

COMPANY NAME:	PRAXIS FIDES MBAI		Company Structure	
FINANCIAL YEAR END	2018		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?	OECD Principle II: The Rights of Shareholders and Key Ownership Functions (A) Basic shareholder rights should include the right to, amongst others: (6) share in the profits of the corporation.	Y	https://praxisfidembai4.wabs.com/Annual%20Report%202018.pdf
<p>Annual Report (Page 6)</p> <p>Earning 2018 The company realized a P55M income which will be maintained in the Free and Unassigned Surplus portion of the Fund Balance account, with proposed allocation of 10% and 7.5% for participating and non participating members respectively.</p>				

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?	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.	NA	DEFAULT
A.2.2	The authorisation of additional shares?	OECD Principle II (B): (2) the authorisation of additional shares.	NA	DEFAULT
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	OECD Principle II.(B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company.	NA	DEFAULT

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?	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.	Y	https://praxisfidembai4.w ebs.com/Nomination%20Committee%20Charter.pdf	Nomination Committee Charter (Page2) Implementing Rules and Regulations Rights of Members on all matters relating to the affairs of the association V. *Vote
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	https://praxisfidembai4.w ebs.com/2018Annual%20General%20Meeting%20R eport.pdf	AGM Minutes (Page2) Fifth Part of the Program The Nominating Committee headed by Trustee Santiago A. Antonio explained the voting rules and tabulation procedures of the election which were discussed and formulated in the committee meetings prior to AGM. He presented to the body the rights of the member to nominate candidates for board seats. V.
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	https://praxisfidembai4.w ebs.com/Nomination%20Committee%20Charter.pdf	Nomination Committee Charter (Page2) 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. V.
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	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.	Y	https://praxisfidembai4.w ebs.com/2018Annual%20General%20Meeting%20R eport.pdf	AGM Minutes (Page2) Fifth Part of the Program The Nominating Committee headed by Trustee Santiago A. Antonio explained the voting rules and tabulation procedures of the election which were discussed and formulated in the committee meetings prior to AGM. He presented to the body the rights of the member to nominate candidates for board seats. V.
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?	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	Y	https://praxisfidembai4.w ebs.com/2018Annual%20General%20Meeting%20R eport.pdf	AGM MINUTES (Page 4) Eight Part of the Program An open forum was conducted by AC Leonora San Juan and BM Emil John Edejer to give opportunity to the members to ask questions or raise their issues and concerns VIII.

A.3.6	Do the minutes of the most recent AGM record questions and answers?	items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	https://praxisfidembai4.w.ebs.com/2018Annual%20General%20Meeting%20Report.pdf	AGM MINUTES (Page 4) Eight Part of the Program VIII. AR Marieli Galang of Malolos Area asked this question: Why is tagged earnings not included in the loanable amount. Answer: GM Gener Luciano answered that only earnings for 2015 to 2017 are no longer loanable due to Praxis Fides MBI's compliance to SCA ruling on Free and Unassigned Surplus. The interest given shall no longer be called dividends but earnings																
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?		Y	https://praxisfidembai4.w.ebs.com/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page4) Seventh Part of the Program Resolutions VII. C. Resolutions made during the 28th Annual General Meeting is the approval of a minor member shall be limited to buy one plan only with a maximum insurance coverage of P10K only. Membership/s beyond P10K insurance coverage will no longer be accepted and that an adult member shall be limited to buy multiple plans if insurance coverage will exceed the maximum P200K claims.																
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/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page4) Tenth Part of the Program results X. Election Eufrocian A. Pelagia D. Bautista <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Cabuhat</td> <td style="width: 30%;">30,312 votes</td> <td style="width: 30%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td>29,479 votes</td> <td>Total</td> <td></td> <td>59,791</td> </tr> <tr> <td>votes</td> <td>Abstain</td> <td></td> <td>0</td> </tr> <tr> <td>Total</td> <td></td> <td><u>59,791 votes</u></td> <td></td> </tr> </table>	Cabuhat	30,312 votes			29,479 votes	Total		59,791	votes	Abstain		0	Total		<u>59,791 votes</u>	
Cabuhat	30,312 votes																				
29,479 votes	Total		59,791																		
votes	Abstain		0																		
Total		<u>59,791 votes</u>																			
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	OECD Principle II (C); and 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/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page1) of Attendees: List A. Board of Trustees Position Present 1. Mr. Ramon V. Bagay Chairman of the Board 1 2.Rev. Fr. Ramon Garcia Vice-Chairman 1 3. Ms. Mary Joy Del Rosario Corporate Secretary 1 4. Rev. FR. Josep Cruz Treasurer 1 5. Ms. Ederlinda del Rosario Auditor 1 6. Mr. Santiago A. Antonio Independent Trustee 1 7. Atty Peter Gonzales Independent Trustee 1																
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?		Y	https://praxisfidembai4.w.ebs.com/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page1) of Attendees: List A. Board of Trustees Position Present 1. Mr. Ramon V. Bagay Chairman of the Board 1																

A.3.18	Do companies provide at least 21 days notice for all resolutions?	full and timely information regarding the issues to be decided at the meeting.	Y	https://praxisfidembai4.wabs.com/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page 3) Sixth Part of the Program VI. The Corporate Secretary Ms. Mary Joy D. del Rosario read the Board Resolutions passed by the Board of Trustees for the year 2018. The Notice of 28th Annual General Meeting of MBI was posted on the company's website on February 15, 2018. Distribution of the copy of Invitation, Board Resolutions and all reports was done on the same day through the Area Coordinators of PFMBAI.
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.wabs.com/2018Annual%20General%20Meeting%20Report.pdf	AGM Minutes (Page 4) Seventh Part of the Program Resolution VII. C. Explanation: To be eligible for membership, the applicant must satisfy all of the following: (1). Be not more than 54 years of age upon application; (2), be of reasonably good health; (3), accomplish the prescribed application form and such application is approved by an authorized official of PFMBAI; (4), membership application must not exceed the maximum life insurance coverage of P200,000.00 per member, otherwise the application will be disapproved.

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?	<p>OECD Principle II (E): Markets for corporate control should be allowed to function in an efficient and transparent manner.</p> <p>(1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.</p>	Y	https://praxisfidembai4.wes.com/Risk%20Management%20Committee%20Charter.pdf	<p>Risk Management Committee Charter (Page 4)</p> <p>IV. Duties and Responsibilities 10.</p> <p><i>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.</i></p>
-------	--	--	---	---	--

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?	<p>OECD Principle II (F): The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</p>	Y	https://praxisfidembai4.wes.com/Nomination%20Committee%20Charter.pdf	<p>Nomination Committee Charter (Page2) V.</p> <p>Implementing Rules and Regulations</p> <p>Rights of Members *Right</p> <p>to attend and participate in the Annual General Meeting</p>