

COMPANY NAME:	PRAXIS FIDES MBAI	Company Structure
FINANCIAL YEAR END	2019	CLASS 5
SECTOR	MBAI	
A. Rights of Shareholders		
A.1	Basic Shareholder Rights	Y/ N Reference/Source document
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?	<p>OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/Annual%20Report%202019.pdf</p>

ANNUAL REPORT (Page 22) **Policy on Dividends**
Praxis Fides MBAI being a non-stock non-profit mutual aid association, does not distribute dividends to its members. However, pursuant to Circular Letter Number 2015-46 dated 8 September 2015 section 408 paragraph 3 of the amended Insurance Code of the Philippines, it may distribute the excess of its free and unassigned surplus to the member benefits' fund, whether in cash or in kind, and duly verified by the Insurance Commission. The table below shows the earnings and equitable dividend for members.

A.2	Right to participate in decisions concerning fundamental corporate changes.	
<i>Do shareholders have the right to participate in:</i>		
A.2.1	Amendments to the company's constitution?	<p>OECD Principle II (B) Shareholders should have the right to participate in, and to be sufficiently informed on, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.</p> <p>NA</p> <p>DEFAULT</p>
A.2.2	The authorisation of additional shares?	<p>OECD Principle II (B): (2) the authorisation of additional shares.</p> <p>NA</p> <p>DEFAULT</p>
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	<p>OECD Principle II (B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.</p> <p>NA</p> <p>DEFAULT</p>

A.3	Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	<p>OECD Principle II (C): (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known on the remuneration policy for board members and key executives. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/Nomination%20Committee%20Charter.pdf</p>
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?	<p>OECD Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/Nomination%20Committee%20Charter.pdf</p>
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?	<p>OECD Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/Nomination%20Committee%20Charter.pdf</p>
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	<p>OECD Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/AGM-MINUTES-2020.pdf</p>
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	<p>OECD Principle II (C): (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/AGM-MINUTES-2020.pdf</p>
A.3.6	Do the minutes of the most recent AGM record questions and answers?	<p>OECD Principle II (C): (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/AGM-MINUTES-2020.pdf</p>
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?	<p>OECD Principle II (C): (2) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.</p> <p>Y</p> <p>https://praxisfidemba4.w ebs.com/AGM-MINUTES-2020.pdf</p>

Nomination Committee Charter (Page2)
V. Implementing Rules and Regulations
Rights of Members
*Vote on all matters relating to the affairs of the association

Nomination Committee Charter (Page2)
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Rights of Members
 Right to attend and participate in the Annual General Meeting
 Vote on all matters relating to the affairs of the association
 Right to nominate candidates for board of directors
 Examine the Financial Records of the association.

Nomination Committee Charter (Page2)
V. Implementing Rules and Regulations
Voting by proxy – each member is entitled to one (1) vote, which he may exercise in person, by proxy or via online/ email, which shall be in writing and filed with the nomination committee of the association.

AGM Minutes (Page 12) **IV. Fourth Part of the Program**
The fourth part of the program was the conduct of election to elect three (3) new members of the Board of Trustees to replace Mr. Ramon V. Bagay, Fr Joseph Cruz and Fr. Ramon Garcia who already completed their term of office. The Nomination Committee headed by Fr. Joseph Cruz explained the new online voting rules and tabulation procedures of the election two weeks before the online meeting and also during the zoom meeting.

AGM Minutes (Page 14) **VI. Sixth Part of the Program**
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AGM Minutes (Page 12) **AGM Resolutions No. 1 for 2019. APPROVAL OF THE 2019 BOARD RESOLUTIONS.**
RESOLVED, as it is hereby resolved that the 58,546 votes of the General Membership accepted and approved the 2019 Board Resolutions unanimously.

A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 12) Resolutions No. 1 for 2019. APPROVAL OF THE 2019 BOARD RESOLUTIONS. RESOLVED, as it is hereby resolved that the 58,546 votes of the General Membership accepted and approved the 2019 Board Resolutions unanimously.	AGM
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	OECD Principle II (C); and	Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 1) Attendance Board of Trustees	In
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?	ICGN 2.4.2: All directors need to be able to allocate sufficient time to the board to perform their responsibilities effectively, including allowing some leeway for occasions when greater than usual time demands are made.	Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 1) Attendance Board of Trustees Bagay - Chairman	In 1. Ramon
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 1) Attendance Management and Staff 10. Gener Luciano -General Manager	In
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 1) Attendance Board of Trustees Cabuhat - Auditor	In 6. Precy
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	OECD Principle II (C)	Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	Original Venue of PFMBAI AGM -KB GYM in Capitol Compound of Bulacan which is the accessible to all areas but due to the community quarantine, the place of venue is the place of quarantine of members via zoom.	
A.3.14	Does the company allow for voting in absentia?	OECD Principle II (C): (4) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	https://praxisfidembai4.w ebs.com/Nomination%20Committee%20Charter.pdf	Nomination Committee Charter (Page2) V. Implementing Rules and Regulations Voting by proxy – each member is entitled to one (1) vote, which he may exercise in person, by proxy or via online/ email, which shall be in writing and filed with the nomination committee of the association.	
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	OECD Principle II (C)	Y	https://praxisfidembai4.w ebs.com/Nomination%20Committee%20Charter.pdf	Nomination Committee Charter (Page2) V. IMPLEMENTING RULES AND REGULATIONS Voting Rules and Tabulation Procedure Manual voting is carried out by the distribution of election ballots to those members present to complete and drop it to the ballot box.	
A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 14) Part of the Program Mr. Perito Dimla the appointed Independent Scrutineer validated and announced the official tally of votes. He proclaimed the three (3) winners with highest votes.	V. Fifth
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?	OECD Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Y	https://praxisfidembai4.w ebs.com/	Announcement Page Results of Election as of May 22, 2020	
A.3.18	Do companies provide at least 21 days notice for all resolutions?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 3) Second Part of the Program Reading and approval of previous Minutes of 28th Annual General Meeting held on March 16, 2019 General Manager Gener C. Luciano informed the body that the copy of minutes has been posted in the PFMBAI website. A copy of the minutes and board resolutions were presented during the Pre-AGM held on February 14, 2020 at the 3rd floor of PFMBAI's Building	II. b.
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?		Y	https://praxisfidembai4.w ebs.com/AGM-MINUTES-2020.pdf	AGM Minutes (Page 3) Approval of Board Resolutions	C.

A.4	Markets for corporate control should be allowed to function in an efficient and transparent manner.					
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner. (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.	Y	https://praxisfidembai4.w ebs.com/Risk%20Management%20Committee%20Charter.pdf	Risk Management Committee Charter (Page 4) IV. Duties and Responsibilities 10. Review and create programs and procedures for all material related transactions of Board of Trustees, Employees, Area Coordinators and other related parties. The Committee will review prices of transactions to protect the rights of all members.	

A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.					
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.	Y	https://praxisfidembai4.w ebs.com/Nomination%20Committee%20Charter.pdf	Nomination Committee Charter (Page2) V. Implementing Rules and Regulations Rights of Members *Right to attend and participate in the Annual General Meeting	