insurance MBA Association of the Philippines Inc. (RIMANSI), IPG Training Institute for Professional Advancement, National Privacy Commission, Center for Advancement in Safety Training Inc., Microfinance Council of The Philippines, Inc. and Asia and Oceania Association of the ICMIF conducted several trainings for employees and Board of Trustees through Face-to Face and Zoom Video Conferencing.

The SEDP MBA has facilitated 16 trainings and webinars and 2 recollections for staff and the Board of Trustees.



## JANUARY 2025

# 2025 NATIONAL MICROINSURANCE FORUM

In celebration of Microinsurance Month, Microinsurance MBA Association of the Philippines (MiMAP) along with the Insurance Commission organized the yearly National Microinsurance Forum on January 27, 2025, at the SMX Convention Center in Manila. The forum gathered together over more than 400 attendees from various sectors including government agencies, mutual benefit associations, microfinance institutions, cooperatives, and insurance firms.

The event was honored by the presence of Insurance Commissioner Atty. Reynaldo Regalado, BSP Assistant Governor Pia Roman-Tayag, and MiMAP Chairman Emeritus Dr. Jaime Aristotle Alip.

For the SEDP MBA, the attendees included the MBA Board of Trustees, the SEDP MBA Staff, and representatives from SEDP MFI.



## FEBRUARY 2025

# LEARNING SESSION: INSTITUTIONAL STOCK INVESTMENT 101

The Learning Session on Institutional Stock Investment 101 was successfully conducted, bringing together participants eager to strengthen their understanding of the stock market and institutional investing.

The session provided a clear and practical introduction to how institutional stock investments work, including the basics of equity markets, how institutions participate in stock trading, and the role these investments play in long-term financial growth. Participants were also guided on key concepts such as risk management, portfolio diversification, and the importance of informed decision-making in investing.

Through engaging discussions and simplified explanations, the resource speaker helped demystify complex investment topics, making them more accessible and relevant to the participants. Real-world examples were also shared to illustrate how institutional investments contribute to financial stability and sustainable returns.

Overall, the session served as a valuable learning opportunity, equipping participants with foundational knowledge that can support their journey toward financial literacy and smarter investment choices in the future.

## MARCH 2025

# MI-MBA LEADERSHIP FORUM

The Mi-MBA Leadership Forum, carrying the theme “Celebrating 20 Years of Women in Microinsurance Leadership,” was successfully held on March 13, 2025, at The Atrium at Enderun Colleges.

The forum honored both past and present women leaders within the national network, recognizing their invaluable contributions to the growth of microinsurance and community development. During the morning sessions, inspiring stories were shared by women microentrepreneurs who successfully overcame life’s challenges while striving to build healthy, secure, and resilient families.

In the afternoon, participants took part in a workshop aimed at gathering insights and recommendations on how Nanay-Liders can further enhance the value proposition of Microinsurance MBAs. The discussions were enriched by strategic responses from four experts who closely work with microentrepreneurs. The speakers acknowledged that many Nanays carry multiple responsibilities, yet emphasized that when provided with opportunities to develop their skills and knowledge, they can become empowered and effective community leaders. The importance of establishing a clear succession plan was also highlighted.



## APRIL 2025

# ANNUAL STATEMENT WORKSHOP

The 2024 Annual Statement Workshop was successfully held on April 22, 2025, through Zoom Videoconferencing.

The workshop was organized to assist participants in accurately and compliantly completing their Annual Statement Reports in accordance with the requirements of the Insurance Commission. Representatives from the Insurance Commission discussed the 2024 Annual Statement (AS) template, emphasizing important updates and clarifying common mistakes encountered in the reporting process. Meanwhile, Ms. Lungay from Asian Actuaries (AAI) shared valuable insights on valuation concerns and provided practical guidance on properly accomplishing the AS worksheet.

MAY 2025

## LEARNING SESSION: DIGITAL MARKETING

The first part of the learning session on digital marketing and promotion through modern technology was conducted recently. The session aimed to help participants understand the importance of social media, create meaningful content, and enhance practical skills in using various social media platforms and digital applications.



JUNE 2025

## LEARNING SESSION: DIGITAL MARKETING PART 2

On June 18, MiMAP successfully conducted the second part of its Learning Session on Digital Marketing, focusing on content planning, engagement strategies, and the effective use of the Professional Dashboard.

The session provided participants with practical knowledge and hands-on guidance on creating well-structured digital content, improving audience engagement, and maximizing available tools and analytics to strengthen their online presence. Through interactive discussions and learning activities, participants gained valuable insights on how digital platforms can be utilized more effectively to communicate with and engage their target audiences.

The activity forms part of MiMAP's continuing commitment to equipping its partner organizations and members with relevant digital skills and innovative strategies that support growth, communication, and community engagement in today's digital landscape.



## AUGUST 2025

# MANAGEMENT FORUM

The 2025 Mi-MBA Management Forum held in Kalibo was a successful three-day gathering focused on learning, sharing, and strengthening mutuality among institutions. The event brought together 107 participants from 22 MBAs and MFIs across the country, fostering meaningful discussions and collaboration on key management and development initiatives.

Throughout the forum, participants engaged in insightful exchanges, best practice sharing, and collaborative activities aimed at enhancing the operations and impact of Mi-MBAs nationwide. The event served as a valuable platform for strengthening partnerships and reinforcing a shared commitment to serving members more effectively.

Together, we continue to drive progress, thrive in collaboration, and transform communities for the better.



## SEPTEMBER 2025

# LEARNING SESSION ON “INVESTING FOR IMPACT: UITFS, BONDS, AND THE IMA BRIEFING”

The Learning Session on “Investing for Impact: UITFs, Bonds, and the IMA Briefing” was successfully conducted, bringing together participants eager to deepen their understanding of investment opportunities and financial growth.

During the session, participants gained valuable insights into key investment instruments such as the money market, fixed income securities, and equities. The discussion also highlighted the opportunities offered by the BPI Bayanihan Balanced Fund, a Unit Investment Trust Fund (UITF) designed specifically for Mi-MBA members, providing a balanced approach to growing and protecting their financial resources.

The session was made more enriching through the expertise of the resource speaker, Ms. Frances Alexandra Quito of BPI Wealth, who shared her knowledge and practical guidance on investment strategies and financial planning. Her discussion helped participants better appreciate how informed investment decisions can contribute to long-term financial well-being.



OCTOBER 2025

## GOOD GOVERNANCE AND AMLA WORKSHOP

The Good Governance and Anti-Money Laundering (AMLA) Workshop was successfully conducted, gathering participants committed to strengthening institutional integrity, accountability, and compliance.



The workshop focused on the fundamental principles of good governance, emphasizing transparency, accountability, ethical leadership, and effective organizational management. Participants were guided on how these principles can be applied in day-to-day operations to ensure responsible decision-making and strengthen trust within their institutions and communities.

A key part of the session also covered Anti-Money Laundering (AMLA) regulations, where participants learned about relevant laws, reporting responsibilities, and best practices in identifying and preventing suspicious financial activities. The discussion highlighted the importance of compliance in protecting institutions from financial risks and maintaining regulatory standards.

## LEARNING SESSION PHILHEALTH BENEFITS

PhilHealth Benefits: Alamin, para gamitin!”, aims to provide participants with valuable information on how to fully maximize their PhilHealth membership and benefits. Scheduled last October 10 (Friday) at 9:00 AM,

The session discussed the latest PhilHealth programs and updates, guide participants on the proper and convenient process of accessing benefits, and help members become more knowledgeable and empowered in utilizing their healthcare coverage. Through this initiative, participants are expected to gain practical insights that can assist them in making informed decisions regarding their health and financial protection.

This activity reflects the continuing commitment to promoting awareness, health security, and financial preparedness among staff by ensuring they are equipped with accurate and updated information about their PhilHealth benefits.

**RIMANSI** Microinsurance MBA Association of the Philippines Inc. Mutuality Among Mutuals **20 YEARS**

### LEARNING SESSION

## PhilHealth Benefits: ALAMIN, PARA GAMITIN!

**OCTOBER 10 (9:00 AM)**

Via Zoom Videoconferencing and Facebook Livestream

IN COOPERATION WITH:

**PhilHealth**  
Your Partner in Health

**MS. PAOLA MARIE VENUS**  
Senior Social Insurance Officer, PhilHealth  
Resource Speaker

**MS. ANNA LIZA DE LEON**  
Senior Social Insurance Specialist, PhilHealth  
Resource Speaker

CARDINS, MICR INSURANCE, RISKI, and other insurance partners.

## AOA OF ICMIF SEMINAR 2025

the AOA of ICMIF Seminar 2025, hosted by NongHyup Life Insurance at the Conrad Seoul, was attended by more than 100 participants from 22 organizations across Japan, Korea, Sri Lanka, Hong Kong, India, Indonesia, and the Philippines. The seminar carried the theme, “To continue being an organization for the benefit of its members: 2025 IYC Reevaluate Our Purpose.”

One of the highlights of the seminar was the insightful keynote presentation of Nic Mingo from Swiss Re entitled “The Mutual Nudge: Behavioural Science for Insurance – Design for How Humans Actually Decide.” The session emphasized the importance of understanding human behavior, improving member engagement, and guiding members in making informed decisions.



## DECEMBER 2025

### NATIONAL PRIVACY ROADSHOW

The National Privacy Roadshow of the National Privacy Commission was successfully conducted, bringing together participants from various sectors to strengthen awareness and understanding of data privacy and protection.

The roadshow highlighted key provisions of the Data Privacy Act, emphasizing the rights of data subjects, the responsibilities of organizations, and the importance of safeguarding personal information in today’s digital environment. Discussions also focused on common privacy risks, proper data handling practices, and compliance requirements for institutions.

Through engaging presentations and practical examples, participants gained valuable insights on how to protect sensitive information and ensure responsible data management. The activity reinforced the importance of fostering a culture of privacy, security, and accountability across all organizations.



# MANAGEMENT AND STAFF TRAININGS/ WEBINARS ATTENDED

## MS. ELLA GONZALO- GENERAL MANAGER/ COMPLIANCE OFFICER

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
National Microinsurance Forum 2025: "Partnership for Greater Financial Inclusion"	January 27, 2025	RiMANSI	8 hrs.
Learning Session: Institutional Stock Investment 101	February 26, 2025	RiMANSI	4 hrs.
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Mi-MBA Leadership Summit	March 13, 2025	RiMANSI	8 hrs.
ACGS Workshop	March 20 - 21, 2025	ICD	8 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Annual Statement Workshop	April 22, 2025	RiMANSI	4 hrs.
Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs	May 14 - 16, 2025	RiMANSI	24 hrs.
2025 MCPI	July 30 - 31, 2025	MCPI	16 hrs.
2025 Mi-MBA Management Forum	August 27 - 29, 2025	RiMANSI	24 hrs.
Learning Session on "Investing for Impact: UITFs, Bonds, and the IMA Briefing"	September 19, 2025	RiMANSI	4 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

## MS. JOSIE BELEN- FINANCE AND ADMIN OFFICER/ ALTERNATE COMPLIANCE OFFICER

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Learning Session: Institutional Stock Investment 101	February 26, 2025	RiMANSI	4 hrs.
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Annual Statement Workshop	April 22, 2025	RiMANSI	4 hrs.
2025 Mi-MBA Management Forum	August 27 - 29, 2025	RiMANSI	24 hrs.
Learning Session on "Investing for Impact: UITFs, Bonds, and the IMA Briefing"	September 19, 2025	RiMANSI	4 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.

## MS. MA. CHARMAINE TUBALINAL- CLAIMS PROCESSOR

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

## MS. NICA MADRONA- MANAGEMENT SUPPORT STAFF/ CORPORATE SECRETARY

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
2025 Mi-MBA Management Forum	August 27 - 29, 2025	RiMANSI	24 hrs.
Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs	October 15-17,2025	RiMANSI	24 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Data Privacy Training Roadshow 2025	November 24 - 25, 2025	National Privacy Commission	16 hrs.
Emergency Response and Disaster Preparedness	November 28, 2025	Center for Advancement in safety Training Inc.	8hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

**MR. JASON BUBAN- BOOKKEEPER**

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Learning Session: PhilHealth Benefits" Alamin, Para Gamitin!	October 10, 2025	RIMANSI	7 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

**MR. ARJOHN APELLADO- BOOKKEEPER**

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Learning Session: PhilHealth Benefits" Alamin, Para Gamitin!	October 10, 2025	RIMANSI	7 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

**MS. FRANCIA BOBIER- CASHIER**

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Fire Drill and Orientation	March 5, 2025	BFP Legazpi	4 hrs.
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Learning Session: PhilHealth Benefits" Alamin, Para Gamitin!	October 10, 2025	RIMANSI	7 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

**MR. MIZRAIM ARNEO- MBA STAFF COORDINATOR**

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Grounded Leaders Program Phase 1	May 26 - 28, 2025	SIMBAG MFI/ Bagosphere	24 hrs.
Grounded Leaders Program Phase 2	June 25 - 26, 2026	SIMBAG MFI/ Bagosphere	24 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

**MS. KRISTINE JOY MILLANO - VISUAL CREATOR**

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Staff Lenten Recollection	April 14, 2025	SIMBAG MFI/MBA	4 hrs.
Learning Session: Digital Marketing	May 8, 2025	RIMANSI	4 hrs.
Learning Session: Digital Marketing Part 2	June 18, 2025	RIMANSI	4 hrs.
YAKAP Orientation	October 20, 2025	SIMBAG MFI/ PHILHEALTH	2 hrs.
Staff Recollection	December 19, 2025	SIMBAG MFI/MBA	4 hrs.

# BOARD OF TRUSTEES TRAININGS/ WEBINARS ATTENDED

## MS. TERESITA GALANG- CHAIRMAN

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
National Microinsurance Forum 2025: "Partnership for Greater Financial Inclusion"	January 27, 2025	RiMANSI	8 hrs.
Learning Session: Institutional Stock Investments 101	February 26, 2025	RiMANSI	4 hrs.
Mi-MBA Leadership Summit	March 13, 2025	RiMANSI	8 hrs.
Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs	MAY 14 - 16, 2025	RiMANSI	24 hrs.
2025 MCPI Conference	July 30 - 31, 2025	MCPI	16 hrs.
2025 Mi-MBA Management Forum	August 27 - 29, 2025	RiMANSI	24 hrs.
ICMIF	November 11 - 16, 2025	ICMIF	120 hrs.

## FR. REX PAUL ARJONA – VICE CHAIRMAN

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
2025 Operations Summit	June 10 - 11, 2025	MCPI	16 hrs.
2025 MCPI Conference	July 30 - 31, 2025	MCPI	16 hrs.

## MS. ROCHELLE APOON-TREASURER

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
National Microinsurance Forum 2025: "Partnership for Greater Financial Inclusion"	January 27, 2025	RiMANSI	8 hrs.
Limmaya Agricultural Services (Soil Treatment)	January 2025		4 hrs.
PCIC	March 2025		24 hrs.
Crop Production Assistance	May 2025		16 hrs.
PAFC Albay National Gawad Saka	June 2025		24 hrs.
Hog Raising Seminar	October 2025		8 hrs.
Product Launching Farmers Big Meeting	December 2025		8 hrs.

## FR. ERIC MARTILLANO – INDEPENDENT TRUSTEE

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Orientation for New BOT	June 13, 2025	SEDP MBA	4 hrs.
Bicol Local Governance Regional Resource Center (LGRRC) - Multi-Stakeholder Advisory Council (MSAC)	November 14, 2025	DILG	8 hrs.

## MS. MAY ANN CARILLO -MEMBER

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Orientation for New BOT	June 13, 2025	SEDP MBA	4 hrs.
Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs	October 15 - 17, 2025	RiMANSI	24 hrs.
Menopausal - Induced Awareness Campaign	October 24, 2025	LGU Tabaco	8 hrs.
Self Enhancement Training: Hair and Make-up	November 22 - 23, 2025	LGU Tabaco	16 hrs.

## MS. MARISSA LOVERES- MEMBER

TRAININGS / WEBINARS	DATE	PROVIDER	NO. OF HRS
Orientation for New BOT	June 13, 2025	SEDP MBA	4 hrs.
Good Governance and Anti-Money Laundering Act (AMLA) Workshop for Mi-MBAs	October 15 - 17, 2025	RiMANSI	24 hrs.

# MEDIA BRIEFING

RADIO VERITAS Holds Media Briefing Sponsored by SEDP MBA to Highlight Member Programs and Benefits

Legazpi City — The SEDP Simbag and SEDP MBA conducted successful media briefings via Radio Veritas to shed light on its ongoing programs and the wide range of benefits available to its members. The event aimed to strengthen public awareness of the institution's commitment to life protection of members and their families in unforeseen events especially during untimely death of member and/or his qualified dependents

The media briefing provided a platform for SEDP MBA leadership to engage with media partners, share success stories, and elaborate on key services offered to members. Representatives emphasized the institution's mission to promote inclusive growth through financial security and solidarity among members.

During the briefing, SEDP MBA also discussed its innovative approaches to member support, including faster claims processing, benefits, and other value-added services from beneficiaries highlighted how these programs have positively impacted their lives, especially in times of need.

Radio Veritas, known for its commitment to faith-based journalism and community upliftment, played a key role in amplifying the message of hope and resilience embedded in SEDP MBA's work.

The collaboration between SEDP MBA and Radio Veritas marks a significant step toward increasing transparency, engagement, and trust with the public and potential members.



# POLICIES

## RELATED PARTY TRANSACTIONS (RPT) BY THE TRUSTEES AND KEY EXECUTIVES

The directors and key executives shall be required to disclose their interest in transactions and any other conflict of interest in SEDP MBA.

SEDP MBA shall seek the assistance of a committee of independent trustees to review the materials and significant RPTs to determine whether they are in the best interest of SEDP MBA and their members.

SEDP MBA shall either/or forbid or ensure that loans to trustees are being conducted at arm's length and at market rates.

## SUPPLIERS AND 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 where a minimum of three (3) suppliers shall submit their proposal and business profile to the management for background check and validation of proposal. Selected supplier/contractor shall be issued a legal contract/agreement which will be duly notarized to make the engagement binding.

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

## WHISTLEBLOWER PROTECTION POLICY

Simbag sa Emerhensya asin Dagdag Paseguro Mutual Benefit Association Inc. (SEDP MBA) requires Board of Trustees, Management and Employees to observe high standards of service and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of SEDP MBA we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that SEDP MBA can address and correct inappropriate conduct and actions. It is the responsibility of all board members, officers, employees and volunteers to report concerns about violations of SEDP MBA's code of ethics or suspected violations of law or regulations that govern SEDP MBA's operations.

# ROLES OF STAKEHOLDER

## CUSTOMER WELFARE (SOCIAL PRACTICES)

SEDP MBA implements operational practices that ensure members are properly protected, informed, and supported.

- **Standardized Product Orientation** - Staff conduct face-to-face or group orientations during center meetings before enrollment. Members are explained coverage, premiums, exclusions, and claim procedures using simple local language.
- **Structured Claims Assistance Process** - Dedicated staff assist members in preparing and submitting claim requirements. A checklist is provided to beneficiaries to ensure complete documents, reducing delays in claim processing.
- **Grievance and Complaint Handling System** - Complaints RECIEVED VIA SEDP MBA FACEBOOK PAGE OR SIMBAG SPO'S are logged, monitored, and tracked until resolution.
- **Member Education Sessions** - Regular financial literacy and microinsurance awareness discussions are conducted. Center meetings include short modules on “importance of insurance coverage” and “proper filing of claims.”
- **Data Privacy Controls** - Member information is restricted to authorized personnel only. Physical files are stored in secured cabinets and digital records are password-protected.

## ENVIRONMENTALLY FRIENDLY VALUE CHAIN PRACTICES

SEDP MBA promotes environmentally responsible operations through efficiency and resource management.

- **Paperless and Digital Processing** - Use of digital encoding and electronic reporting systems where applicable. Member data and transactions are encoded electronically instead of printed multiple times.
- **Controlled Printing Practices** - Printing is limited to essential documents only. Reports are reviewed digitally before printing final approved copies. DURING MEETINGS DOCUMENTS FOR DISCUSSION WERE SHARED VIA GOOGLE DRIVE.
- **Energy Efficiency Measures** - Offices implement power-saving practices. Lights, air-conditioning units, and computers are turned off DURING LUNCH BREAK AND after office hours.
- **Recycling and Reuse of Materials** - Office materials are reused when possible. Reuse of folders, envelopes, and printed draft papers for internal use.

## SAFEGUARDING OF CREDITORS' RIGHTS (FINANCIAL PRACTICES)

SEDP MBA ensures financial stability and protection of creditor interests through disciplined financial management.

- **Timely Settlement of Obligations** - All financial commitments are paid according to agreed schedules. Operational expenses and partner obligations are released on or before due dates.
- **Regular Financial Monitoring** - Monthly and quarterly financial reviews are conducted. Management reviews income, claims payouts, and reserve levels to ensure liquidity stability and discussed during Finance Committee Meetings and Board Meetings.
- **Portfolio Quality Management** - Continuous monitoring of financial risk exposure. Delinquency reports are generated to identify branches needing intervention.
- **Internal Audit Reviews** - Scheduled and surprise audits are conducted. Verification of cash handling, claims processing, and compliance with financial procedures.
- **Transparent Financial Reporting** - Financial reports are quarterly submitted to the Finance Committee and Board of trustees. Quarterly reports include summaries of claims paid, premiums collected, and Financial and Investment status

## ANTI-CORRUPTION PRACTICES (GOVERNANCE AND ETHICS)

SEDP MBA enforces strict systems to prevent fraud, corruption, and unethical conduct.

- **Code of Conduct Compliance** - All employees and officers are required to follow ethical standards. Staff sign acknowledgment forms confirming adherence to policies on integrity and confidentiality.
- **Conflict of Interest Declaration** - Employees disclose relationships or interests that may influence decisions. A staff member handling a relative's transaction is required to formally declare and step out of the process.
- **Whistleblowing Mechanism** - Confidential reporting channels such as website, facebook page and hotlines are available for misconduct. Employees can report irregularities directly to compliance or audit units without fear of retaliation.
- **Routine and Surprise Audits** - Regular checks are conducted to detect irregularities. Unannounced branch audits verify cash balances and transaction records.
- **Ethics and Compliance Training** - Regular training sessions are conducted for staff and officers. Annual refresher courses on fraud prevention and proper fund handling.
- **Disciplinary Enforcement** - Violations are acted upon promptly based on policy. Employees involved in fraud or misappropriation face suspension or termination after due process.

## MEMBER PROTECTION AND FINANCIAL INCLUSION PRACTICES

SEDP MBA ensures that members receive fair, transparent, and accessible services through the following practices:

- Conduct of center meetings with pre-enrollment product orientation explaining benefits, coverage, and exclusions
- Provision of simplified policy summaries for member understanding
- Implementation of a no-hidden-charge policy in premiums and claims
- Deployment of staff to satellite parish offices to reach remote communities
- Use of member-friendly communication during enrollment and servicing

## DATA PRIVACY AND INFORMATION SECURITY PRACTICES

The organization protects member and institutional data through strict controls:

- Restricted access to member databases based on staff roles and authorization
- Use of password-protected systems and secure log-in protocols
- Maintenance of locked physical storage for sensitive documents
- Regular backup of electronic data systems
- Enforcement of confidentiality agreements for employees and officers

## RISK MANAGEMENT PRACTICES

SEDP MBA ensures operational stability through proactive risk controls:

- Maintenance of a risk register covering financial and operational risks
- Regular monitoring of portfolio quality and claims trends
- Conduct of internal audits and compliance reviews
- Implementation of emergency preparedness activities such as fire drills

Establishment of business continuity measures for service disruptions

## CLAIMS MANAGEMENT PRACTICES

The organization ensures fair, consistent, and timely claims processing through structured procedures:

- Use of a standard claims checklist to ensure complete requirements
- Assignment of reference numbers for all claims filed for tracking purposes
- Implementation of a defined turnaround time for claims processing upon complete submission
- Conduct of multi-level review and approval process for claims validation
- Establishment of an escalation system for disputed claims

## STAKEHOLDER ENGAGEMENT PRACTICES

SEDP MBA maintains active engagement with communities and partner institutions through:

- Conduct of barangay orientations on microinsurance and financial literacy
- Implementation of Simbag-Salud Medical Missions in partner parishes
- Collaboration with volunteer medical professionals and local organizations
- Collection of member feedback during center meetings for service improvement
- Continuous coordination with parish-based outreach offices

## BOARD GOVERNANCE PRACTICES

SEDP MBA strengthens governance through structured oversight mechanisms:

- Regular conduct of Board of Trustees meetings for policy and strategic decisions
- Clear separation of governance (Board) and management functions
- Annual Board self-assessment evaluation to measure effectiveness
- Formation of Board committees for audit, risk, and governance oversight
- Documentation and formal approval of all major policies and resolutions

## STAKEHOLDER ENGAGEMENT PRACTICES

SEDP MBA maintains active engagement with communities and partner institutions through:

- Conduct of barangay orientations on microinsurance and financial literacy
- Implementation of Simbag-Salud Medical Missions in partner parishes
- Collaboration with volunteer medical professionals and local organizations
- Collection of member feedback during center meetings for service improvement
- Continuous coordination with parish-based outreach offices
- Provides Scholarship for Member's Children
- Conduct Simbang Gabi Feeding Program
- Collaboration with Social Action Center of Legazpi for providing more assistance to the members
- Provides Value Added Services like the following:
  - LAMAY PACKAGE (Php 1,000.00 for funeral Mass and Php 1,000 food assistance during wake)
  - SEDP CARE (PHP 10,000.00 for coffin)
  - CALAMITY ASSISTANCE for fire, flood and typhoon
  - WEDDING VALIDATION

# POLICIES

## POLICY ON DIVIDENDS

**SEDP MBA does not declare dividends for distribution to its members.**

However, in line with Section 408 of Republic Act 10607, also known as the amended Insurance Code, all Mutual Benefit Associations (MBAs) in the Philippines—including Simbag sa Emerhensya asin Dagdag Pasiguro Mutual Benefit Association, Inc. (SEDP MBA Inc.)—are permitted to retain a free and unassigned surplus of up to 20% of their total liabilities. Any excess beyond this threshold must be used to fund programs and initiatives that benefit members, strengthen the capacities of both employees and members, support research and development for new products or services, and enhance the Association’s systems and operations.

These surplus funds may be distributed to members in the form of cash or in-kind benefits, subject to verification and approval by the Insurance Commission.

For the year 2025, based on a Board Resolution approved on October 6, 2025,, the Board of Trustees authorized the allocation of Php 16,260,593.15 from the surplus funds to support the following programs and projects:

PARTICULARS	%RATE	AMOUNT
Members' Benefit	70%	11,382,415.21
Members' Education	15%	2,439,088.97
Capacity Building	10%	1,626,059.32
Acquisition of Systems and Equipment	3%	487,817.79
Research & Development Fund	2%	325,211.86
<b>TOTAL</b>	<b>100%</b>	<b>16,260,593.15</b>

These funds are intended to improve the well-being of our members and to strengthen the capacity of our organization to serve more effectively.

# RISK MANAGEMENT

## INSURANCE RISK

The risk arises when actual claims and benefit payments exceed the carrying value of recognized insurance liabilities. Contributing factors include higher-than-anticipated claim frequency, increased claim severity, benefit payments surpassing initial projections, and adverse developments in long-term claims over time.

the Board of Trustees' responsibilities include:

- Oversee risk identification, assessment, and reporting.
- Ensure adequate reserves for future claims.
- Monitor claims management to control losses and prevent fraud.
- Review regular risk reports and conduct stress tests for worst-case scenarios.
- Engage with external auditors and actuaries for independent insights.
- Promote a risk-aware culture and support investments in data and technology LIKE E-MUTUALS

Management's responsibilities include:

- Enable MIS to provide updated, accurate and reliable data to aid in pricing decisions, monitor claim patterns, provide the best estimate to actuary.

## LIQUIDITY RISK

It is the possibility of losses to an institution resulting from the inability to meet current cash obligations in a timely and cost-efficient manner.

The Board of Trustees' responsibilities include:

- Overseeing risk identification, assessment, and reporting.
- Ensuring adequate reserves for future claims.
- Monitoring claims management to control losses and prevent fraud.
- Reviewing regular risk reports and conducting stress tests for worst-case scenarios.
- Engaging with external auditors and actuaries for independent insights.
- Promoting a risk-aware culture and supporting investments in data and technology (like e-mutuals).

Management's responsibilities include:

- Enabling Management Information Systems (MIS) to provide updated, accurate, and reliable data to aid in pricing decisions, monitor claim patterns, and provide the best estimates to actuaries.

## INVESTMENT PORTFOLIO RISK

It is the possibility of loss due to overly aggressive or overly conservative investment strategies of excess liquidity that fail to optimize the Institution's income goals and long-term investment strategies for future financial services, reserves, operating expenses, asset purchase or other productive investments.

The Board of Trustees' responsibilities include:

- Establish and regularly review the investment policy statement (IPS)
- Approve asset allocation strategies that balance risk and return objectives
- Monitor investment performance against benchmarks and risk tolerances
- Ensure proper diversification across asset classes to mitigate concentration risk
- Oversee liquidity management to meet operational and claim payment needs
- Assess market condition impacts on the investment portfolio
- Ensure compliance with regulatory requirements and internal policies
- Receive regular reports on portfolio composition, performance, and risk metrics
- Consider ESG factors and their potential impact on long-term returns
- Maintain appropriate oversight of derivatives and alternative investments

## CREDIT RISK

Risk relating to financial loss resulting from the inability to collect anticipated interest earnings, or on capital resulting from loan default.

The Board of Trustees' responsibilities include:

- Approve the credit risk strategy and risk appetite statement of the organization.
- Monitor credit risk exposures and ensure that adequate risk management systems are in place. Approve credit risk policies, including underwriting standards, credit limits, and portfolio diversification.
- Periodically review reports on credit performance and risk concentrations.

Management's responsibilities include:

- Implement a robust credit evaluation process for approving loans or credit exposures.
- Continuously assess credit portfolios for signs of deterioration, and take corrective action as needed.
- Implement strategies like collateral requirements, credit insurance, or provisioning to minimize credit losses.
- Provide regular reports on credit risk metrics and exceptions to the Board.

## LEGAL AND COMPLIANCE RISK

It is the risk of financial losses and negative social performance related to non-compliance with internal and external regulations and laws.

The Board of Trustees' responsibilities include:

- Ensure that the organization complies with all relevant laws, regulations, and internal policies.
- Review and approve compliance-related policies and frameworks, including anti-money laundering, data privacy, and regulatory reporting.
- Hold management accountable for maintaining a culture of compliance and ethical conduct.
- Regularly receive reports on compliance performance, breaches, and legal issues.

Management's responsibilities include:

- Develop and implement policies, procedures, and controls to manage legal and compliance risks.
- Ensure regular monitoring of compliance activities and report breaches or legal issues to the Board.
- Conduct ongoing staff training on regulatory requirements and legal obligations.
- Engage with regulators, auditors, and legal advisers as needed to resolve compliance matters.

## FRAUD RISK

Insurance Fraud Common frauds include "padding," or inflating claims; misrepresenting facts on an insurance application; submitting claims for injuries or damage that never occurred; and staging accidents.

The Board of Trustees' responsibilities include:

- Set the tone at the top regarding ethical behavior and zero tolerance for fraud.
- Approve and oversee implementation of anti-fraud policies and whistleblower mechanisms.
- Ensure independent audit and risk committees are functional and effective.
- Monitor high-level fraud incidents and response strategies.

Management's responsibilities include:

- Implement and enforce internal controls to prevent, detect, and respond to fraud.
- Conduct fraud risk assessments regularly.
- Train staff on fraud awareness and ethical behavior.
- Investigate fraud incidents and take disciplinary or legal action where appropriate.

## PROCESS RISK

It is the risk of financial losses and negative social performance related to failed internal business processes within every aspect of the business. This can include product design flaws and internal project failures.

The Board of Trustees' responsibilities include:

- Approve operational risk management frameworks.
- Oversee policies that ensure business processes are well-documented, controlled, and reviewed.
- Monitor key performance indicators (KPIs) and key risk indicators (KRIs) related to operational efficiency.

Management's responsibilities include:

- Develop, document, and maintain efficient business processes.
- Identify and address process inefficiencies or failures.
- Establish control activities (e.g., approvals, reconciliations).
- Use technology and training to streamline and safeguard operations.

# APPOINTMENT OF EXTERNAL AUDITOR TO AUDIT THE 2025 FINANCIAL STATEMENT

The Board of Trustees on its Annual General Meeting appointed the QUILAB & GARSUTA, CPAs Cagayan de Oro - General Santos to be the External Auditor of SEDP MBA. Fr. Arjona explained that it was the recommended external auditor of the Management because it has passed the requirement of Insurance Commission to conduct an audit to MBAs. Below is the Fees & Incidental Expenses proposed.

## FEES AND INCIDENTAL EXPENSES

### Professional Fees

For the services outlined above, we will bill you for our professional fees the amount in pesos of: ONE HUNDRED THOUSAND PESOS ONLY ( P=100,000 ) exclusive of 12% input vat.

### Out-of-Pocket Costs

As the usual practice in our profession, we will bill you for the out-of-pocket expenses we will incur in this engagement representing substantially the cost of transportation, board and lodging, communications and the reproduction of our reports to the Association. Our charges, which have been billed consistently during our previous engagements, would be guided by our existing policies as follows:

#### a) Food Expenses

An employee on official business outside of Cagayan de Oro City shall receive a fixed per diem for food expenses in the amount of SIX HUNDRED PESOS (P=600) per day for meals not provided by clients. In case of broken claims for meal allowance, an employee may claim TWO HUNDRED PESOS (P=200) each for breakfast, lunch and dinner. No receipts are required in liquidating meals per diem.

#### b) Lodging Expenses

Unless provided by client, employees on official business trips are required to secure safe and decent lodgings in their destinations. Lodging expenses are based on actual rates and must be liquidated with actual receipts using the Travel Liquidation Report.

#### c) Transportation

Employees on mission outside of the home base shall have their actual transportation expenses reimbursed based on actual receipts submitted.

#### d) Report Reproduction

We shall charge the Association with a fixed cost for report reproduction of SIX HUNDRED PESOS ONLY (P=600.00) per printed reports for the Board of Trustees and Management and reports to be submitted to the BIR, SEC and IC. We will be printing our reports based on the following allotments:

For BOD and management - 5  
 For SEC - 2  
 For IC - 2  
 For BIR - 3  
 Total 12

#### e) Other Costs

Other necessary costs that would be incurred (such as reproduction costs of audit-related documents, mailing, communication and others) would also be charged to you based on reimbursements basis.

# REGULATORY AND COMPLIANCE REGISTRATION



## AWARDS



SEDP MBA expressed its sincere gratitude to the Insurance Commission for the invitation to its 76th Anniversary celebration held on March 20, 2025, at Space One Ayala. During the event, Vice Chairperson Teresita Q. Galang received the “Special Citation to SEDP MBA” in recognition of the organization’s valuable contribution to microinsurance.



SEDP MBA has proudly attained a Corporate Governance Scorecard Rating of 89.83% — a shining testament to our dedication to integrity, transparency, and accountability.

This milestone inspires us to continue serving our members and community with excellence and passion.

# TRANSPARENCY AND ACCOUNTABILITY

To better improve the services provided by SEDP MBA, the management is enthusiastic to hear and welcome any suggestions from the members and stakeholders. Further, if there are any inappropriate conduct or actions against the Code of Conduct and/or any violations to the policies that governs the SEDP MBA, members and stakeholders are encouraged to report such to the appropriate means of communications. The following means of communications are open during office hours from 8:00 AM to 5:00 PM Monday -Friday to attend to your concerns.



## Contact Us



0917-187-1373 (Globe)



sedp\_mba@yahoo.com.ph  
mba.gm@sedp.ph



<https://www.sedpmba.com/contact/>



<https://www.facebook.com/sedpmbamicroinsurance/>





**Simbag sa Emerhensya asin Dagdag Paseguro**  
**Mutual Benefit Association, Inc. (SEDP MBA)**  
2<sup>nd</sup> Floor SEDCen Bldg. Block 7, Landco Business Park,  
Legazpi City, Philippines  
Contact #: 09171871373  
Email: sedp\_mba@yahoo.com.ph

## STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc. is responsible for the preparation and fair presentation of its financial statements for the years ended December 31, 2025 and 2024, in accordance with Philippine Financial Reporting Standards (PFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Association's financial reporting process.

The Board of Trustees reviews and approves the financial statements and submits the same to the members of the Association.

Quilab & Garsuta, CPAs, the independent auditors appointed by the Board of Trustees for the periods December 31, 2025 and 2024, have audited the financial statements of the Association in accordance with Philippine Standards on Auditing (PSAs), and in their reports to the Board of Trustees and members, have expressed their opinion on the fairness of presentation upon completion of such audits.

April 27, 2026, Legazpi City, Albay, Philippines.

  
**TERESITA Q. GALANG, CPA, DBA**  
Chairperson, Board of Trustees

  
**ELLA S. GONZALO**  
General Manager

  
**ROCHELLE B. APOON**  
Treasurer

## REPORT OF INDEPENDENT AUDITORS

Contact Information

2F, Executive Centrum Building, J.R. Borja Street  
Cagayan de Oro City, Philippines, 9000  
(063) 88-856-4401, 0917-7121352  
quilabgarsuta.com

Current Accreditations

BOA, BIR, SEC, BSP, IC  
CDA, NEA, MISEREOR, KNH

The Board of Trustees and Members of  
**Simbag sa Emerhensya Asin Dagdag Paseguro  
Mutual Benefit Association (SEDP MBA), Inc.**  
2/F SEDCen Building, Block 7, Landco Business Park  
Capantawan, Legazpi City

### Report on the Financial Statements

Opinion

We have audited the financial statements of Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc., which comprise the statements of financial position as at December 31, 2025 and 2024, the statements of profit or loss and other comprehensive income, statements of changes in fund balances and statements of cash flows for the years then ended, and notes to financial statements comprising of a summary of material accounting policy information and other explanatory notes, collectively referred to as 'financial statements.'

In our opinion, the accompanying financial statements present fairly, in all materials respects, the financial position of Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc. as of December 31, 2025 and 2024 and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the *Code of Ethics for Professional Accountants in the Philippines* (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

*Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audits. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

**Report on the Supplementary Information Required Under Revenue Regulations 15-2010**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, licenses and fees in Note 26 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

**QUILAB & GARSUTA, CPAs**

By:



**ANA MARIAE MICHELLE D. QUILAB-ARRABACA**

Partner

CPA Cert. No. 121076

TIN No. 948-844-710

PRC/BOA Cert. No. 7787, 2023-2026

BIR 16-007506-003-2026, 2025-2027

IC-EA-2025-0040-R Group A, 2025-2027

CDA CEA No. 1883-SP, 2024-2029

121076-SEC Group B, 2020-2025

170-BSP Group B, 2025-2029

PTR No. 6497884 A

January 4, 2026

Cagayan de Oro City

April 27, 2026

Cagayan de Oro City, Philippines

## STATEMENTS OF FINANCIAL POSITION

Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc.

December 31,

2025

2024

### ASSETS

#### Current Assets

Cash and cash equivalents (Note 5)	P209,773,161	P198,143,202
Investments in debt and equity securities (Note 6)	20,340,451	–
Trade and other receivables (Note 7)	3,749,868	3,479,786
Other assets (Note 8)	46,452	41,910
Total Current Assets	233,909,932	201,664,898

#### Non-Current Assets

Investments in debt and equity securities (Note 6)	315,866,769	289,866,670
Furniture, fixtures and office equipment – net (Note 9)	726,897	605,319
Total Non-Current Assets	316,593,666	290,471,989

P550,503,598 P492,136,887

### LIABILITIES AND FUND BALANCES

#### Current Liabilities

Trade and other payables (Note 10)	P12,754,857	P13,418,124
Insurance contract liabilities (Note 11)	2,575,744	1,772,741
Total Current Liabilities	15,330,601	15,190,865

#### Non-Current Liabilities

Aggregate reserves for unexpired risks (Note 12)	291,543,340	262,265,969
Retirement benefit obligation – net (Note 13)	533,281	2,173,065
Total Non-Current Liabilities	292,076,621	264,439,034
Total Liabilities	307,407,222	279,629,899

#### Fund Balances

Guaranty Fund (Note 14)	56,404,026	50,929,091
Special Funds (Note 15)	91,950,121	82,465,401
General Fund (Note 16)	87,353,950	74,769,756
Revaluation reserve on investments at FVTOCI (Note 6)	5,162,609	4,038,395
Remeasurement gain on defined benefit plan (Note 13)	2,225,670	304,345
Total Fund Balances	243,096,376	212,506,988

P550,503,598 P492,136,887

See Note to Financial Statements

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc.

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>		
Gross members' premium contributions <i>(Note 17)</i>	<b>₱109,498,690</b>	₱101,660,988
Less contributions to Guaranty Fund <i>(Note 14)</i>	<b>5,474,935</b>	5,083,049
Net members' premium contributions	<b>104,023,755</b>	96,577,939
Interest and investment income <i>(Notes 5 and 6)</i>	<b>19,741,703</b>	16,999,951
Membership fees <i>(Note 17)</i>	<b>1,960,944</b>	2,215,726
Other income	<b>227,267</b>	23,140
Total Revenue	<b>125,953,669</b>	115,816,756
<b>BENEFITS AND OPERATING EXPENSES</b>		
Benefits and claims paid to members <i>(Notes 11 and 17)</i>	<b>47,559,765</b>	50,093,986
Increase in aggregate reserves for unexpired risks <i>(Note 12)</i>	<b>29,277,371</b>	25,155,312
Collection costs <i>(Notes 10)</i>	<b>8,909,333</b>	8,139,600
Membership enrollment and marketing expenses	<b>1,595,356</b>	1,113,906
Members' other benefits	<b>1,208,197</b>	1,309,950
Research and development	<b>40,000</b>	91,879
Total Members' Benefits and Expenses	<b>88,590,022</b>	85,904,633
Compensation and employees' benefits <i>(Note 18)</i>	<b>4,887,705</b>	5,679,363
General and administrative expenses <i>(Note 19)</i>	<b>3,351,109</b>	2,907,571
Depreciation <i>(Note 9)</i>	<b>280,046</b>	241,450
Total Benefits and Operating Expenses	<b>97,108,882</b>	94,733,017
<b>NET SUPLUS FOR THE YEAR</b>	<b>28,844,787</b>	21,083,739
<b>OTHER COMPREHENSIVE INCOME</b>		
<i>Item that may not be subsequently reclassified to profit or loss:</i>		
Changes in value of investments at FVTOCI <i>(Note 6)</i>	<b>1,124,214</b>	832,564
Changes in value of defined benefit plan <i>(Note 13)</i>	<b>1,921,325</b>	79,475
Net	<b>3,045,539</b>	912,039
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>₱31,890,326</b>	₱21,995,778

See Notes to Financial Statements.

## STATEMENTS OF CHANGES IN FUND BALANCES

Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc.

December 31,	2025	2024
<b>GUARANTY FUND</b> (Note 14)		
Opening balances	₱50,929,091	₱45,846,042
Contributions from members during the year	5,474,935	5,083,049
Closing balances	56,404,026	50,929,091
<b>APPROPRIATED SPECIAL FUNDS</b> (Note 15)		
Opening balances	82,465,401	57,113,006
Additional funding during the year	16,260,593	35,438,275
Disbursements during the year	(6,775,873)	(10,085,880)
Closing balances	91,950,121	82,465,401
<b>GENERAL FUND</b> (Note 16)		
Opening balances	74,769,756	89,124,292
Net surplus for the year	28,844,787	21,083,739
Appropriations to Special Funds	(16,260,593)	(35,438,275)
Closing balances	87,353,950	74,769,756
<b>REVALUATION RESERVE ON INVESTMENTS AT FVTOCI</b>		
Opening balances	4,038,395	3,205,831
Changes in value of investments in equity securities at FVTOCI (Note 6)	1,124,214	832,564
Closing balances	5,162,609	4,038,395
<b>REMEASUREMENT GAIN ON DEFINED BENEFIT PLAN</b> (Note 13)		
Opening balances	304,345	224,870
Actuarial and remeasurement gain	1,921,325	79,475
Closing balances	2,225,670	304,345
	<b>₱243,096,376</b>	<b>₱212,506,988</b>

See Notes to Financial Statements

## STATEMENTS OF CASH FLOWS

Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc.

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net surplus for the year	<b>₱28,844,787</b>	₱21,083,739
Add (deduct) adjustments for:		
Increase in aggregate reserves for unexpired risks <i>(Note 12)</i>	<b>29,277,371</b>	25,155,312
Provision for retirement benefits <i>(Note 13)</i>	<b>299,814</b>	1,160,050
Depreciation <i>(Note 9)</i>	<b>280,046</b>	241,450
Interest and investments income <i>(Notes 5 and 6)</i>	<b>(19,741,703)</b>	(16,999,951)
Operating surplus before changes in working capital	<b>38,960,315</b>	30,640,600
Add (deduct) changes in working capital, excluding cash:		
Decrease (increase) in:		
Trade and other receivables <i>(Note 7)</i>	<b>(270,082)</b>	(2,262,038)
Other current assets <i>(Note 8)</i>	<b>(4,542)</b>	155,769
Increase (decrease) in:		
Trade and other payables <i>(Note 10)</i>	<b>(663,267)</b>	4,003,838
Insurance contract liabilities <i>(Note 11)</i>	<b>803,003</b>	470,227
Net Cash Provided from Operating Activities	<b>38,825,427</b>	33,008,396
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest and investment income <i>(Notes 5 and 6)</i>	<b>19,741,703</b>	16,999,951
Decrease (increase) in investments in debt and equity securities <i>(Note 6)</i>	<b>(45,216,336)</b>	(5,224,561)
Additions to furniture, fixtures and office equipment <i>(Note 9)</i>	<b>(401,624)</b>	(391,747)
Net Cash (Used for) Provided from Investing Activities	<b>(25,876,257)</b>	11,383,643
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Guaranty Fund <i>(Note 14)</i>	<b>5,474,935</b>	5,083,049
Increase in retirement benefit obligation <i>(Note 13)</i>	<b>425,043</b>	2,555,503
Decrease in special funds <i>(Note 15)</i>	<b>(6,775,873)</b>	(10,085,880)
Retirement payments <i>(Note 13)</i>	<b>(443,316)</b>	(1,105,655)
Net Cash Used for Financing Activities	<b>(1,319,211)</b>	(3,552,983)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>11,629,959</b>	40,839,056
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>198,143,202</b>	157,304,146
<b>CLOSING CASH AND CASH EQUIVALENTS</b> <i>(Note 5)</i>	<b>₱209,773,161</b>	₱198,143,202

See Notes to Financial Statements.

## **NOTES TO FINANCIAL STATEMENTS**

Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc.  
*As of and the Years Ended December 31, 2025 and 2024*

---

### **Note 1**

#### **Organization and Tax Exemption**

The Simbag sa Emerhensya Asin Dagdag Paseguro Mutual Benefit Association (SEDP MBA), Inc. (referred to in the following sections as 'Association') was organized by the members of Simbag sa Emerhensya Asin Dagdag Paseguro, Inc. 'to extend financial assistance to its members, spouse, siblings, children and parents in the form of death benefits, sickness benefits, provident savings and loan redemption assistance; to ensure continued access to benefits/resources by actively involving the members in the management of the Association that will include the implementation of policies and procedures geared towards sustainability and improved services.'

The Association was registered with the Securities and Exchange Commission (SEC) on February 17, 2009 and obtained its secondary license from the Insurance Commission (IC) on August 27, 2009. It is operating under IC License No.2025-20-5 from January 1, 2025 to December 31, 2027. It is governed by its Board of Trustees, which receives no compensation. It devotes all its income for the purposes enumerated in its Articles of Incorporation.

The Association currently holds office at the 2<sup>nd</sup> Floor, SEDCen Building, Block 7, Landco Business Park, Capantawan, Legazpi City, Albay, a building owned and managed by SEDP Multi-Purpose Cooperative. The Association is free of charge but it shares on the costs of monthly utilities.

As at December 31, 2025, the Association has a total membership of 99,143.

#### **Tax Exemptions**

The Association is a holder of Certificate of Tax Exemption No. S30 No. 032 – 22– RR–10-RDO067 which entitles it with tax exemption for three (3) years from August 23, 2022 to August 23, 2025. The renewal of its tax exemption is presently on-going.

The Association, being an association for the exclusive benefit of its members by providing for the payment of life and other benefits, is exempt from the payment of taxes from income derived by it, in accordance with Section 30 (C) of the National Internal Revenue Code, as amended. It has proven by actual operation that its primary purpose falls under Section 30 (C) of the National Internal Revenue Code (NIRC) of 1997, as amended. It is however subject to income taxes on income derived from any of its properties, real or personal, bank deposits, gains from investments, and rental income from real and personal properties. The Association has been reporting income from interest on its bank deposits and investments at net of the applicable withholding taxes.

---

### **Note 2**

#### **Statement of Compliance with PFRS Accounting Standards**

##### **Statement of Compliance**

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards) and Philippine Interpretations-IFRIC.

PFRS Accounting Standards include statements named PFRSs and Philippine Accounting Standards (PAS),

and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy (BOA) and adopted by the Securities and Exchange Commission (SEC).

Because the Association is a supervised entity by the Insurance Commission (IC), it also abides by the regulations of the Commission particularly those that are set forth under Section 189 of The Amended Insurance Code and with IC Circular Letter No. 2021-04 *Amendment of the Standard Chart of Accounts (SCA) for Mutual Benefits Associations (MBAs)*, and all applicable IC Circular Letters and accounting requirements. These regulations and requirements are substantially compliant with PFRS Accounting Standards and the Revised SRC Rule 68 (2019).

*Adoption of New and Amended PFRS Accounting Standards that are Effective for the Current Year*

In the current year, the Association has applied the following amendment to PFRS Accounting Standards issued by the IASB and adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) which is mandatorily effective for an accounting period that begins on or after 1 January 2025.

*Amendments to PAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability*

The Association has adopted the amendments to PAS 21 for the first time in the current year. The amendments were adopted by the FSRSC on October 10, 2023. These amendments so far are the only ones adopted and implemented beginning January 1, 2025. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

*New and Revised IFRS Accounting Standards in Issue but not yet Effective*

At the date of authorization of these financial statements, the Association has not applied the following new and revised PFRS Accounting Standards that have been issued but are not yet effective (and, in some cases, have not yet been adopted by the FSRSC):

- PFRS 17 *Insurance Contracts* (including the June 2020 and December 2021 amendments to IFRS 17)
- Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to IFRS Accounting Standards – Volume 11 *Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows*
- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity*
- IFRS 18 *Presentation and Disclosures in Financial Statements*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*

The management of the Association does not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Association in future periods, except if indicated below.

### PFRS 17 Insurance Contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 *Insurance Contracts*. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

In December 2021, the IASB issued Initial Application of IFRS 17 and IFRS 9—*Comparative Information (Amendment to IFRS 17)* to address implementation challenges that were identified after IFRS 17 was published. The amendment addresses challenges in the presentation of comparative information. IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied. For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The FSRSC adopted the amendments to IFRS 17 on December 15, 2021 (and identified the standard as PFRS 17) and amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB. On February 14, 2025, the FSRSC approved the amendment to PFRS 17 that further defers the date of initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard. The Insurance Commission (IC), however, issued Circular Letter No. 2024-19, dated October 17, 2024, mandating all MBAs to adopt PFRS 17 starting January 1, 2030 to ensure regulatory stability and smooth implementation. MBAs are not precluded from implementing PFRS 17 in their audited financial statements before January 1, 2030.

The Association has determined that its existing products extended to its members has significant insurance risk and therefore meets the definition of an insurance contract. Presently, these are accounted for under PFRS 4, which will be superseded by PFRS 17 beginning January 1, 2030.

The Association is working closely with its actuaries and the mutual benefit industry association it belongs to for guidance and understanding in the implementation of the provision of PFRS 17.

Amendments to PFRS 9 and PFRS 7—Amendments to the Classification and Measurement of Financial Instruments  
Amendments to the Classification and Measurement of Financial Instruments adopted by the FSRSC on July 12, 2024 to become effective beginning January 1, 2026. The amendments in *Amendments to the Classification and Measurement of Financial Instruments (Amendments to PFRS 9 and PFRS 7)* are the following:

#### Derecognition of a financial liability settled through electronic transfer

The amendments permit the Association to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognized) before the settlement date if specified criteria are met. If the Association elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

### Classification of financial assets

- Contractual terms that are consistent with a basic lending arrangement.  
The amendments provide guidance on how the Association should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist the Association to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.
- Assets with non-recourse features.  
The amendments enhance the description of the term 'non-recourse', in particular to specify that a financial asset has non-recourse features if the Association's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- Contractually linked instruments.  
The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

### Disclosures

- Investments in equity instruments designated at FVTOCI.  
The requirements in PFRS 7 are amended to require the Association to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period.
- Contractual terms that could change the timing or amount of contractual cash flows.  
The amendments require the Association to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortized cost or FVTOCI and each class of financial liability measured at amortized cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If the Association elects to apply these amendments for an earlier period, it is required to either: (1) apply all the amendments at the same time and disclose that fact or (2) apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with PAS 8, with specific exceptions.

The Board of Trustees of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods.

### Annual Improvements to PFRS Accounting Standards – Volume 11

Amendments to PFRS 1 First-time Adoption of International Financial Reporting Standards, PFRS 7 *Financial Instruments: Disclosures and its accompanying Guidance on implementing PFRS 7*, PFRS 9 *Financial Instruments*, PFRS 10 *Consolidated Financial Statements*, and PAS 7 *Statement of Cash Flows*. The IASB issued amendments to five IFRS Accounting Standards as part of its annual improvements process and these amendments were adopted by the FSRSC on August 22, 2024 to become effective beginning January 1, 2026.

These amendments are the following:

PFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter

For consistency with the requirements in PFRS 9, PFRS 1:B5-B6 were amended to refer to the 'qualifying criteria' for hedge accounting (instead of the 'conditions') and to add cross-references to PFRS 9:6.4.1 to improve the understandability of PFRS 1.

PFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition

The amendments remove an obsolete cross-reference in PFRS 7:B38 to a paragraph that had been deleted when PFRS 13 was issued and align the wording of this paragraph with the terms used in PFRS 13.

Guidance on implementing PFRS 7—Disclosure of deferred difference between fair value and transaction price

The amendments update PFRS 7:IG14 to make the wording of that paragraph consistent with PFRS 7:28 and improve the internal consistency of the wording in the example in PFRS 7:IG14.

Guidance on implementing PFRS 7—Introduction and credit risk disclosures

The amendments add a statement to PFRS 7:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in PFRS 7:IG20B.

PFRS 9 Financial Instruments—Derecognition of lease liabilities

The amendments add a cross-reference to PFRS 9:3.3.3 in PFRS 9.2.1(b)(ii) to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply PFRS 9:3.3.3 and therefore recognize any resulting gain or loss in profit or loss.

PFRS 9 Financial Instruments—Transaction price

The amendments replace 'their transaction price (as defined in PFRS 15)' in PFRS 9.5.1.3 with 'the amount determined by applying PFRS 15' to address inconsistency between PFRS 9.5.1.3 and the requirements of PFRS 15 which may require a receivable to be measured at an amount that differs from the amount of the transaction price recognized as revenue. Additionally, the reference to 'transaction price' (as defined in PFRS 15) is deleted from Appendix A of PFRS 9.

PFRS 10 Consolidated Financial Statements—Determination of a 'de facto agent'

The amendments address concerns that the requirements in PFRS 10:B73-B74 might, in some situations, be contradictory. PFRS 10:B73 refers to 'de facto agents' as parties acting on the investor's behalf and states that the determination of whether other parties are acting as de facto agents requires judgement. However, the second sentence of PFRS 10:B74 includes more conclusive language and states that a party is a de facto agent when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf. The amendments update PFRS 10:B74 to use less conclusive language and to clarify that the relationship described in PFRS 10:B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

PAS 7 Statement of Cash Flows—Cost method

The amendment replaces the term 'cost method' with 'at cost' in PAS 7:37 in line with the removal of the definition of 'cost method' from the PFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The Association is required to apply the amendments to PFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the Association first applies that amendment. No specific transition provisions are provided in respect of the other amendments.

Amendments to PFRS 9 and PFRS 7—Contracts Referencing Nature-dependent Electricity

Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity* were adopted by the

FSRSC on February 14, 2025 to become effective beginning January 1, 2026.

Amendments to PFRS 9 *Financial Instruments*

The following requirements of PFRS 9 are affected by the amendments:

- The own-use requirements in PFRS 9 are amended to include the factors the Association is required to consider when applying PFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and
- The hedge accounting requirements in PFRS 9 are amended to permit the Association using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument: (1) to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and (2) to measure the hedged item using the same volume assumptions as those used for the hedging instrument.

Amendments to PFRS 7 *Financial Instruments: Disclosures* and PFRS 19 *Subsidiaries without Public Accountability: Disclosures*

PFRS 7 and PFRS 19 were amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The amendments to the own use exemption are required to be applied retrospectively in accordance with PAS 8 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The Board of Trustees of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods.

PFRS 18 *Presentation and Disclosures in Financial Statements*

PFRS 18 includes requirements for all entities applying PFRS for the presentation and disclosure of information in financial statements, which were issued on April 9, 2024, adopted by FSRSC on May 10, 2024, to become effective beginning the annual periods January 1, 2027.

PFRS 18 replaces PAS 1, carrying forward many of the requirements in PAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from PAS 1 have been moved to PAS 8 and PFRS 7. Furthermore, the PASB has made minor amendments to PAS 7 and PAS 33 *Earnings per Share*.

PFRS 18 introduces new requirements to: (1) present specified categories and defined subtotals in the statement of profit or loss, (2) provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements, and (3) improve aggregation and disaggregation.

The Association is required to apply PFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to PAS 7 and PAS 33, as well as the revised PAS 8 and PFRS 7, become effective when the Association applies PFRS 18. PFRS 18 requires retrospective application with specific transition provisions.

The Board of Trustees of the Association anticipate that the application of these amendments may have an impact on the Association's financial statements in future periods.

PFRS 19 *Subsidiaries without Public Accountability: Disclosures*

PFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use

that comply with PFRS Accounting Standards) to provide reduced disclosures when applying PFRS Accounting Standards in its financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The Board of Trustees of the Association do not anticipate that PFRS 19 will be applied for purposes of the financial statements of the Association.

*Adoption of PFRS on Sustainability Disclosures and Issuance of Reporting Guidelines for Companies*

The SEC issued Memorandum Circular No. 16, Series of 2025, titled 'Adoption of Philippines Financial Reporting Standards (PFRS) on Sustainability Disclosures and Issuance of Reporting Guidelines for Publicly Listed Entities and Largely Non-listed Entities' on December 23, 2025. PFRS S1 and S2 have been adopted by the Professional Regulatory Board of Accountancy on March 12, 2024, under its Resolution No. 11, Series of 2024 and formally adopted by the SEC during its Commission En Banc meeting on December 4, 2025.

PFRS S1 sets out the general requirements for the disclosure of sustainability related financial information, while PFRS S2 focuses on climate related disclosures.

The SEC issued the Sustainability Reporting Guidelines, together with a PFRS Adoption Roadmap, to guide covered companies in phased implementation. These standards are aligned with IFRS S1 and S2 issued by the International Sustainability Standards Board and were approved for local application through the Philippine standard setting process. The Guidelines aim to enhance transparency, comparability, and decision usefulness of sustainability disclosures and support long term value creation to attract investments.

All publicly listed companies (PLCs) and large non-listed entities (LNLs) are required to submit a Sustainability Report as an attachment to their annual reports to the SEC. LNLs not reporting under Section 17.2 of the Revised SRC are required to submit a Sustainability Report together with their audited financial statements beginning on or after January 1, 2026. Beginning 2026, covered companies are required to start adopting PFRS S1 and PFRS S2 with limited extensions of transition standard reliefs, under a tiered approach.

The Association, not being a PLC or LNL, has determined that it is not required to comply with the submission of the Sustainability Report.

---

**Note 3**

**Summary of Material Accounting Policy Information**

The material accounting policies that have been used in the preparation of these financial statements are summarized below. The Company's management expects these policies to influence the decisions of users of the financial statements. Accounting policies related to immaterial transactions or events were no longer disclosed.

*Going Concern*

The Board of Directors has, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

*Basis of Preparation*

The financial statements have been prepared using a historical cost basis, except for financial instruments that are measured at fair values at the end of the year, as explained in the following accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Association takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such basis, except for leasing transactions that are within the scope of PFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in PAS/IAS 2 or value in use in PAS/IAS 36.

The financial statements are presented in Philippine peso, which is the Association's functional and presentation currency, and all values are recorded to the nearest peso except when otherwise indicated.

The preparation of the financial statements made use of estimates, assumptions and judgments by management based on management's best knowledge of current and historical facts as at statement of financial position date. These estimates and judgments affect the reported amounts of assets and liabilities and contingent liabilities as at statement of financial position date, as well as affecting the reported income and expenses for the year. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

#### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (a) in the principal market for the asset or liability; or (b) in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Association.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Association uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Association determines whether transfers have occurred between Levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Financial instruments

Financial assets and financial liabilities are recognized in the Association's statement of financial position when the Association becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### Classification of Financial Assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost: (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI): (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Association may make the following irrevocable election/designation at initial recognition of a financial asset: (a) the Association may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met [see (iii) below]; and (b) the Association may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch [see (iv) below].

#### (i) Amortized Cost and Effective Interest Method

An effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below).

For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Association recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to a gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

The Association's financial assets at amortized costs includes cash and cash equivalents, trade and other receivables and investments in debt and equity securities.

– Cash and Cash Equivalents

Cash and cash equivalents are carried in the financial statements at cost. Cash comprise unrestricted cash on hand, deposits held at call with banks, and time deposits with banks that can be pre-terminated anytime without significant risk of change in value. Cash equivalents (including those invested in a trust fund) represent short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

– Trade and Other Receivables

Trade and other receivables are outstanding balances from debtors less the allowance for impairment losses. Receivables are recognized when the Association becomes party to the contract, which happens when the goods or services are dispatched. They are derecognized when the rights to receive the cash flows have expired e.g., due to the settlement of the outstanding amount or where the Association has transferred substantially all the risks and rewards associated with that contract. Other receivables are stated at invoice value less an allowance for impairment losses. Trade and other receivables are subsequently measured at amortized cost as the business model is to collect contractual cash flows and the debt meets the SPPI criterion.

– Investments in Debt and Equity Securities

The investments are non-derivative financial assets with fixed or determinable payments and a fixed date of maturity that the Association has the positive intention and ability to hold on to maturity. The investments consist substantially of government debt securities.

(ii) Debt Instruments Classified as at FVTOCI

The Association has no financial assets held at FVTOCI. But debt instruments classified as at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these financial assets as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognized in profit or loss.

The amounts that are recognized in profit or loss are the same as the amounts that would have been recognized in profit or loss if these financial assets were to be measured at amortized cost. All other changes in the carrying amount of these financial assets are recognized in other comprehensive income

and accumulated under the heading of investments revaluation reserve. When these financial assets are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

(iii) Equity Instruments Designated as at FVTOCI

On initial recognition, the Association may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with PFRS 9 unless the dividends clearly represent a recovery of part of the cost of the investment.

The Association designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see Note 5).

A financial asset is held for trading if: (1) it has been acquired principally for the purpose of selling it in the near term; or (2) on initial recognition it is part of a portfolio of identified financial instruments that the Association manages together and has evidence of a recent actual pattern of short-term profit-taking; or (3) it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(iv) Financial Assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI [see (i) to (iii) above] are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Association designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition [see (iii) above].
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria [see (i) and (ii) above] are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Association has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (the Association has no hedge investments). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other services and other income' line item. Fair value is determined in the manner described in the Association's material accounting policy information.

Impairment of Financial Assets

The Association recognizes a loss allowance for expected credit losses on investments in debt instruments that

are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Association always recognizes lifetime ECL (expected credit losses) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Association's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Association recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Association measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant Increase in Credit Risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Association compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Association considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Association's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Association's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g., a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet his debt obligations.

Irrespective of the outcome of the above assessment, the Association presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Association has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Association assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if: (1) the financial instrument has a low risk of default; (2) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and (3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Association considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Association regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of Default

The Association considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable: (1) when there is a breach of financial covenants by the debtor; or (2) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Association, in full (without taking into account any collateral held by the Association).

Irrespective of the above analysis, the Association considers that default has occurred when a financial asset is more than 90 days past due unless the Association has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events: (a) significant financial difficulty of the issuer or the borrower; (b) a breach of contract, such as a default or past due event (see (ii) above); (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-Off Policy

The Association writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Association's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(v) Measurement and Recognition of Expected Credit Losses (ECL)

The measurement of expected credit losses is a function of the probability of default, loss given default

(i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Association's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Association in accordance with the contract and all the cash flows that the Association expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with PFRS 16.

If the Association has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Association measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Association recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

#### Derecognition of Financial Assets

The Association derecognizes a financial asset only when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Association recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Association retains substantially all the risks and rewards of ownership of a transferred financial asset, the Association continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Association has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

#### Financial Liabilities and Equity

##### Classification as Debt or Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### Financial Liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Association, are measured in accordance with the specific accounting policies set out below.

### Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL where the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) designated as at FVTPL.

A financial liability is classified as held for trading if: (a) it has been acquired principally for the purpose of repurchasing it in the near term; or (b) on initial recognition it is part of a portfolio of identified financial instruments that the Association manages together and has a recent actual pattern of short-term profit-taking; or (c) it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if: (1) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or (2) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Association's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or (3) it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'other services and other income' line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guaranty contracts issued by the Association that are designated by the Association as at FVTPL are recognized in profit or loss.

### Financial Liabilities Measured Subsequently at Amortized Cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

#### Derecognition of Financial Liabilities

The Association derecognizes financial liabilities when, and only when, the Association's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Association exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Association accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognized in profit or loss as the modification gain or loss within other gains and losses.

#### Furniture, Fixtures and Office Equipment

Furniture, fixtures and office equipment are stated at cost less accumulated depreciation. Such a cost includes the cost of replacing part of such furniture, fixtures and office equipment when that cost is incurred, if the recognition criteria are met.

An item of furniture, fixtures and office equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognized.

Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

- (1) IT equipment, 5 years; and
- (2) Furniture, fixtures and office equipment, 5 years.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The carrying values of the Association's furniture, fixtures and office equipment are reviewed for impairment when changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of the Association's furniture, fixtures and office equipment is the greater of net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's-length transaction.

#### Prepaid Expenses

A prepaid expense is an expenditure paid for in one accounting period, but for which the underlying asset will not be consumed until a future period. Expenditures are recorded as prepaid expenses in order to match their recognition more closely as expenses with the periods in which they are actually consumed.

#### Impairment of Non-Financial Assets

The Association's furniture, fixtures and office equipment and other assets are subject to impairment testing. Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment

and some are tested at cash-generating unit level. An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting the market conditions less cost to sell, and value in use, based on an internal evaluation of discounted cash flow. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the previously recognized impairment loss.

#### Actuarial Policies

Actuarial liabilities (reserves for life policy and members' equity) are computed by the Consulting Actuary of the Association using actuarial practices generally accepted in the Philippines. Actuarial liabilities and other policy liabilities represent the estimated amounts which, together with estimated future premiums and net investment income, will provide for outstanding claims, estimated future benefits, and expenses on in-force policies.

In calculating actuarial liabilities, assumptions must be made about the timing and amount of many events, including death, investment, inflation, policy termination, expenses, taxes, premiums and commissions. The Association uses best estimate assumptions for expected future experience. Uncertainty is inherent in the process, as no one can accurately predict the future. Some assumptions relate to events that are anticipated to occur for many years in the future and are likely to require subsequent revision.

Additional provisions are included in the actuarial liabilities to provide for possible adverse deviations from the best estimates. If the assumption is more susceptible to change or if the actuary is less certain about the underlying best estimate assumption, a correspondingly larger provision is included in the actuarial liabilities. In determining these provisions, the Association ensures: (a) when taken one at a time, the provision is reasonable with respect to the underlying best estimate assumption, and the extent of uncertainty present in making that assumption, and (b) in total, the cumulative effect of all provisions is reasonable with respect to the total actuarial liabilities.

With the passage of time and resulting reduction in estimation risk, the provisions are released into income. The best estimate assumptions and margins for adverse deviations are reviewed annually and revisions are made where deemed necessary and prudent.

#### Recording of Claims from Policyholders

Claims incurred comprise settlement and handling costs of paid and outstanding claims arising during the year and adjustments to prior year claim provisions. Outstanding claims comprise claims incurred up to, but not paid, at the end of the year, whether reported or not.

#### Revenue and Cost Recognition

The Association's revenue arises primarily from the premium contributions of members and secondarily from investment-related transactions such as investment income, dividend income, interest income and other sources of revenue.

Management has determined that the revenue from premium contributions of members is within the scope of PFRS 4 *Insurance Contracts* while the income from investments in financial instruments are within the scope of PFRS 9 *Financial Instruments*. Income from other sources is within the scope of PFRS 15 *Revenue from Contracts with Customers*.

PFRS 4 defines an insurance contract as a 'contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.' PFRS 4 temporarily exempts the Association from some requirements of other PFRS Accounting Standards until the efficacy of PFRS 17, beginning January 1, 2025.

The Association recognizes revenue as follows:

(1) Premium Contributions

This represents considerations given by the member in exchange for the promises of the MBA to pay a stipulated sum in the event of a loss covered under the basic benefits indicated in the Internal Rules and Regulations (IRR) of the MBA and/or membership certificates. Revenue from insurance products is recognized under PFRS 4 Insurance Contracts, which defines an insurance contract as a 'contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.' PFRS 4 temporarily exempts the Association from some requirements of other PFRS Accounting Standards until the efficacy of PFRS 17, beginning January 1, 2025.

Under the provisions of PFRS 4, the Association recognizes premium contributions as earned when collected with corresponding allocation as approved by the Insurance Commission (IC). The proportion of the premiums collected pertaining to periods after the reporting date is carried forward to subsequent accounting periods as unearned premiums, so that earned premiums relate to risks carried during the accounting period.

The members' gross premium contributions are allocated as follows:

- 50% goes to the reserve for members' equity, intended for members' entitlements of equity value upon payment of the first contribution to the Association, representing 50% of the total membership dues collected;
- 35% goes to cover basic benefits of members;
- 5% goes to Guarantee Fund, and the remaining
- 10% goes to general operations, to cover administrative costs.

The Association collects its premiums/contributions of members through SEDP-Simbag sa Pag-Asenso, Inc., an affiliate, with a certain commission (collection cost).

(2) Investments Income

Income from investments is accounted for under PFRS 9 *Financial Instruments*. Income from investments in debt and equity equities held to collect contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) are recognized at amortized cost, with interest income recognized at the effective interest rate.

(3) Non-Insurance Revenues

The Association recognizes non-insurance revenues in accordance with PFRS 15 *Revenue from Contracts with Customers* at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer.

For each contract with a customer, the Association:

- (1) Identifies the contract with a customer;
- (2) Identifies the performance obligations in the contract;
- (3) Determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- (4) Allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- (5) Recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

(4) Cost and Expenses

Costs and expenses are recognized in the statement of profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen, which can be measured reliably. Costs and expenses are recognized in the statement of profit or loss: i) on the basis of a direct association between the cost incurred and the earnings of specific items of income; ii) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

Insurance-related costs are accounted as follows:

- Changes in the required actuarial and other reserves are recognized as expenses during the year.
- Plan benefits and claims paid to members, including refund of members' equity value, are recognized for benefits availed of by members/beneficiaries.
- Collection costs (representing commissions to collecting affiliate) are due and payable for every premium income recognized. Commission rates are based on IC-approved rates.

(5) Grants and Donations

Grants and donations received are valued at fair market value at the time the grants are received.

Compensation and Employees Benefits Expense

Employee benefits are all forms of consideration given by the Association in exchange for services rendered by employees or for the termination of their employment in the Association. The Association recognizes: (a) a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and (b) an expense when the Association consumes the economic benefit arising from the service provided by an employee in exchange for employee benefits.

The following represent the accounting followed by the Association for all types of employee benefits, except share-based payment, to which there is none.

- Short-Term Employee Benefits

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. These benefits include wages, salaries and bonuses (if there are any) and non-monetary benefits paid to current employees. These are recognized when the employee has rendered the service and are measured at the undiscounted amounts of benefits expected to be paid in exchange for that service.

The benefits also include compensated absences, which are recognized for the number of paid leave days (including holiday entitlement) remaining at the reporting date. The expected cost of short-term compensated absences is recognized as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur, and includes any additional amounts the Association expects to pay as a result of unused entitlements at end of period. The amounts recognized are included in the Trade and Other Payables account in the statement of financial position at undiscounted amount that the Association expects to pay as a result of the unused entitlement.

- Post-Employment Benefit Plans

Post-employment benefit plans that are provided to employees only cover their retirement benefits, which are paid in lump sum payments at the time of their retirements. The retirement benefits are provided to employees through a defined benefit plan. A defined benefit plan is a retirement plan that defines the amount of retirement benefit an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for the benefits of the retirement plan remains with the Association, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Association's defined benefit retirement plan covers all regular full-time employees.

The Association has less than ten (10) regular employees and opted to accrue its retirement benefit obligation using the provisions of the *R.A. 7641, An Act Amending Article 287 of Presidential Decree No. 442, as Amended, Otherwise Known as the Labor Code of the Philippines, by Providing for Retirement Pay to Qualified Private Sector Employees in the Absence of any Retirement Plan in the Establishment*. Accrual approach is applied by calculating the expected liability as at reporting date using the employees' current compensation and number of years in service. Under this simplified method, the Corporation ignores estimated future salary increases, future service of current employees and possible in-service mortality of current employees between reporting date and date the employees are expected to retire. The Association considers its retirement benefit obligations at this time as immaterial when considered its overall liabilities.

- Termination Benefits

Termination benefits are payable when employment is terminated by the Association before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Association recognizes termination benefits when it is demonstrably committed to either: (a) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or (b) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the statement of financial position date are discounted to present value.

#### Leases – The Association as Lessee

The Association assesses whether a contract is or contains a lease, at inception of the contract. The Association recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these low value leases, the Association recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Association uses its incremental borrowing rate. The Association has no borrowings, but it is investing funds. It uses the average rates that its investments in financial instruments are getting as the discounted rate justifying that it becomes the opportunity cost when such investible funds are used to the leases.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Association remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Association incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under PAS/IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets and the corresponding lease liability are presented separately in the statement of financial position as required under IC Circular Letter No. 2019-70, dated December 2, 2019.

The Association applies PAS/IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Furniture, Fixtures and Office Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Rent" in the statement of profit or loss.

As a practical expedient, PFRS 16 permits a lessee not to separate non-lease components and instead accounts for any lease and associated non-lease components as a single arrangement. The Association has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Association allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

#### Leases – The Association as Lessor

The Association is not a lessor of properties.

#### Related Party Relationships and Transactions

Related party transactions are transfers of resources, services or obligations between the Association and its related parties, regardless of whether a price is charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Association; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the Association that gives them significant influence over the Association and close members of the family of any such individual; and (d) the Association's funded retirement plan. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

#### Contingencies

A contingency arises when there is a situation for which the outcome is uncertain, and which should be resolved in the future, possibly creating a loss. The accounting for a contingency is essentially to recognize only those losses that are probable and for which a loss amount can be reasonably estimated. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable. Contingent liabilities are not recognized either, but these are generally disclosed unless the possibility of an outflow of resources is remote.

#### Provisions

Provisions are recognized when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that the Association will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### Events After Reporting Date

Post year-end events that provide additional information about the Association's position at the reporting date (adjusting events), are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

---

#### **Note 4**

#### **Significant Critical Accounting Judgment and Key Sources of Estimation Uncertainty**

In applying the Association's accounting policies, which are described in Note 3 *Summary of Material Accounting Policy Information*, the management of the Association are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Going concern**

In the process of applying the Association's accounting policies, management has made an assessment of the Association's ability to continue as a going concern and is satisfied that the Association has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Association's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

#### **Critical Judgements in Applying the Association's Accounting Policies**

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the management of the Association have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

#### **Business Model Assessment**

Classification and measurement of financial assets depends on the results of the SPPI and the business model tests. The Association determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Association monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Association's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

#### **Significant Increase in Credit Risk**

Expected credit losses (ECL) are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. PFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Association takes into account qualitative and quantitative reasonable and supportable forward-looking information.

#### **Key Sources of Estimation Uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and

liabilities within the next financial year, are discussed below.

Calculation of Loss Allowance

When measuring ECL the Association uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Fair Value Measurements and Valuation Processes

Some of the Association's assets and liabilities are measured at fair value for financial reporting purposes. Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. In estimating the fair value of an asset or a liability, the management uses market-observable data to the extent it is available. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible; but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Estimating Useful Lives of Furniture, Fixtures and Office Equipment

The Association reviews annually the estimated useful lives of its furniture, fixtures and office equipment based on expected asset utilization. It is possible that future results of operations could be materially affected by changes in these estimates. A reduction in the estimated useful lives of these properties would increase recorded depreciation and amortization expense and decrease the related asset accounts.

Impairment of Non-Financial Assets

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Retirement Benefits

The determination of the Association's obligation and cost for pension and other employee benefits is dependent on the selection of certain assumptions used by management in calculating such amounts. While the Association believes that the assumptions used are reasonable and appropriate, significant differences in the actual experience or significant changes in assumptions may materially affect employee benefit obligations.

Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 3.

---

**Note 5**

**Cash and Cash Equivalents**

This account is composed of the following:

<u>December 31,</u>	<b>2025</b>	<b>2024</b>
Cash in banks	<b>₱25,599,225</b>	₱42,205,387
Cash equivalents	<b>184,143,936</b>	155,903,895
Revolving fund	<b>30,000</b>	33,920
	<b>₱209,773,161</b>	₱198,143,202

Cash in banks and cash equivalents earn interest at the prevailing market rates. The effective interest rate on cash in banks and cash equivalents ranges from 0.0625% to 5.875%, maturing in 30 days to 360 days.

Total interest income earned from cash in banks and cash equivalents amounted to ₱8,151,047 in 2025 and ₱6,260,899 in 2024. The interest income are recorded net of the applicable withholding (final) taxes.

**Note 6**  
**Investments in Debt and Equity Securities**

This account consists of the following investments and their purposes:

<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Investments in debt securities at amortized cost	<b>₱312,427,463</b>	₱267,231,749
Investments in equity securities at FVTPL	<b>549,018</b>	528,396
Investments in equity securities at FVTOCI	<b>23,230,739</b>	22,106,525
Total investments	<b>336,207,220</b>	289,866,670
Less presented under current assets	<b>20,340,451</b>	–
Presented Under Non-Current Assets	<b>₱315,866,769</b>	₱289,866,670

The Association earned interest income from the investments amounting to ₱11,590,656 in 2025 and ₱10,739,052 in 2024. The interest income are recorded net of the applicable withholding (final) taxes.

Investment in Debt Securities Accounted at Amortized Cost

These investments were acquired through the following banks:

<i>December 31,</i>	<b>2025</b>	<b>2024</b>
<u>Treasury Bills</u>		
Metropolitan Bank and Trust Company (MBTC)	<b>₱15,430,216</b>	₱–
Bank of the Philippine Islands (BPI)	<b>4,910,235</b>	–
Sub-Total	<b>20,340,451</b>	–
<u>Retail Treasury Bonds</u>		
Metropolitan Bank and Trust Company (MBTC)*	<b>80,843,808</b>	60,879,514
Philippine National Bank (PNB)**	<b>46,000,000</b>	46,000,000
Banco de Oro (BDO)	<b>16,889,515</b>	16,809,504
Bank of the Philippine Islands (BPI)	<b>10,000,000</b>	10,000,000
Sub-Total	<b>153,733,323</b>	133,689,018
<u>Fixed Rate Treasury Notes (FXTN)</u>		
Metropolitan Bank and Trust Company (MBTC) - restricted	<b>10,504,965</b>	10,059,899
Bank of the Philippine Islands (BPI)	<b>10,041,324</b>	10,506,432
Sub-Total	<b>20,546,289</b>	20,566,331
<u>Corporate Bonds</u>		
Philippine National Bank (PNB)	<b>40,250,000</b>	38,000,000
Metropolitan Bank and Trust Company (MBTC)	<b>30,000,000</b>	30,000,000
Security Bank	<b>10,000,000</b>	–
Bank of the Philippine Islands (BPI)	<b>5,000,000</b>	10,000,000
Rizal Commercial & Banking Corporation (RCBC)	<b>5,000,000</b>	5,000,000
Banco de Oro (BDO)	–	2,490,000
Sub-Total	<b>90,250,000</b>	85,490,000

(Carried Forward.)

(Brought Forward.)

December 31,	2025	2024
<u>Perpetual Preferred Shares</u>		
Banco de Oro (BDO)	5,814,900	5,756,400
Philippine National Bank (PNB)	1,242,500	1,230,000
Sub-Total	7,057,400	6,986,400
<u>Long-Term Time Deposits</u>		
Camalig Bank	20,000,000	20,000,000
Agribank	500,000	500,000
Sub-Total	20,500,000	20,500,000
<b>Total</b>	<b>₱312,427,463</b>	<b>₱267,231,749</b>

\*15m – restricted as at December 31, 2025 and 5m is tagged in April 2026 awaiting for IC’s confirmation; \*\*26m – restricted

The following are the details of the investments:

– Treasury Bills

The treasury bills represent two (2) short-term, zero-coupon investments in quoted government debt securities which are issued at a discount on their face value. The treasury bills purchased through Metropolitan Bank and Trust Company (MBTC) with interest rate of 5.7% and will mature on April 8, 2026. The treasury bills purchased through Bank of the Philippine Islands (BPI) with interest rate of 3.988793% and will mature on June 17, 2026.

There were no treasury bills as at December 31, 2024.

The roll-forward analysis of these accounts is as follows:

December 31, 2025	Face Value	Discount	Carrying Amount
Metropolitan Bank & Trust Co. (MBTC)	₱15,660,000	(₱229,784)	₱15,430,216
Bank of the Philippine Islands (BPI)	5,000,000	(89,765)	4,910,235
	₱20,660,000	(₱319,549)	₱20,340,451

– Retail Treasury Bonds

These are investments in quoted government debt securities with the following features:

- a) The nine (9) retail treasury bonds purchased at cost for seven (7) RTBs and two (2) RTBs at premiums through MBTC have face value amounted to ₱80,610,000, will mature between 2026 and 2033 with coupon rates ranging from 4.625% and 6.625%, and with net premiums of ₱233,808 as at December 31, 2025;
- b) The two (2) retail treasury bonds purchased at cost through PNB have face value amounted to ₱46,000,000, have coupon rates at 4.625% and 5.75% that will mature on June 2, 2027 and March 7, 2028;
- c) The two (2) retail treasury bonds purchased through BDO have face value amounted to ₱17,000,000 and with net discounts of ₱110,485. have coupon rates at 3.50% and 6.15% that will mature on September 20, 2026 and June 2, 2027, respectively; and
- d) The retail treasury bonds purchased at cost through BPI amounted to ₱10,000,000, have coupon rate at 4.87% and 6.00% that will mature on March 4, 2027.

The roll-forward analysis of the retail treasury bonds is as follows:

<i>December 31, 2025</i>	<i>Face Value</i>	<i>(Discount) Premiums</i>	<i>Carrying Amount</i>
Metropolitan Bank and Trust Co.(MBTC)	₱80,610,000	₱233,808	<b>₱80,843,808</b>
Philippine National Bank (PNB)	46,000,000	–	<b>46,000,000</b>
Banco de Oro (BDO)	17,000,000	(110,485)	<b>16,889,515</b>
Bank of the Philippine Islands (BPI)	10,000,000	–	<b>10,000,000</b>
	<b>₱153,610,000</b>	<b>₱123,323</b>	<b>₱153,733,323</b>

Of the total Retail Treasury Bonds, the investments in PNB, BPI and MBTC, totaling ₱51,504,965 in 2025 and ₱36,000,000 in 2024, are restricted investments as these are investments intended for funding the Guaranty Fund requirements by the Insurance Commission (IC) that need to be maintained by the Association (see Note 14). These investments have been supported with a Deed of Assignment with Special Power of Attorney. The effective interest rate on these deposits ranges from 3.6% to 5.972%, maturing in 3 years or 5 years from issuance.

An investment in MBTC amounting to ₱5m was tagged in April 2026 to be a restricted investment, awaiting for IC's confirmation.

– Fixed Rate Treasury Notes (FXTN)

These are medium to long-term negotiable and transferable debt instruments of the National Government issued by the Bureau of Treasury. Generally, these notes pay a higher rate of return than time deposits with a similar tenor and offer semi-annual interest income throughout the tenor if held until maturity. The FXTN purchased through Metrobank with a face value amounted to ₱10,500,000, will mature on May 19, 2029 with coupon rate at 6.50%, with net premiums of ₱4,965 as at December 31, 2025. The FXTN purchased through BPI has a face value amounted to ₱10,000,000 will mature on March 22, 2028 with coupon rate at 6% and with net premiums of ₱41,324 as at December 31, 2025.

– Corporate Bonds

These investments are debt securities issued by publicly held corporations to raise money for expansion or other business needs. The investments placed through PNB amounting to ₱40,250 million with interest rates ranging from 4.337% to 7.446% that will mature in between October 2027 to December 2028. The investments placed through MBTC amounting to ₱30 million with interest rates at 3.60% and 6.133% that will mature on September 4, 2026 and November 13, 2034. The investment placed in BPI amounting ₱5 million at 5.957% that will mature on March 14, 2028. The investment placed in RCBC amounting to ₱5 million at interest rate of 5.972% that will mature on December 15, 2026.

– Perpetual Preferred Shares

Preferred shares have no maturity date and pays a fixed dividend upon issue, usually declared and paid quarterly, as long as it remains outstanding. Shareholders of perpetuals do not have voting rights and the issuers of perpetual preferred stock can typically redeem the shares.

The preferred shares purchased through PNB and BDO have an optional redemption after 5 years of investment. Dividend interest rates of 4.8124% and 6.322% payable quarterly.

– LTNCDs

Long-Term Negotiable Certificate of Deposits (LTNCDs) are offered by banks to investors looking for a relatively safe investment, but with higher interest rates than regular savings accounts or short-term time deposits. LTNCDs can be sold in the secondary market, even before maturity date. The interest coupons of LTNCDs are paid quarterly with rates ranging from 3.75% to 3.875%, maturing in 5 years to 7 years from issuance.

Investment in Equity Securities Accounted at Fair Value through Profit or Loss (FVTPL)

This is an investment in the Mutual Security Fund managed by Union Bank of the Philippines' Trust and Investment Services Group. The Association earns dividends from these investments and when there is significant and apparently permanent decline in value of the investment, as indicated by prolonged losses of the investee (and other factors), the carrying amount of the investments are written down to fair value.

Investment in Equity Securities Accounted at Fair Value through Other Comprehensive Income (FVTOCI)

This consists of Unit Investment Trust Fund (UITF) investment in BPI's Bayanihan Balanced Fund, initially purchased at ₱18,000,000, and the fair value of the investment at the end of 2025 amounted ₱23,230,738. The increase in value of the investment during the year, amounting to ₱1,124,214, was recorded in the other comprehensive income for the year.

Analyses of Impairment in Fair Values of the Investments

The Association's management has determined from its monitoring of the investments that none of the invested funds are presently impaired.

**Note 7**

**Trade and Other Receivables**

This account consists of the following:

<u>December 31,</u>	<b>2025</b>	2024
Accrued interest income	<b>₱2,476,894</b>	₱1,829,051
Receivable from Micro Finance, Inc. (transfer of retirement liability)	<b>1,060,213</b>	1,449,848
Advances to officers and employees subject for liquidation	<b>74,430</b>	76,563
Reclassified from a non-moving bank account	-	162,915
Other receivables	<b>241,825</b>	64,903
Total	<b>3,853,362</b>	3,583,280
Less allowance for expected credit losses (ECL)	<b>103,494</b>	103,494
Net	<b>₱3,749,868</b>	₱3,479,786

Maturity of the Trade and Other Receivables

Management has determined that all receivables are current.

Allowance for Expected Credit Losses (ECL)

The receivables are provided with 12-month ECL at 1% of principal for current 30 days and 34% for past due less than one year. Accounts past due for over 1 year have been provided with lifetime ECL at 100%.

A reconciliation of the allowance for expected credit losses during the period is presented as follows:

<u>December 31,</u>	<b>2025</b>	2024
Opening balances	<b>₱103,494</b>	₱103,494
Provision for impairment losses for the year charged to operations	-	-
Closing balances	<b>₱103,494</b>	₱103,494

No ECL was provided in 2025 and 2024 as the existing allowance already covers the required ECL during the year.

Management believes the remaining receivables were not impaired at the end of 2025.

**Note 8**  
**Other Current Assets**

This account consists of unused office supplies and other forms.

Management believes that these assets were not impaired at the end of the year.

**Note 9**  
**Furniture, Fixtures and Office Equipment – At Cost**

This consists of the following items which are recorded in the books at cost.

<i>December 31,</i>	<b>2025</b>	2024
IT equipment	<b>₱2,299,885</b>	₱1,904,651
Furniture, fixtures and office equipment	<b>273,034</b>	266,644
Total	<b>2,572,919</b>	2,171,295
Less accumulated depreciation	<b>1,846,022</b>	1,565,976
Net	<b>₱726,897</b>	₱605,319

The Association enjoys free use of the building facilities of the 2<sup>nd</sup> Floor, SEDCen Building, Block 7 Landco Business Park, Capantawan, Legazpi City. This building is owned and managed by SEDP Multi-Purpose Cooperative. The Association shares on the costs of monthly utilities.

**Reconciliation of the Movements of the Accounts**

<i>December 31, 2025</i>	<i>Opening Balances</i>	<i>Additions</i>	<i>Retirement</i>	<b><i>Closing Balances</i></b>
<b><u>Cost</u></b>				
IT equipment	₱1,904,651	₱395,234	₱–	<b>₱2,299,885</b>
Furniture, fixtures and office eqpmnt	266,644	6,390		<b>273,034</b>
Total	2,171,295	401,624		<b>2,572,919</b>
<b><u>Less accumulated depreciation</u></b>				
IT equipment	1,355,102	245,585		<b>1,600,687</b>
Furniture, fixtures and office eqpmnt	210,874	34,461		<b>245,335</b>
Total	1,565,976	280,046		<b>1,846,022</b>
Net Book Value	₱605,319	₱121,578	₱–	<b>₱726,897</b>
<i>December 31, 2024</i>				
<b><u>Cost</u></b>				
IT equipment	₱1,517,494	₱387,157	₱–	₱1,904,651
Furniture, fixtures and office eqpmnt	262,054	4,590		266,644
Total	1,779,548	391,747		2,171,295
<b><u>Less accumulated depreciation</u></b>				
IT equipment	1,144,759	210,343		1,355,102
Furniture, fixtures and office eqpmnt	179,767	31,107		210,874
Total	1,324,526	241,450		1,565,976
Net Book Value	₱455,022	₱150,297	₱–	₱605,319

**Note 10**  
**Details of Trade and Other Payables**

<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Accrued expenses and other payables	<b>₱9,913,054</b>	₱9,756,741
Payable to collecting partners for claims paid to members	<b>2,307,012</b>	2,939,681
Accounts payable – Dakila	<b>293,700</b>	191,375
Accounts payable for surrendered membership	<b>122,345</b>	75,790
Unremitted contributions to Government Agencies	<b>106,280</b>	86,132
Savings fund of employees	<b>12,466</b>	368,405
	<b>₱12,754,857</b>	₱13,418,124

Accrued expenses represent the accrued collection costs subsequently paid in January 2026. Total collection costs paid to SEDP – Simbag sa Pag-aseño, Inc. amounted to ₱8,909,333 in 2025 and ₱8,139,600 in 2024.

**Note 11**  
**Insurance Contract Liabilities**

This consists of the following:

<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Claims incurred but not reported for life policies	<b>₱2,142,744</b>	₱1,525,061
Claims incurred but not reported for credit life policies	<b>433,000</b>	247,680
Claims in the course of settlement	-	-
Claims due and unpaid	-	-
Claims resisted/denied	-	-
	<b>₱2,575,744</b>	₱1,772,741

Incurred but not reported claims are claims reported beyond the reporting date whose date of claim happened three months before the reporting date. For 2025, claims reported in the months of November 2025, December 2025 and January 2026 whose date of death/claim is before November 1, 2025, are included in this category.

Claims in the course of settlement are claims reported and unpaid at the end of the year pending submission of documentary requirements. No decision has yet been made whether to deny or to pay the claim. The amounts recorded as insurance contract liabilities were certified by the Association's Actuary to be in accordance with sound actuarial principles. Claims due and unpaid benefits represent claim benefits that have been processed and that the Association recognizes liability on the claims by the member or its beneficiaries.

Total basic benefits and claims paid to members amounted to ₱33,505,229 in 2025 and ₱32,181,189 in 2024.

**Note 12**  
**Aggregate Reserves for Unexpired Risks**

The aggregate policy reserves represent the amount which is considered adequate to cover future guaranteed benefits as they become payable under the provisions of the policies in force. The reserve is the aggregate value of future guaranteed benefits less the present value of future net premiums.

This following consist of the details of the reserves:  
(Please see table next page.)

<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Aggregates reserves for members' equity	<b>₱285,149,253</b>	₱257,123,408
Aggregates reserves for credit policies	<b>5,312,495</b>	4,657,757
Aggregates reserves for life policies	<b>1,081,592</b>	484,804
	<b>₱291,543,340</b>	₱262,265,969

The movements of the reserves during the year are as follows:

<i>December 31, 2025</i>	<i>Reserves for Members' Equity</i>	<i>Reserves for Credit Policies</i>	<i>Reserves for Life Policies</i>	<b>Total</b>
Provisions during 2014	₱65,986,915	₱2,351,536	₱1,206,266	<b>₱69,544,717</b>
Provisions during 2015	13,243,621	(615,593)	(812,754)	<b>11,815,274</b>
Provisions during 2016	14,554,323	171,844	(225,963)	<b>14,500,204</b>
Provisions during 2017	14,722,450	219,929	91,466	<b>15,033,845</b>
Provisions during 2018	18,854,769	351,194	368,829	<b>19,574,792</b>
Provisions during 2019	23,337,784	212,229	99,035	<b>23,649,048</b>
Provisions during 2020	26,520,484	(297,510)	454,172	<b>26,677,146</b>
Provisions during 2021	23,013,530	620,848	(482,353)	<b>23,152,025</b>
Provisions during 2022	9,113,250	60,684	(143,563)	<b>9,030,371</b>
Provisions during 2023	23,077,292	802,001	253,942	<b>24,133,235</b>
Provisions during 2024	24,698,990	780,595	(324,273)	<b>25,155,312</b>
Balance as of December 31, 2024	257,123,408	4,657,757	484,804	<b>262,265,969</b>
Provisions during 2025	28,025,845	654,738	596,788	<b>29,277,371</b>
Balance as of December 31, 2025	<b>₱285,149,253</b>	<b>₱5,312,495</b>	<b>₱1,081,592</b>	<b>₱291,543,340</b>

In accordance with the provisions of the Insurance Code, every outstanding membership certificate must have, after three (3) full years of being continuously in force, an equity value to at least 50% of the total membership dues collected from the member less claims paid. The equity is payable to the members upon termination of their membership in the Association. In accordance with the same Code, the Association is required to put up a reserve liability not lower than the equity value of all in-force, active certificates as at the end of each calendar year; hence, the Association sets up the 50% of its gross premium collections as its reserves for members' equity.

The reserve for credit life insurance represents the amount which is considered adequate to cover future guaranteed benefits on a debtor pursuant to or in connection with his/her specific loans and other credit transactions with the members of the Association.

The reserve for life policies represents the amount which is considered adequate to cover future guaranteed benefits as they become payable under the provisions of the policies in force. The reserve is the aggregate value of future guaranteed benefits less the present value of future net premiums.

The amount of aggregate reserves for members' equity, reserves for credit policies, and reserves for life policies for the years ended December 31, 2025 and 2024, have been computed and certified by the Consulting Actuary of the Association to be in accordance with commonly accepted actuarial standards consistently applied and that the legal policy reserves and other actuarial items are fairly stated in accordance with sound actuarial principles.

### **Note 13** **Retirement Benefit Obligation**

The Association's employees are provided with retirement benefits through a defined benefit plan. The plan

defines the amount of pension benefit an employee will receive at retirement age. The legal obligation to pay the pension benefits remain with the Association. The Association's defined benefit pension plan covers all regular full-time employees.

The amounts recognized in the statement of financial position at the end of 2025 and 2024 are as follows:

<i>Retirement Benefit Obligation Recognized in the Statement of Financial Position</i>		
<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Present value of retirement benefit obligation	<b>₱2,239,217</b>	₱2,469,997
Less fair value of retirement plan asset	<b>(1,705,936)</b>	(296,932)
<b>(Retirement Plan Asset) Retirement Benefit Obligation</b>	<b>₱533,281</b>	₱2,173,065

<i>Components of Retirement Expense in the Statement of Profit or Loss and Other Comprehensive Income</i>		
<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
Current service cost	<b>₱124,938</b>	₱1,086,401
Interest cost on benefit obligation	<b>174,876</b>	68,375
	<b>299,814</b>	1,154,776
Interest income on plan assets	-	-
<b>Total charged to profit or loss</b>	<b>₱299,814</b>	₱1,154,776

<i>Components of Retirement Benefit Costs Recognized in Other Comprehensive Income</i>		
<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
Opening balances	<b>₱304,345</b>	₱224,870
Actuarial gain – plan assets	<b>1,468,407</b>	79,475
Actuarial gain on defined benefit obligation	<b>452,918</b>	-
<b>Closing balances</b>	<b>₱2,225,670</b>	₱304,345

<i>Changes in the Present Value of the Retirement Benefit Obligation</i>		
<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Opening balances	<b>₱2,469,997</b>	<b>₱965,754</b>
Current service costs	<b>124,938</b>	<b>1,086,401</b>
Interest cost	<b>174,876</b>	<b>68,375</b>
Benefits paid during the year	<b>(443,316)</b>	<b>(1,105,655)</b>
Transfer of retirement liability from MFI to MBA	<b>365,640</b>	<b>1,449,848</b>
Actuarial loss - changes in financial assumptions	<b>107,659</b>	-
Actuarial gain (loss) - experience	<b>(560,577)</b>	<b>5,274</b>
	<b>₱2,239,217</b>	<b>₱2,469,997</b>

<i>Movements in the Fair Value of Retirement Plan Assets</i>		
<i>December 31,</i>	<b>2025</b>	<b>2024</b>
Opening balances	<b>₱296,932</b>	₱1,323,112
Interest income	<b>18,273</b>	-
Contributions	-	-
Benefits paid	<b>(443,316)</b>	(857,750)
Transfer of liability from MFI to MBA	<b>365,640</b>	-
Repurchase	-	(247,905)
Re-measurement gain on return on plan assets	<b>1,468,407</b>	79,475
<b>Closing balances</b>	<b>₱1,705,936</b>	₱296,932

Principal Assumptions Used to Determine Pension Obligation

<u>December 31,</u>	<b>2025</b>	<b>2024</b>
Discount rate	<b>6.08%</b>	7.08%
Salary increase rate	<b>3.00%</b>	3.00%
Average expected working lives of employees	<b>14.7</b>	18.1

Actual return on plan assets pertain to interests, dividends and other income together with realized and unrealized gain or losses derived from the plan assets less any costs of managing the plan and tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the DBO.

**Note 14**  
**Guaranty Fund**

This represents the amount required by the Insurance Commission (IC) to be established to guaranty the benefits and security of policyholders and creditors of the Association, in accordance with the provisions of the Insurance Code, deposited in a local depository bank. (See Note 6.) The Fund is increased by the 5% contributions from members.

The Guaranty Fund is funded by investments in debt securities, (See Note 6.) which are assigned to the Insurance Commission (IC).

Accounting of Guaranty Fund

<u>December 31,</u>	<b>2025</b>	<b>2024</b>
Opening balances	<b>₱50,929,091</b>	₱45,846,042
Members contribution during the year	<b>5,474,935</b>	5,083,049
Closing balances	<b>₱56,404,026</b>	₱50,929,091

**Note 15**  
**Special Funds**

In accordance with the recommendations of the Insurance Commission, the Association's Board of Trustees approved appropriations of the following special funds from the General Fund:

<u>December 31,</u>	<b>2025</b>	<b>2024</b>
Members' Benefits Fund	<b>₱47,660,450</b>	₱42,178,908
Members' Education Fund	<b>15,861,892</b>	13,922,802
Capacity Building Fund	<b>14,873,414</b>	13,622,354
Research and Development Fund	<b>7,746,212</b>	7,258,394
Acquisition of Systems and Equipment	<b>5,808,153</b>	5,482,943
	<b>₱91,950,121</b>	₱82,465,401

The appropriated special funds are funded by the cash and cash equivalents of the Association.

The disbursements of special funds are considered as benefits paid to members. In 2025, The Board of Trustees approved to implement the release of 0.07% on members' equity value to their respective savings account amounted to ₱4,208,872.

The movements of the appropriated funds during 2025 and 2024, as follows:  
(Please see table next page.)

<i>December 31, 2025</i>	<i>Opening Balances</i>	<i>Allocations of Net Surplus</i>	<i>Disbursements</i>	<i>Closing Balances</i>
Members' Benefits Fund (70%)	₱42,178,908	₱11,382,415	(₱5,900,873)	<b>₱47,660,450</b>
Members' Education Fund (10%)	13,922,802	2,439,090	(500,000)	<b>15,861,892</b>
Capacity Building Fund (3%)	13,622,354	1,626,060	(375,000)	<b>14,873,414</b>
Research and Dev't. (2%)	7,258,394	487,818		<b>7,746,212</b>
Acquisition of Sys & Equip (15%)	5,482,943	325,210		<b>5,808,153</b>
	<b>₱82,465,401</b>	<b>₱16,260,593</b>	<b>(₱6,775,873)</b>	<b>₱91,950,121</b>
<i>December 31, 2024</i>				
Members' Benefits Fund (70%)	₱26,957,265	₱24,806,793	(₱9,585,150)	₱42,178,908
Members' Education Fund (10%)	10,378,975	3,543,827		13,922,802
Capacity Building Fund (3%)	10,078,527	3,543,827		13,622,354
Research and Dev't. (2%)	5,987,210	1,771,914	(500,730)	7,258,394
Acquisition of Sys & Equip (15%)	3,711,029	1,771,914		5,482,943
	<b>₱57,113,006</b>	<b>₱35,438,275</b>	<b>(₱10,085,880)</b>	<b>₱82,465,401</b>

**Note 16**  
**General Fund**

This represents a portion of the fund balance that is not restricted. According to Section 408, paragraph 3 of the Insurance Code, as amended (R.A. No. 10607), a mutual benefit association shall only maintain free and unassigned surplus of not more than twenty percent (20%) of its total liabilities. Any amount in excess shall be returned to the members by way of dividends, enhancing the equity value or providing benefits in kind and other relevant services. In addition, subject to the approval of the Commissioner, a mutual benefit association may allocate a portion for capacity building and research and development, upgrading and improving operating systems and equipment, and continuing member education.

The Association's General Fund already breached the 20% threshold of its total liabilities at the end of 2025, amounting to ₱25,872,506. The Association's management, however, has not yet assigned the excess surplus but will propose to IC the establishment of special funds to absorb the excess portion of the Fund.

**Note 17**  
**Members' Premium Contributions**

The Association's members are charged twenty pesos (₱20.00) per week, during their active membership in the Association. In accordance with its Rules and Regulations approved by the Insurance Commission (IC), the Association allocates the contributions as follows:

- a) 50% is allocated as reserve for members' equity intended for the members' entitlements of equity value;
- b) 35% is intended to cover basic benefits such as payments for death or permanent disability claims of a member or its legal spouse below sixty-six (66) years old; or four (4) single, biological and/or legally adopted children who are two weeks old but not more than twenty-one (21) years old single, disabled and incapacitated to work. If single without children, the members' legal dependents include the member's biological parents not more than 65 years. If a member's parents are both deceased upon membership, the member can declare two (2) eldest siblings, at least two (2) weeks old but not more than twenty-one (21) years old;
- c) 5% is intended as additional guaranty fund; and
- d) 10% is intended to cover administrative costs and expenses.

Every outstanding membership certificate must have an equity value to at least 50% of the total membership dues collected from the member less claims paid. The equity is payable to the members upon termination of their membership in the Association.

Every year, a number of members withdrew their equity from the Association. During 2025 and 2024, the total value of equity withdrawn amounted to ₱14,054,536 and ₱17,912,798, respectively. The withdrawal of equity is treated as part of the benefits paid to members.

Gross premiums on credit life insurance plan are income from loans on member which are deducted upfront in the payment of the loan. The amount of contribution is based on the principal amount and term of loans.

Membership Fees

The members are also charged with one-time membership fee of ₱150, which is non-refundable and does not form part of the members' accumulated and refundable contributions. The amount is treated as income to finance part of the requirements for general and administrative expenses not covered by the 10% allocation from gross premium contributions. Gross premiums on credit life insurance are income from loans on member's which are included in the monthly payments of the loans. The amount of contribution is based on the principal amount and term of loans.

Total membership fees collected amounted to ₱1,960,944 in 2025 and ₱2,215,726 in 2024.

**Note 18**

**Details of Compensation and Employees' Benefits**

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
Short-term employees' benefits	<b>₱4,587,891</b>	₱4,524,587
Post-employment benefits <i>(Note 13)</i>	<b>299,814</b>	1,154,776
	<b>₱4,887,705</b>	₱5,679,363

The 2025 total compensation and employees' benefits was adjusted for the set-up of the actuarially-computed retirement benefit obligation. (See Note 13.)

**Note 19**

**Details of General and Administrative Expenses**

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
Meetings and seminars	<b>₱1,505,800</b>	₱618,411
Repairs and maintenance	<b>399,702</b>	573,997
Association dues	<b>332,979</b>	280,238
Supplies and materials	<b>241,257</b>	188,081
Professional fees	<b>215,376</b>	144,130
Transportation and travel	<b>194,112</b>	565,830
Taxes, licenses and fees <i>(Note 26)</i>	<b>145,481</b>	243,506
Communication	<b>116,862</b>	125,095
General assembly expenses	<b>114,393</b>	105,675
Insurance	<b>47,382</b>	40,283
Service Fee	<b>35,772</b>	
Representation	-	-
Miscellaneous expenses	<b>1,993</b>	22,325
	<b>₱3,351,109</b>	₱2,907,571

**Note 20**  
**Related Party Transactions**

In the ordinary course of trade or business, the Association has transactions with its related parties which include its Board of Trustees, members of various committees and its officers and employees, who are also members of the Association. These transactions are made substantially on the same terms and conditions as with other members of comparable risks. None of the transactions incorporate special terms and conditions and no guarantee is given or received. Outstanding balances are usually settled in cash.

Among these related transactions are the following:

- (a) The Association accepts insurance business from the borrowers of SEDP-Simbag sa Pag-Asenso, Inc. and authorizes the institution to collect premium contributions from these members for certain commissions. (See Note 10.) Total collection costs incurred amounted to ₱8,909,333 in 2025 and ₱8,139,600 in 2024.
- (b) The Chairman of the Board of Trustees of the Association is also a member of the Board of Trustees of SEDP-Simbag sa Pag-Asenso, Inc.
- (c) The Association enjoys free use of the building facilities of the 2nd Floor, SEDCen Building, Block 7, Landco Business Park, Capantawan, Legazpi City. This building is managed by SEDP Multi-Purpose Cooperative. The Association shares on the costs of monthly utilities.
- (d) The key management compensation follows:

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
Short-term employee benefits	<b>₱793,558</b>	₱792,057
Post-employment benefits	<b>39,390</b>	37,809
	<b>₱832,948</b>	₱829,866

**Note 21**  
**Fair Value Measurement**

**Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed**

The following table summarizes the fair value hierarchy of the Association's financial assets and liabilities which are not measured at fair value in the 2025 statement of financial position but for which fair value is disclosed.

<i>December 31, 2025</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<b>Total</b>
<b><u>Financial assets</u></b>				
Cash and cash equivalents (Note 5)	₱209,773,161	₱-	₱-	<b>₱209,773,161</b>
Trade and other receivables (Note 7)			3,479,786	<b>3,749,868</b>
Inv. in debt & equity securities (Note 6)	336,207,220			<b>336,207,220</b>
	<b>₱545,980,381</b>	₱-	₱3,479,786	<b>₱549,730,249</b>
<b><u>Financial liabilities</u></b>				
Trade and other payables (Note 10)	₱-	₱-	₱12,754,857	<b>₱12,754,857</b>
Insurance contract liabilities (Note 11)			2,575,744	<b>2,575,744</b>
Aggregate reserves for risks (Note 12)			291,543,339	<b>291,543,339</b>
	₱-	₱-	<b>₱306,873,940</b>	<b>₱306,873,940</b>

<i>December 31, 2024</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<b><i>Financial assets</i></b>				
Cash and cash equivalents (Note 5)	₱198,143,202	₱-	₱-	₱198,143,202
Trade and other receivables (Note 7)			3,479,786	3,479,786
Inv. in debt & equity securities (Note 6)	289,866,670			289,866,670
	<b>₱488,009,872</b>	<b>₱-</b>	<b>₱3,479,786</b>	<b>₱491,489,658</b>
<b><i>Financial liabilities</i></b>				
Trade and other payables (Note 10)	₱-	₱-	₱13,418,124	₱13,418,124
Insurance contract liabilities (Note 11)			1,772,741	1,772,741
Aggregate reserves for risks (Note 12)			262,265,969	262,265,969
	<b>₱-</b>	<b>₱-</b>	<b>₱277,456,834</b>	<b>₱277,456,834</b>

For financial assets and financial liabilities with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments equal their fair values. The fair values of the financial assets and financial liabilities included in Level 3 above which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counter-parties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument. When the association uses valuation technique, it maximizes the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

**Fair Value Measurement for Non-Financial Assets**

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis as of December 31, 2025 and 2024.

<i>December 31, 2025</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Other current assets (Note 8)			₱46,452	<b>₱46,452</b>
Furniture, fixt & office equip-net (Note 9)			726,897	<b>726,897</b>
			<b>₱773,349</b>	<b>₱773,349</b>
<i>December 31, 2024</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Other current assets (Note 8)			₱41,910	₱41,910
Furniture, fixt & office equip-net (Note 9)			605,319	605,319
			<b>₱647,229</b>	<b>₱647,229</b>

The Level 3 fair value of the buildings and improvements included under the Furniture, Fixtures and Office Equipment account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

**Note 22**

**Capital Management Objectives, Policies and Procedures**

The Association maintains a certain level of capital to ensure sufficient solvency margins and to adequately

protect its members. The level of capital maintained is always aimed to be higher than the minimum capital requirements of the IC. The Association considers the entire equity in determining the capital.

The Association maintains a certain level of capital to ensure sufficient solvency margins and to adequately protect its members. The Association's Board of Trustees reviews regularly its capital structure and considers the cost of capital and the risks associated with each class of capital. Management regularly monitors the capital requirements of the Association, taking account of future balance sheet growth, profitability, and any anticipated regulatory changes, in order to ensure that the Association is at all times able to meet the forecast future minimum capital requirements. The Association's overall strategy remains unchanged from the past year.

#### Compliance with Capitalization Requirements

In accordance with the provisions of Chapter VII, Title 1, Section 405 of R.A. 10607, *The Amended Insurance Code*, a mutual benefit association incorporated after the effectivity of the Code shall constitute and establish a Guaranty Fund with initial amount of ₱5 million, in cash or in government securities, to answer for any valid benefit claim of any of its members.

The Association has complied with this requirement by having established its Guaranty Fund of ₱56,404,026 (See Note 14.) and having funded it with assigned investments in debt securities amounting to ₱51,504,965 (See Note 6.) and the deficiency of ₱4,899,061 should be covered by a ₱5 million investment in MBTC which is submitted to IC in 2026 and presently tagged as restricted investments.

---

#### **Note 23**

##### **Risk Management Objectives and Policies**

The Association is exposed to various risks in relation to financial instruments. The Association's principal financial instruments are its cash and cash equivalents (Note 5), investments in debt and equity securities (Note 6), trade and other receivables (Note 7), trade and other payables (Note 10), insurance contract liabilities (Note 11) and aggregate reserves for unexpired risks (Note 12). The main types of risks are insurance risk, credit and concentration risks, market risk and liquidity risk.

The objective of financial risk management is to contain, where appropriate, exposures in these financial risks to limit any negative impact on the Association's financial performance and financial position. The Association actively measures, monitors and manages its financial risk exposures by various functions pursuant to the segregation of duties principle.

The Association is not exposed to foreign currency risk since it has no foreign currency deposits. In 2020, the Association purchased financial instruments as part of its investment strategies. The Association is now exposed to investment risks beginning 2020.

##### Risk Management Structure

The Board of Trustees is mainly responsible for the overall risk management and for the approval of risk strategies and principles of the Association. The Board of Trustees also has the overall responsibility for the development of risk strategies, principles, frameworks, policies and limits. It establishes a forum of discussion of the Association's approach to risk issues in order to make relevant decisions.

##### Insurance Risk

The principal risk the Association faces under insurance contracts is the risk that the actual claims and benefit payments exceed the carrying amount of recognized insurance liabilities. This situation is influenced by the frequency of claims, severity of claims, actual benefits paid are greater than originally estimated and subsequent development of long-term claims. Therefore, the objective of the Association is to ensure that sufficient reserves are available to cover these liabilities. The amount of reserves set-up in the books is computed by the Actuarial Consultant and monitored on a regular basis.

Credit and Concentration Risks/Investment Risk

Credit risk refers to the risk that counterparty will default and/or not honor its financial or contractual obligations resulting in financial losses to the Association. The Association is exposed to credit risk from financial assets including its cash held in banks, receivables from agents and others and investments in financial instruments.

The credit risk in respect of cash balances held with banks and time deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions and are regularly monitored. Trade receivables consist of premiums receivable from active members and from the unremitted premium collections by the agent-affiliate. The Association does not hold any security on the receivables from agents and others balance and the accounts are monitored on an ongoing basis with the result that the Association's exposure to impairment is not significant.

The investment risk related to investments in financial instruments represents the exposure to loss resulting from cash flows from invested assets being less than the cash flows required to meet the obligations of the expected policy and contract liabilities and the necessary return on investments. To maintain an adequate yield to match the interest necessary to support future policy liabilities, the Board of Trustees is investing only on Government financial instruments which are fairly safe investments.

The Association deals only with creditworthy counterparties duly approved by the Board of Trustees. Its maximum exposure to credit risk for the components of the statements of financial position is the carrying amounts as shown in the following table:

<i>December 31, 2025</i>	<i>Neither Past Due Nor Impaired</i>	<i>Past Due But Not Impaired</i>	<i>Total</i>
Cash and cash equivalents (Note 5)	₱209,773,161	₱-	<b>₱209,773,161</b>
Trade and other receivables (Note 7)	3,749,868		<b>3,749,868</b>
Inv. in debt & equity securities (Note 6)	336,207,220		<b>336,207,220</b>
	<b>₱549,730,249</b>	<b>₱-</b>	<b>₱549,730,249</b>
	100.00%		<b>100.00%</b>
<i>December 31, 2024</i>			
Cash and cash equivalents (Note 5)	₱198,143,202	₱-	₱198,143,202
Trade and other receivables (Note 7)	3,479,786		3,479,786
Inv. in debt & equity securities (Note 6)	289,866,670		289,866,670
	<b>₱491,489,658</b>	<b>₱-</b>	<b>₱491,489,658</b>
	100%		100%

Credit Quality by Class of Financial Assets Based on the Association's Rating System

<i>December 31, 2025</i>	<i>High Grade</i>	<i>Standard Grade</i>	<i>Impaired</i>	<i>Total</i>
Cash and cash equivalents (Note 5)	₱209,773,161	₱-	₱-	<b>₱209,773,161</b>
Trade and other receivables (Note 7)	3,749,868			<b>3,749,868</b>
Inv. in debt & equity securities (Note 6)		336,207,220		<b>336,207,220</b>
	<b>₱213,523,029</b>	<b>₱336,207,220</b>	<b>₱-</b>	<b>₱549,730,249</b>
<i>December 31, 2024</i>				
Cash and cash equivalents (Note 5)	₱198,143,202	₱-	₱-	₱198,143,202
Trade and other receivables (Note 7)	3,479,786			3,479,786
Inv. in debt & equity securities (Note 6)		289,866,670		289,866,670
	<b>₱201,622,988</b>	<b>₱289,866,670</b>	<b>₱-</b>	<b>₱491,489,658</b>

Financial instruments classified as "high grade" are those cash transacted with reputable local banks and receivables with no history of default on the agreed contract terms. Financial instruments classified as "standard

grade” are those receivables from parties who need to be reminded of their duties. No financial assets were deemed by management as impaired.

Market Risks

Market risk is the possibility that changes in equity prices or interest rates will adversely affect the value of the Association’s assets, liabilities or expected future cash flows. The Association has no exposure arising from complex investments since it is not engaging in high risk investments, forward contracts, hedging, and the like, whether local or foreign transactions. The Association has no exposure to price risks as its investments in quoted equity and debt securities are of fixed interest rates. The Association’s interest rate risk arises from its time deposits with banks. The Association invested in fixed rate deposits to mitigate the risks. The Association is not exposed to foreign currency risks as it has no assets nor liabilities denominated in foreign currency.

Liquidity Risks

Liquidity risk is that the Association might be unable to meet its obligations. The Association’s objectives to manage its liquidity profile are: (a) to ensure that adequate funding is available at all times; (b) to meet commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost. The Association manages its liquidity by carefully monitoring its scheduled servicing payments for financial liabilities as well as its cash flows due on its day-to-day business.

The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis in the following table. Net cash requirements are compared to available cash position in order to determine headroom or any shortfalls. This analysis shows that the available cash position is expected to be sufficient over the lookout period.

The Association considers its expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Association’s existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from receivables from agents and others are all due contractually within six months.

Maturity Profile of the Association’s Financial Liabilities

<i>December 31, 2025</i>	<i>Due in One Year</i>	<i>Due Over One Year</i>	<i>Total</i>
Trade and other payables (Note 10)	₱12,754,857	₱–	₱12,754,857
Insurance contract liabilities (Note 11)	2,575,744		2,575,744
Aggregate reserves for unexpired risks (Note 12)		291,543,339	291,543,339
	₱15,330,601	₱291,543,339	₱306,873,940
	5.00%	95.00%	100.00%

**Note 24**

**Commitments and Contingencies**

In the normal course of its operations, the Association makes various commitments and incurs certain contingent liabilities which are not reflected in the accompanying financial statements. Management anticipates no material losses, if any, that may arise from these commitments and contingencies.

**Note 25**

**Authorization of Financial Statements**

The Association’s financial statements as of December 31, 2025, and for the period then ended, were authorized for issue by the Executive Committee of the Board of Trustees on April 27, 2026.

---

**Note 26**

**Details of Taxes, Licenses and Fees**

In accordance with the supplementary information required under Revenue Regulations No. 15-2010, the Association discloses the following:

<i>Years Ended December 31,</i>	<b>2025</b>	<b>2024</b>
License renewal and filing fees	<b>₱129,130</b>	₱214,060
BIR annual registration and other fees	<b>9,066</b>	500
Local taxes/fees (business permits, etc.)	<b>5,215</b>	4,946
SEC fees and other payments	<b>2,070</b>	–
ICD golden arrow award	–	24,000
	<b>₱145,481</b>	<b>₱243,506</b>

---

## Your BIR AFS eSubmission uploads were received

---

From: eafs@bir.gov.ph

To: sedp\_mba@yahoo.com.ph

Cc: mba.gm@sedp.ph

Date: Tuesday, April 28, 2026 at 06:21 PM GMT+8

---

Hi SEDP MUTUAL BENEFIT ASSOCIATION (SEDP MBA) INC.,

### Valid files

- EAFS007245537TCRTY122025-02.pdf
- EAFS007245537TCRTY122025-01.pdf
- EAFS007245537AFSTY122025.pdf
- EAFS007245537ITRTY122025.pdf

### Invalid file

- <None>

Transaction Code: **AFS-0-P1RWM13Z0P3TXVVZ2MPX1PNZ302T4SNWX4**

Submission Date/Time: **Apr 28, 2026 06:21 PM**

Company TIN: **007-245-537**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

---