

**SECURITIES AND EXCHANGE COMMISSION  
SEC FORM 20-IS  
INFORMATION STATEMENT PURSUANT TO SECTION 20  
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:  
 Preliminary Information Statement  
 **Definitive Information Statement**
2. Name of Registrant as specified in its charter **Solidaritas Fund, Inc. ("Solidaritas" or the "Fund")**
3. **Philippines**  
Province, country or other jurisdiction of incorporation or organization
4. SEC Identification Number **CS2008-03624**
5. BIR Tax Identification Number **006-986-509**
6. **19/F BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City 1209** **1209**  
Address of principal office Postal Code
7. Registrant's telephone number, including area code **(632) 8580-0900**
8. Date, time and place of the meeting of security holders  
**November 13, 2023, 11:00 a.m. via Zoom**
9. Approximate date on which the Information Statement is first to be sent or given to security holders  
**October 19, 2023**
10. Proxy Solicitation  
Name of Person filing the Statement/Solicitor: **Tomas S. Chuidian**  
Address and Telephone No.: **19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City**  
**(632) 8580-0900**
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA  
(information on number of shares and amount of debt is applicable only to corporate registrants):
- | Title of Each Class  | Number of Shares of Common Stock<br>Outstanding or Amount of Debt Outstanding<br>(as of 15 September 2023) |
|----------------------|------------------------------------------------------------------------------------------------------------|
| <u>Common Shares</u> | 59,402,067                                                                                                 |
12. Are any or all of registrant's securities listed in a Stock Exchange?  
Yes \_\_\_\_\_ No **X**
- If yes, disclose the name of such Stock Exchange and the class of securities listed therein:  
The fund is not listed with Philippine Stock Exchange

## NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Please be informed that the Annual Meeting of the Stockholders of SOLIDARITAS FUND, INC. (the "Company" or the "Fund") will be conducted virtually via **Zoom** on **November 13, 2023 at**

[\[https://us02web.zoom.us/j/85142458927?pwd=d3JtaXNaM1NHeHUxZm4zSWZvK3I6QT09I\]](https://us02web.zoom.us/j/85142458927?pwd=d3JtaXNaM1NHeHUxZm4zSWZvK3I6QT09I)

The agenda for the Annual Stockholders' Meeting shall be as follows:

1. Call to Order
2. Certification of Notice
3. Determination and Declaration of Quorum
4. Reading and approval of the minutes of the Annual Stockholders' Meeting held on 19 December 2022
5. Presentation and approval of the 2022 Annual Report and other reports of the Fund Manager
6. Approval and confirmation of all acts of the Board of Directors and the fund manager for 2022
7. Election of Directors for 2023
8. Confirmation of BPI Wealth as Fund Manager (continuing term unless expressly terminated)
9. Confirmation of BPI Investment Management Inc. as Principal Distributor and Transfer Agent (continuing term unless expressly terminated)
10. Re-appointment of SGV & Co. as external auditor
11. Other Business Matters
12. Adjournment

The Board of Directors has fixed the **15 September 2023** (the "Record Date") as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting of the Stockholders. Only holders of shares of common stock as at the Record Date will be entitled to vote at the Annual Meeting of the Stockholders.

Given the restrictions posed by the community quarantine, stockholders may only attend the meeting through remote communication.

In order that your stock may be represented at the meeting, please accomplish the enclosed Proxy Form and return it via mail / email / fax on or before **03 November 2023** to the Office of the Corporate Secretary through the following:

Via Mail: 19/F BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City  
 Via Email: [bpi\\_investment@bpi.com.ph](mailto:bpi_investment@bpi.com.ph)  
 Via Fax: (02) 8580-4682

Stockholders who intend to participate in the meeting through remote communication shall notify the Corporate Secretary by sending an email to [bpi\\_investment@bpi.com.ph](mailto:bpi_investment@bpi.com.ph) before **03 November 2023**. Registered Stockholders will receive an email confirmation containing the details about joining the webinar. Stockholders may exercise the right to vote through remote communication or *in absentia*, subject to validation.

Very truly yours,



**ATTY. SABINO B. PADILLA IV**  
 Corporate Secretary

<b>PART I.</b>
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**INFORMATION REQUIRED IN INFORMATION STATEMENT**

**A. GENERAL INFORMATION**

**1. Date, time and place of meeting of security holders**

Date: **13 November 2023**

Time: **11:00 a.m.**

Place: **Virtual meeting via Zoom**

Registration for voting in absentia: <https://bit.ly/2023ASMSolidaritas>

Registrant's Mailing Address: **19/F BPI Buendia Center, Sen. Gil J. Puyat Ave., Office Makati City 1209**

The date on which the Information Statement is first to be sent or given to stockholders is **October 19, 2023.**

**2. Dissenters' Right of Appraisal**

As provided by Title X of the Revised Corporation Code of the Philippines (Republic Act No. 11232) ("Revised Corporation Code"), any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

- 2.1 In case an amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- 2.2 In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- 2.3 In case of merger or consolidation; and
- 2.4 In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

In order for the stockholder to exercise the right, he or she must vote against any of the enumerated instances which the corporation will pursue. The procedures in the exercise of the right are the following:

- 2.5 Written demand on the corporation within 30 days after the date that the vote was taken.
- 2.6 Submission of the shares of the dissenting stockholder to the corporation for notation within 10 days from the written demand. The corporation has to pay the stockholder with the fair value of the shares within 30 days after demanding payment for his or her shares.
- 2.7 Failure to make the demand within 30 days after the date on which the vote was taken shall be deemed a waiver of the appraisal right.

There will be no matters that will be taken up at the meeting which may warrant the exercise of this right.

**3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

There is no person who has been a director or officer of Solidaritas Fund, Inc. at any time since the beginning of the last calendar year, or who is a nominee for election as director, who has a substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting. No member of the Board of Directors (the "Board") has informed Solidaritas Fund, Inc. that he intends to oppose any action to be taken by Solidaritas Fund, Inc. at the Annual Stockholders' Meeting.

**B. CONTROL AND COMPENSATION INFORMATION**

**4. Voting Securities and Principal Holders Thereof**

(a) The total number of outstanding shares as of 15 September 2023 is 59,402,067 all of which are common and voting. Each share shall be entitled to one vote with respect to all matters to be taken up during the Annual Stockholders' Meeting.

A stockholder entitled to vote at the Annual Stockholders' Meeting shall have the right to vote in person or by proxy the number of shares registered in his name in the stock and transfer book of Solidaritas Fund, Inc. as of the Record Date. With respect to the election of directors, said stockholder may vote such number of shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit, provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of directors to be elected.

(b) All stockholders of record as of 15 September 2023 are entitled to receive this Information Statement, and to receive notice of, and vote during the Annual Stockholders' Meeting. Stockholders are entitled to cumulative voting in the election of the members of the Board of Directors, as provided in the Revised Corporation Code. More specifically, each stockholder shall be entitled to elect nine members to the Board of Solidaritas Fund, Inc. and he or she may vote the number of shares standing in his or her name in the books of Solidaritas Fund, Inc. for each of the nine persons whom he or she may choose from the list of nominees. Alternatively, he or she may cumulate said shares and give one candidate as many votes as the number of his or her shares multiplied by nine shall equal, or he or she may distribute these votes on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him or her shall not exceed the number of shares owned by him or her multiplied by 9.

#### Security Ownership of Certain Record and Beneficial Owners

On June 5, 2014, the SEC en banc approved the confidential treatment of the Fund's list of top 20 shareholders and/or beneficial owners of more than five percent (5%) of the Fund's outstanding securities, which is submitted separately to SEC. This is for the security of the shareholders and for the protection of their privacy.

#### (c)(i) Security Ownership of Management as of August 31, 2023

Name	Position	No. of Shares	Percentage
Bishop Mylo Hubert C. Vergara	Director	17,836 (record)	0.02945%
Rev. Fr. Antonio Cecilio T. Pascual	Chairman	5,000 (record)	0.00826%
Rev. Fr. Lamberto S. Ramos	President	5,000 (record)	0.00826%
Rev. Fr. Antonio Labiao Jr.	Director/Treasurer	24,905 (record)	0.04113%
Rev. Fr. Orlando B. Cantillon	Director	368,380 (record)	0.60830%
Bishop Roberto Gaa	Director	5,000 (record)	0.00826%
Monica Mei C. Young	Independent Director	5,000 (record)	0.00826%
Atty Rene Bañez	Independent Director	5,000 (record)	0.00826%
Rev. Fr. Herbel F. Torres	Director	118,417 (record)	0.19554%
Atty. Sabino Padilla IV	Corporate Secretary	0	0.00000%
Glenn Noel L. Laneta	Compliance and Risk Officer	0	0.00000%

#### (c)(iii) Voting Trust Holders of 5% or more

As of 31 August 2023, there is no voting trust or similar arrangement for 5% or more of Solidaritas Fund, Inc. shares. There are no arrangements which may result in a change of control in Solidaritas Fund, Inc.

#### (d) Change of Control

There was no change in control in Solidaritas Fund, Inc. that occurred since the beginning of the last calendar year.

### 5. Directors and Executive Officers

(a) The following are the current directors and officers of Solidaritas Fund, Inc.:

Name	Age	Citizenship	Position	Term
Bishop Mylo Hubert C. Vergara	60	Filipino	Director	16 years (2008-2024)
Rev. Fr. Antonio Cecilio T. Pascual	64	Filipino	Chairman	16 years (2008-2024)
Rev. Fr. Lamberto S. Ramos	71	Filipino	President	>1 years-2024
Rev. Fr. Antonio Labiao Jr.	69	Filipino	Director/Treasurer	14 years (2010-2024)
Rev. Fr. Orlando B. Cantillon	63	Filipino	Director	14 years (2010-2024)
Bishop Roberto Gaa	60	Filipino	Director	2 years (2022-2024)

Monica Mei C. Young	36	Filipino	Independent Director	2 years (2022-2024)
Atty Rene Bañez	68	Filipino	Independent Director	2 years (2022-2024)
Rev. Fr. Herbel F. Torres	43	Filipino	Director	>1 years-2024
Atty. Sabino Padilla IV	63	Filipino	Corporate Secretary	14 years (2010-2024)
Glenn Noel L. Laneta	42	Filipino	Compliance and Risk Officer	1 year (2023-2024)

(b) The following are the names of the persons who are nominees for election for year 2023-2024:

BOARD OF DIRECTORS	AGE	CREDENTIALS
<b>Bishop Mylo Hubert C. Vergara</b> Director	60	<p>Bishop Mylo Hubert C. Vergara is currently the Bishop of Pasig (since 2011). Prior to his Episcopal Ordainment in April 30, 2005, he served as Vicar Clergy for the Diocese of Cubao in the year 2005 and became President of Radio Veritas Global Broadcasting, Inc., Manila in 2001. He was also a member of the Credit Committee of the Bahay Pari Credit Cooperative in 1999 and a Presbyterian Council member of the Archdiocese of Manila from 1994-2001. Bishop Mylo had also been engaged in the teaching profession by becoming a Dean of Studies and Professor of Philosophy in the Holy Apostles Seminary from 1990 - 1994. He has also acted as parish priest of the Santa Rita de Cascia Parish (2001-2003) and Holy Sacrifice Parish in Diliman, Quezon City (2003-2005). He was the Bishop of San Jose, Nueva Ecija. He is currently the bishop of the Diocese of Pasig.</p> <p>He earned his Master's degree in Philosophy and Bachelor's degree in Management Engineering from the Ateneo de Manila University. He completed his elementary and high school education at the Ateneo de Manila University. He achieved his licentiate in Sacred Theology from the Loyola School of Theology and Doctoral in the same field from the University of Sto. Tomas.</p>
<b>Rev. Fr. Antonio Cecilio T. Pascual</b> Chairman	64	<p>Rev. Fr. Antonio Cecilio T. Pascual is currently the Executive Director of Caritas Manila, Inc. He is also the President of Radio Veritas, a minister of the Social Services Development Ministry of the Roman Catholic Archdiocese of Manila. He holds key positions in several cooperatives. He is the Founder and Chairman of Simbayanan ni Maria Development Cooperative, Chairman of the Solidaritas Credit Cooperative, Chairman of the Metro South Cooperative Bank, and Director of Caritas SALVE Microfinance Cooperative. He is also a member of the Board of Trustees of Alfonso Yuchengco Foundation, Inc., One Meralco Foundation, Inc., Philippine Council for NGO Certification, and Bayan Academy. He has also been a member of the Board of Trustees of Association of Foundations, Inc. (2015-2017). He has a degree in Philosophy from Our Lady of Angels Franciscan Seminary and in Theology from San Jose Major Seminary, Ateneo de Manila University. He earned a Master's degree in Development Management from the Asian Institute of Management.</p>
<b>Rev. Fr Lamberto S. Ramos</b> President	71	<p>Fr Lamberto S Ramos was ordained a priest only last June 1, 2018, 55 years after meandering through 2 seminaries namely San Carlos Seminary and Loyola School of Theology, "with "interruption in between" such as : regency, a happy marriage, 3 children, 3 master's degrees in: a. Philosophy (Ateneo), b. Business Economics(University of Asia and Pacific), and c. Marketing Management (RVB Technological University of Delft, the Netherlands), successful domestic and international corporate career (Alaska Milk, General Milling, Jardines, Budweiser Beer, Hardiflex, Nextel among others), then wife's cancer and subsequent demise.</p> <p>Today Fr Lambert is the Rector and Administrator of the Shrine and Parish of Our Lady of the Abandoned Church, Marikina and has just been recently appointed CEO of Solidaritas Credit Cooperative. He likewise sets up systems and processes for the bishop of Antipolo and other priests to upgrade their management structure so as to increase the</p>

		<p>efficiency and effectiveness of their various parishes. To ground his management expertise and experience in canonical foundation, he was sent to Rome to take up Program of Church Management at Universita della Santa Croce. He likewise helps the marital and parental ministries of the diocese.</p> <p>After a secular life as CEO in various companies, barking orders and fiats, he made a solemn promise to obey his bishop in all humility and obedience, not to mention celibacy and life simplicity! Talk about radical change in identity, lifestyle and mission!. If most people are only allowed to respond once to "the universal call to holiness", such as the choice of a particular state of life in the church either as an ordained priest or be a good married man and father (with the chosen mission related to each state of life), Fr Lambert's unique vocation and response has been to both: thus "dalawang langit ang nasungkit!" Both experiences as priest and married man will serve him well as he embarks on a new life, witnessing to the "Magandang Balita ng Panginoon", in imitation of Jesus' life, with self-giving love and service as prime motivation and nothing else.</p>
<b>Rev. Fr. Antonio Labiao Jr.</b> Director/Treasurer	69	<p>Rev. Fr. Antonio Labiao Jr. is currently the Parish Priest and Rector of The Diocesan Shrine of Our Lady of Mercy, Novaliches, Quezon City (since 2013). Prior to his present assignment, he was the Parish Priest and Rector of St. Peter Parish: Shrine of Leaders, Commonwealth Avenue, Quezon City (2007-2013). Prior to his being Parish Priest and Rector in St Peter Parish, he was the Parish priest of Jesus, Lord of Divine Mercy Parish, Mapayapa Village I, Quezon City (2002-2007) and at the same time Administrator of Mary the Queen Parish, Fairview, Quezon City (2006-2007). He is also concurrently the Vicar General for Pastoral Affairs of the Diocese of Novaliches. As Vicar General, he serves as the Pastoral Director of the Diocesan pastoral programs.</p> <p>Fr Tony, as he is commonly called, earned his Bachelor of Arts degree in Philosophy in Notre Dame University in Cotabato City. He finished his degree in Sacred Theology in St. Francis Xavier Major Seminary, Davao City. He was ordained priest on March 29, 1979.</p>
<b>Rev. Fr. Orlando B. Cantillon</b> Director	63	<p>Rev. Fr. Orlando B. Cantillon current school is Director of Colegio de Sta. Ana and Sto. Nino Parochial School both in Taguig. He entered Claret Seminary in 1976. He then finished Bachelor of Philosophy at the University of Santo Tomas in 1980 and Theology at Loyola School of Theology, Ateneo de Manila in 1986. He was then ordained a Claretian Priest on March 8, 1986. He was assigned as the following: Parochial Vicar at Immaculate Heart of Mary, U.P. Village (1986-1987), Seminary Formator and Instructor (1987-1990), Missionary in East Timor and West Timor (1990-1995), Studied at Instituto de Vida Religiosa, Madrid (1995-1997), Parochial Vicar of San Roque, Pateros (1997-1998), Chaplain of College of St. Benilde (1998-1999), Parish Priest of San Isidro, Novaliches (1999-2000), Parish Priest of St. John the Baptist, Taguig (2000-2005), Parish Priest of San Antonio Abad, Pasig (2005-2007), Parish priest of San Roque, Pateros (2007-2010), and Parish Priest of Immaculate Conception Cathedral, (2010). He also finished M.A. in Educational Management at Pasig Catholic College (2010), and is now a Ph.D. (Candidate) in Educational Management, UST (2012).</p>
<b>Bishop Roberto Gaa</b> Director	60	<p>Bishop Roberto Gaa formerly in Holy Apostle Senior Seminary in Guadalupe Makati year 2012 to year 2019 as Dean of Studies, and in Presbyteral Council Archdiocese of Manila year 2008 to year 2015 as member. And in Holy Spirit Parish Tala Caloocan City year 2001 to year 2002 as Parish Priest. And Saint Anthony of Padua Parish Singalong, Manila City year June 2001 to August 2001.</p>
<b>Monica Mei C. Young</b> Independent Director	36	<p>Monica Mei C. Young is currently Associate Project Officer and Consultant in Asian Development Bank. Financial due diligence analyst and INSEAD MBA graduate (Financial Times'#3 Global MBA) with over 10 years of experience in evaluating risk, financial statements, project sustainability, financial sector development programs, developing models and extensive international experience. 2015, INSEAD MBA Class of December 2015 Classes Attended: Corporate Finance, Bank Management, Quantitative Methods, France/ Singapore, Wharton School of the University of Pennsylvania MBA Exchange Program Class Attended: Entrepreneurship Through Acquisitions , (USA), 2005 – 2009 Ateneo De Manila University Bachelor of Science / Management – Top 10% of entrance test examinees (approx. 10,000 applicants), 2007 Hong Kong Baptist University (4-month course, Awarded full scholarship:</p>

		International & Cross-cultural Bus, Management & Communications program, Hong Kong.
<b>Atty Rene Banez</b> Independent Director	68	Atty Rene Banez a formerly PLDT INC. Senior Vice President &Head-Supply Chain, Asset Protection & Management Group January 1, 2008 – February 15, 2016, Senior Vice President & Chief Governance Officer October 5, 2004 – December 31, 2007, Corporate Governance Advisor September 1, 2003 – October 4, 2004, Senior Vice President August 10, 2000 – January 31, 2001, First Vice President Support Services & Tax Management November 24, 1998 – August 9, 2000. Smart Communications, Inc. Head, Supply Chain, Asset Protection & Management Division January 1, 2008 – February 15, 2016, Pacific Global One Aviation Company President December 5, 2011 – January 17, 2014, Metro Pacific Investment Corporation Group Tax Director January 1, 1997 – November 23, 1998. Isla Lipana & Co./PriceWaterhouseCoopers (Formerly Joaquin Cunanan & Company) Tax Consultant November 2, 1982 – June 30, 1983 Sison, Ortiz & Associates (Law Firm) Associate Lawyer January 4, 1982 – October 31, 1982.
<b>Rev. Fr. Herbel F. Torres</b> Director	43	Fr. Herbel F. Torres is currently the parish priest of our lady of Pentecost Parish (Diocese of Cubao) and the Oeconomus for the diocese since 2018.  He has also been assigned as the parish priest of Holy Family parish (proj.8) from 2009 to 2012 and from 2012 to 2018 at Our Lady of Fatima Parish. In addition, he used to be the priest-in-charge of the audit department of the diocese.  He graduated from college in Sto. ñino seminary (Numancia, Aklan) with the degree in Bachelor of Arts in philosophy.  After which he received his bachelor's degree in theology from Loyola School of theology while also obtaining his M.A in pastoral ministry from the Ateneo De Manila University. He had his theological formation at San Jose seminary.
<b>Atty. Sabino B. Padilla IV,</b> Corporate Secretary	63	Atty. Sabino B. Padilla IV, born in 1960, 62 years old, is the Corporate Secretary of the Fund. Atty. Padilla graduated with a degree in Bachelor of Laws from the University of the Philippines in 1985. He then received his Master of Laws from the Harvard University, USA in 1988. He is currently a partner of the Padilla Law Office which is legal counsel to various religious orders, societies and congregations for men and women as well as educational institutions and hospitals operated by them, and to BPI and its subsidiaries. Atty. Padilla is also the Corporate Secretary of other mutual funds, namely, Solidaritas Fund, ALFM Money Market Fund, ALFM Peso Bond Fund, ALFM Euro Bond Fund, ALFM Dollar Bond Fund, ALFM Growth Fund, Philippine Stock Index Fund and ALFM Global Multi-Asset Income Fund, Inc.
<b>Glenn Noel L. Llaneta</b> Compliance and Risk Officer	42	Mr. Llaneta is the appointed Compliance Officer, AML & Data Protection Officer. He has a combined 19 years and running banking experience spanning stints in Accounting, Trust Services, Customer Due Diligence (CDD) specializing in Know Your Customer (KYC) and Customer Transaction Monitoring gained from Local and International banks. He joined BIMl last July 1, 2023, as a Compliance Officer, as such he would be responsible that the company has internal controls to adequately manage risk as well as ensures the entity as well as the Mutual Funds are in compliance with the regulatory requirements. He possesses International Advanced Certificate in Anti-Money Laundering accorded by International Compliance Association (ICA) and a Certified Know Your Customer Associate (CKYCA) afforded by Certified Anti-Money Laundering Specialist (CAMS). He also successfully passed AMLF/CTF Fundamentals Course administered by Anti-Money Laundering Council (AMLC).

The Nomination Committee is in charge of reviewing and evaluating the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board and provide assessment on the Board's effectiveness in directing the process of renewing and replacing Board members. The Board's Nominees are Bishop Mylo Hubert C. Vergara, D.D., Fr. Antonio Cecilio T. Pascual, Rev. Fr. Antonio E. Labiao, Jr., Rev. Fr. Lamberto S. Ramos, Fr. Orlando B. Cantillon, Bishop Roberto Gaa, Rev. Fr. Herbel F. Torres, Ms. Monica Mei C. Young and Atty. Rene Banez are Independent Directors of the fund.

Nine Directors are to be nominated and elected at the annual general meeting of stockholders for a full one-year term. The following are the nominees for Directors for the coming year: Bishop Mylo Hubert C. Vergara, Rev. Fr. Antonio Cecilio T. Pascual, Rev. Fr. Lamberto S Ramos, Rev. Fr. Antonio E. Labiao, Jr., Rev. Fr. Orlando B. Cantillon, Bishop Roberto Gaa, Ms. Monica Mei C. Young, Atty Rene Banez, Rev. Fr. Herbel F. Torres.

There is no person who is not an officer and is expected by Solidaritas Fund, Inc. to make significant contribution to the Fund.

The Nomination Committee pre-screened candidates and came up with a shortlist of nominees to be presented to the shareholders. Candidates must have the following qualifications to become a member of the Board:

- Every director shall own at least one (1) share of the capital stock of Solidaritas Fund, Inc., which share shall stand in his or her name in the books of Solidaritas Fund, Inc.
- Be a college graduate;
- Have adequate competency and an understanding of the business of an open-end investment company;
- At least 21 years of age;
- Proven to possess integrity and probity; and
- Must be assiduous.

The Nomination Committee selected the independent directors in accordance with Rule 38 of the Securities Regulation Code ("SRC") and the SEC Memorandum Circular No. 24, Series of 2019 Code of Corporate Governance for Public companies and Registered Issuers.

Bishop Mylo Hubert Vergara nominated the following Independent Directors:

Ms. Monica Mei C. Young  
Atty. Rene Banez

- (c) Solidaritas Fund, Inc. does not maintain any employees nor does it maintain any payroll. Solidaritas Fund, Inc. does not expect in the foreseeable future to have any employees.
- (d) The incumbent directors, officers, and nominees for director are not related to each other up to the fourth civil degree either by consanguinity or affinity.
- (e) None of the directors, officers and nominees for director has been involved in the following legal proceedings within the past 5 years:
  - Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
  - Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
  - Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
  - Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.
- (f) There was no transaction or proposed transaction during the last 2 years to which Solidaritas Fund, Inc. was or is to be a party.

## 6. Compensation of Directors and Executive Officers

There is no existing Compensation Committee. Solidaritas Fund, Inc. does not maintain any employees, nor does it maintain any payroll. Solidaritas Fund, Inc. does not expect in the foreseeable future to have any employees. Additionally, none of the directors or officers is given any compensation. However, the directors receive per diems and other reimbursements for their attendance at board meetings. There are no other arrangements, standard or otherwise, being paid to the directors. Directors are not compensated in any manner for committee participation, special assignments, or any other arrangements.

There are no compensatory plans or arrangements for any officer that will result in or will result from the resignation, retirement or any other termination of such officer in any amount.

For every board meeting attended by each director, he or she will receive a per diem of Php100,000 and 120,000 for the funds President/per meeting. The directors received the following amounts:



**EXECUTIVE COMPENSATION**

<b>Payment Period</b>	<b>Aggregate Amount Received (in Php)</b>
2021	28,320
2022	63,000
2023 (estimate)	P120,000

**7. Independent Public Accountants**

The company continues to maintain SGV & Co. as the independent public accountant of the company with respect to its operations for the year 2023. The company has only been incorporated last March 10, 2008. A change in signing partner was enacted in 2012, 2017 and 2018. For the fund's Financial Statement as of December 31, 2022 the signing partner is Redgjenald G. Radam. The corporation is compliant with SRC Rule 68, Part 1(3)(b)(ix) re: rotation of external auditor. In taking this action, the members of the Board of Directors considered carefully SGV & Co.'s performance, its independence with respect to the services to be performed and its general reputation for adherence to professional auditing standards.

The fund paid a total of 278,678.40 in audit fees in 2023 for the 2022 Audited financial statement while of P298,144.00 in audit fees in 2022 for the 2021 audited financial statements.

The registrant does not require the external auditor to be present in the election, approval or ratification of external auditors. They can be invited for questioning should they be needed to respond to queries. The external auditor may request to be present during the meeting but subject to the approval of the board.

There is no disagreement since the company's inception (2008) on any matter of accounting principles and financial statement disclosures between the fund and the Accountant.

The Audit Committee which oversees the corporation's external audits is headed by Atty. Rene Banez, Independent Director as Chairman, Rev. Fr. Arnel F. Recinto Director, and Monica Mei C. Young Independent Director as members.

**8. Compensation Plans**

No action is to be taken with respect to Item 8 during the Annual Stockholders' Meeting.

**C. ISSUANCE AND EXCHANGE OF SECURITIES****9. Authorization or Issuance of Securities Other than for Exchange**

No action is to be taken with respect to Item 9 during the Annual Stockholders' Meeting.

**10. Modification or Exchange of Securities**

Solidaritas Fund, Inc. does not intend to modify any class of its securities, or issue or authorize the issuance of one class of securities in exchange for outstanding securities of another class.

**11. Financial and Other Information**

Solidaritas Fund, Inc. has incorporated by reference the following as contained in the Management Report (attached as Annex A), SEC Form 17-A (Annual Report) (attached as Annex B), and SEC Form 17-Q (Quarterly Report) for the period ended June 30, 2023 (Quarterly Report) (attached as Annex C).

**12. Mergers, Consolidations, Acquisitions and Similar Matters**

Solidaritas Fund, Inc. has no plans to merge or consolidate with any entity and plans to acquire the securities form other entity.

**13. Acquisition or Disposition of Property**

Solidaritas Fund, Inc. does not own any real property and does not intend to acquire any real property.

**14. Restatement of Accounts**

Solidaritas Fund, Inc. does not intend to restate any of its asset, capital or surplus accounts.

**D. OTHER MATTERS**

**15. Action with Respect to Reports**

The minutes of the previous Annual General Meeting of Stockholders held last 19 December 2022 shall be submitted to the stockholders for approval. Also to be submitted for approval and/or ratification is the Annual Report and the Audited Financial Statements for the year ended 31 December 2022.

**16. Matters Not Required to be Submitted**

All matters or actions to be taken up in the Annual Stockholders' Meeting require the vote of the stockholders.

**17. Amendment of Charter, Articles of Incorporation, By-laws or Other Documents**

The stockholders shall also vote to amend Article III of the Fund's Articles of Incorporation to change the principal office address of the Fund to "7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines" in order to indicate the Fund's new location.

The Fund will submit below amendment of the funds' other pertinent documents related to the changes of the fund's address.

	<b>Current</b>	<b>Proposed</b>
<b>Name</b>	Solidaritas Fund, Inc.	Solidaritas Fund, Inc.
<b>Address</b>	19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines	7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines

- b. The stockholders shall vote to amend the Fund's By-Laws to reflect the following changes/provisions:

Majority of the amendments in By-Laws is just to align with the provisions of the Revised Corporation Code. The other amendments (e.g Inclusion of investment objectives) is to comply with SEC mandate that the investments objectives should be part of the By- Laws.

- a. Revision of notice period for Meeting of the Stockholders
- b. Participation of stockholders in the Stockholders' Meeting through remote communication
- c. Right to vote of stockholders through remote communication or in absentia
- d. Establishment of various committees to promote corporate governance
- e. Inclusion of Compliance Officer
- f. Inclusion of investment objectives
- g. Alignment of definition of assets and liabilities

**18. Other Proposed Action**

On February 9, 2023, the Board of Directors of the Fund appointed BPI Wealth - A Trust Corp. as Fund Manager, following the resignation of BPI Investment Management Inc. effective April 1, 2023. Prior to the designation of BPI Wealth as Fund Manager, BPI Investment Management Inc. is the Fund Manager, Principal Distributor, and Transfer Agent of the fund. The resignation of BPI Investment Management Inc. on February 9, 2023 pertains to their role as Fund Manager only. Therefore, BPI Investment Management Inc. remains to be the Principal Distributor and Transfer Agent of the fund.

**19. Voting Procedures**

Unless otherwise provided by law, each stockholder shall, at every meeting of the stockholders, be entitled to one vote, in person or by proxy, for each share with voting rights held by such stockholder. Stockholders may also exercise the right to vote through remote communication or *in absentia* as authorized by resolution of the majority of the Board of Directors of the Fund.

All elections and all questions, except as otherwise provided by law, shall be decided, either by majority or 2/3 votes in accordance with the Revised Corporation Code, of the stockholders present in person or by proxy entitled to vote thereat, a quorum (majority of the issued and outstanding capital stock having voting powers) being present.

Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting and entitled to vote thereat, the vote on any question will not be by ballot. In case of a vote by ballot, each ballot shall be signed by the stockholder voting in his name or by his proxy if there be such proxy, and shall state the number of shares voted by him. The Corporate Secretary of Solidaritas Fund, Inc. will count and tabulate the votes.

**UNDERTAKING**

**UPON WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY WILL PROVIDE, WITHOUT CHARGE, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A DULY FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:**

**BPI Wealth-A Trust Corporation**  
19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave.  
Makati City, Philippines

<b>PART II.</b>
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**INFORMATION REQUIRED IN A PROXY FORM**

1. Identification

The proxy solicitation is made by SOLIDARITAS FUND, INC. (the "Company"), represented by Tomas S. Chuidian, the President of BPI Investment Management Inc. ("BIMI"), the Company's investment adviser. The proxy solicitation is in favor of Tomas S. Chuidian or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting chosen in accordance with the Company's By-Laws.

All costs and expenses incidental to the proxy solicitation will be borne, directly or indirectly, by the Company.

2. Instructions

- (a) The security holder is instructed to complete and affix their signature on the attached form.
  - (i) If the securities are owned by two or more joint owners, the proxy form must be signed by all of the joint owners.
  - (ii) If the securities are owned in an "and/or" capacity, the proxy form must be signed by either one of the owners.
  - (iii) If the securities are owned by a corporation, association, partnership or unincorporated entity, the proxy form must be accompanied by a certification, signed by a duly authorized officer, partner or representative of such corporation, association, partnership or unincorporated entity, that designates and empowers an authorized signatory to sign the proxy form pursuant to the constitutive documents or duly approved policies of such corporation, association, partnership or unincorporated entity for this particular purpose.
- (b) The security holder appoints Tomas S. Chuidian, or in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting, to represent and vote all shares registered in his or her name as proxy of the undersigned security holder.
- (c) The security holder shall clearly indicate the date of execution of the proxy form. A proxy form which is undated, post-dated, or which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder, shall not be valid.
- (d) The security holder shall sign the proxy form or have the form signed by a duly authorized representative and file the same with the Corporate Secretary not later than 5:00 p.m. on November 03, 2023.
- (e) Retrieval and validation of all the proxy forms shall be administered by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under his supervision and control from November 03, 2023.

3. Revocability and Validity of Proxy

The proxy form in favor of the Company shall be irrevocable and shall be effective and valid for a period of five (5) years from the date of its execution. There is no formal procedure or limitation for the right of revocation of a proxy before it is exercised.

4. Persons Making the Solicitation

Mr. Tomas S. Chuidian is not soliciting any votes. Neither is Solidaritas Fund, Inc. aware of any director who intends to oppose any action intended to be taken by Solidaritas Fund, Inc.

5. Interest of Certain Persons in Matters to be Acted Upon


There is no person who has been a director, independent director, or nominee for election as director, or independent director, or officer of the Company and, to the best knowledge of the Company, no associate of a director or independent director, or officer, or nominee for election as a director or independent director, or officer of the Company, at any time since the beginning of the last calendar year, has any substantial interest in any matter to be acted upon at the Annual Stockholders' Meeting.

**PART III.**

**SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Makati on \_\_\_\_\_ 2023.

SOLIDARITAS FUND, INC.



**By: Sabino B. Padilla IV**  
Corporate Secretary

**\*PLEASE FILL UP AND SIGN THIS PROXY FORM AND RETURN OR FAX IMMEDIATELY TO:  
 BPI WEALTH – A TRUST CORPORATION.  
 19/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City  
 (02) 8580-0900  
 Email: bpi\_investment@bpi.com.ph  
 Fax: (02) 8580-4682**

### STOCKHOLDER PROXY

The undersigned stockholder (the "Stockholder") of SOLIDARITAS FUND, INC. the ("Company"), hereby appoints Tomas S. Chuidian, with full power of substitution and delegation, or, in case of his non-attendance, the Chairman of the Annual Stockholders' Meeting of the Company, chosen in accordance with the Company's By-Laws, as the Stockholder's proxy to represent the Stockholder and vote all shares registered in the Stockholder's name in the books of the Company, at the Annual Meeting of the Stockholders to be conducted virtually via Zoom on 13 November 2023 at 11:00 am, and any adjournments and postponements thereof, as fully to all intents and purposes as the stockholder might or could do if present in person, hereby ratifying and confirming any and all actions to be taken during any said meetings and adjournments thereof for the purpose of acting on the following matters:

1. Approval of minutes of previous Annual Stockholders' Meeting held on December 19, 2022
  - For
  - Against
  - Abstain
  
2. Presentation and approval of 2022 Annual Report of the Fund Manager
  - For
  - Against
  - Abstain
  
3. Ratification and approval of the acts of the Board of Directors and Management since the last Annual Stockholders' Meeting
  - For
  - Against
  - Abstain
  
4. Election of Directors
 

The security holder may withhold authority to vote for any nominee by striking out the name of the nominee. Please only check the box opposite the nominee you wish to elect.

  - Rev. Fr. Antonio Cecilio T. Pascual
  - Rev. Fr Lamberto S Ramos
  - Rev. Fr. Antonio E. Labiao, Jr.
  - Most Rev. Mylo Hubert C. Vergara, D.D.
  - Rev. Fr. Orlando B. Cantillon
  - Ms. Monica Mei C. Young\*
  - Atty. Rene Banez\*
  - Bishop Roberto Gaa
  - Rev. Fr. Herbel F. Torres

\*Independent Director
  
5. Confirmation of BPI Wealth as Fund Manager (continuing term unless expressly terminated)
  - For
  - Against
  - Abstain
  
6. Confirmation of BPI Investment Management as principal distribution and transfer agent (continuing term unless expressly terminated)
  - For
  - Against
  - Abstain
  
7. Re-appointment of SGV & Co. external auditor for 2023

- For
- Against
- Abstain

9. Amendments of Articles of incorporation to change the principal office address of the Fund to "7/F, BPI Buendia Center, Sen. Gil J. Puyat Ave., Makati City, Metro Manila, Philippines".

- For
- Against
- Abstain

10. Amendment of the Fund's By-Laws to reflect the following changes/provisions:

- a. For
- b. Against
- c. Abstain

This proxy revokes and supersedes any previously executed proxy or proxies. This proxy shall be valid for a period of five (5) years from the date of its execution.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder. If no direction is made, this proxy will be voted "For" the approval of the matter stated above and for such other matters as may properly come before the meeting, including matters which the solicitors do not know a reasonable time before the solicitation are to be presented at the meeting, and those incidental to the conduct of the meeting, in the manner described in the information statement and/or as recommended by management or the board of directors.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ in \_\_\_\_\_.

## Annex A. MANAGEMENT REPORT

### Financial and Other Information

#### Market Information

Solidaritas Fund, Inc. is not listed in the Philippine Stock Exchange. The shares are being sold by SEC Certified Investment Solicitors (CISols) thru the fund's authorized distributors.

#### Holders

As of 31 August 2023, there were a total of 194 holders of redeemable common stock (one class of shares only)

Solidaritas Fund, Inc.					
Top 20 Shareholders As of August 31, 2023					
NO	Titles of class	Shareholders Name	Number of Shares Held	Citizenship	Percentage of class
1	Common	BAHAY PARI CREDIT COOPERATIVE	17,083,101	FILIPINO	28.21%
2	Common	THE ROMAN CATHOLIC BISHOP OF CUBAO INC	6,586,681	FILIPINO	10.88%
3	Common	THE ROMAN CATHOLIC BISHOP OF PASIG INC	3,804,610	FILIPINO	6.28%
4	Common	RCBB RETIREMENT FUND (M)	3,106,575	FILIPINO	5.13%
5	Common	NAGA PAROCHIAL SCHOOL INC	2,453,364	FILIPINO	4.05%
6	Common	DIOCESE OF BAGUIO	2,168,531	FILIPINO	3.58%
7	Common	FR MARIO SOL M GABRIEL	1,123,324	FILIPINO	1.85%
8	Common	THE ROMAN CATHOLIC BISHOP OF BALANGA INC	1,114,670	FILIPINO	1.84%
9	Common	THE ROMAN CATHOLIC ARCH OF SAN FDO PAMP	1,052,102	FILIPINO	1.74%
10	Common	ROMAN CATHOLIC BISHOP OF NOVALICHES INC	1,000,003	FILIPINO	1.65%
11	Common	BAHAY PARI SOLIDARITAS FUND INC	1,000,000	FILIPINO	1.65%
12	Common	BAHAY PARI SOLIDARITAS FUND INC	1,000,000	FILIPINO	1.65%
13	Common	SIMBAYANAN NI MARIA MULTI PURPOSE COOP	995,000	FILIPINO	1.64%
14	Common	BAHAY PARI SOLIDARITAS FUND INC	813,915	FILIPINO	1.34%
15	Common	TEODORO C BACANI JR	777,368	FILIPINO	1.28%
16	Common	SIMBAYANAN NI MARIA MULTI PURPOSE COOP	707,113	FILIPINO	1.17%
17	Common	APOSTOLIC VICARIATE OF TABUK -	671,321	FILIPINO	1.11%
18	Common	FELICITO MTRIANO FERRERAS	577,344	FILIPINO	0.95%
19	Common	PRIESTS OF NOTRE DAME DE VIE INC.	561,486	FILIPINO	0.93%
20	Common	ROMAN CATHOLIC BISHOP OF TANDAG	558,693	FILIPINO	0.92%
Security Owners of more than 5%, As of August 31, 2023					
NO	Titles of class	Shareholders Name	Number of Shares Held	Citizenship	Percentage of class
1	Common	BAHAY PARI CREDIT COOPERATIVE	17,083,101	FILIPINO	28.21%
2	Common	THE ROMAN CATHOLIC BISHOP OF CUBAO INC	6,586,681	FILIPINO	10.88%
3	Common	THE ROMAN CATHOLIC BISHOP OF PASIG INC	3,804,610	FILIPINO	6.28%
4	Common	RCBB RETIREMENT FUND (M)	3,106,575	FILIPINO	5.13%

#### Dividends

Solidaritas Fund, Inc. has not declared any cash dividends for the last three (3) years. The Board Solidaritas Fund, Inc. may decide to declare dividends, whether in the form of cash, property or stock, from the unrestricted retained earnings of the Fund at a time and percentage as the Board may deem proper and in accordance with the pertinent laws.



Under the Investment Company Act, the Fund shall not pay any dividend, or make any distribution in the nature of a dividend payment, wholly or partly from any source other than: (i) from the Fund's accumulated undistributed net income, determined in accordance with good accounting practices and including profits or losses realized upon the sale of securities or properties; or (ii) from the Fund's earned surplus so determined for the current or preceding fiscal year, unless such payment is accompanied by a written statement which adequately discloses the source or sources of such payment. The SEC may prescribe the form of such statement by rules or regulations or by order in the public interest and for the protection of investors. The Fund shall also not advertise such dividends in terms of centavos or pesos per share without also stating the percentage they bear to the par value per share.

## MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

### As of 30 June 2023

The PSEi was down 1.50% year to date as June 30, 2023. Foreigners were net sellers during the given period. The banks were the strongest sectors during the period with BDO and BPI leading the index. MPI was the best performing index stock year to date. The telco were among the weakest sector with CNVRG and GLO both in the worst performers. Uncertainties with inflation and rate hikes remain as top concerns.

### ***Top Five Key Performance Indicators as of 30 June 2023***

- 1.) **Performance vis-à-vis the Benchmark** – Solidaritas Fund is an actively managed balanced fund. The Fund's return on investment (ROI) for the first three months of 2023 is 0.65%, outperforming its benchmark by 27 bps.
- 2.) **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities, except stocks which have not been approved by the Fund's Board of Directors (i.e., gaming, gambling, hard liquor, cigarettes and tobacco, and mining).
- 3.) **Market Share in the Industry** – The Fund cornered 0.99% of the P13.39 Billion total net asset value of the peso balanced mutual fund industry as of June 2023.
- 4.) **NAV Growth vis-à-vis Industry Growth** - For the first six months of 2023, the Fund's NAV fell by 3.63%, compared to the 2.42% contraction in the peso balanced fund industry.
- 5.) **Performance vis-a-vis Competition** – Solidaritas Fund ranked 9th in terms of year-to-date returns among peso balanced mutual funds as of June 2023.

### Net Asset Value Per Share ("NAVPS") for the 1<sup>st</sup> Quarter and 2<sup>nd</sup> Quarter of 2023:

QUARTER	DATE	NAVPS	
1st	14-Mar-23	1.96	<b>LOW</b>
	18-Jan-23	2.08	<b>HIGH</b>
2 <sup>nd</sup>	25-Jun-23	1.99	<b>LOW</b>
	11-May-23	2.04	<b>HIGH</b>

### As of March 31, 2023

As of 31 March 2023, Solidaritas Fund's net asset value (NAV) per share stood at P2.

### ***Top Five Key Performance Indicators as of 31 March 2023***

- 1.) **Performance vis-à-vis the Benchmark** – Solidaritas Fund is an actively managed balanced fund. The Fund's return on investment (ROI) for the first three months of 2023 is 0.43%, outperforming its benchmark by 40 bps.
- 2.) **Portfolio Quality** – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income

instruments and local equities, except stocks which have not been approved by the Fund's Board of Directors (i.e., gaming, gambling, hard liquor, cigarettes and tobacco, and mining).

- 3.) **Market Share in the Industry** – The Fund cornered 1.0% of the P13.60 Billion total net asset value of the peso balanced mutual fund industry as of March 2023.
- 4.) **NAV Growth vis-à-vis Industry Growth** - For the first three months of 2023, the Fund's NAV fell by 0.60%, compared to the 0.88% contraction in the peso balanced fund industry.
- 5.) **Performance vis-a-vis Competition** – Solidaritas Fund ranked 9th in terms of year-to-date returns among peso balanced mutual funds as of March 2023.

**NAVPS per quarter for the year 2023:**

QUARTER	DATE	NAVPS	
1st	14-Mar-23	1.96	<b>LOW</b>
	18-Jan-23	2.08	<b>HIGH</b>

**AS OF DECEMBER 31, 2022**

The PSEi fell 7.8% in 2022, underperforming much of its ASEAN peers. On flows, foreigners were net sellers amounting to Php1.245 billion based on Bloomberg data. In the Philippines, Telcos underperformed mainly on issues surrounding the capex of a major industry player as well as tougher competition along with Property amid the sharp rise in interest rates. On the other hand, Banks outperformed.

The PSEi closed at almost 13x forward PE based on consensus estimates, below its 10-year mean of around 17x.

The major theme for 2022 was inflation. The BSP matched the US Federal Reserve's aggressive tightening to support the Peso and tame inflation. Peso eventually rebounded after its weakest level in mid-October.

As of end December 2022, Solidaritas Fund's trading net asset value (NAV) per share was computed at P1.9899, a decrease of 4.85% from P2.091 of the previous year. The decrease in NAV per share can be attributed mainly to the decline in the local equities market in 2022.

**Key Performance Indicators**

- a) *Performance vis-à-vis the Benchmark* – Solidaritas Fund is an actively managed balanced fund whose objective is long-term capital appreciation through investments in a diversified portfolio composed of high-grade fixed-income and equities investment instruments. The Fund's return on investment (ROI) for full year 2022 was a loss of 4.85%, compared to 2021's decline of 0.13% net of fees and taxes. In 2022, the benchmark had a return of -2.67%, resulting to a fund underperformance of 218 bps.
- b) *Portfolio Quality* – The Fund's portfolio should, at all times, adhere to the investment parameters as indicated in the Fund's prospectus. The Fund invests in a mix of high grade fixed income instruments and local equities, except stocks which have not been approved by the Fund's Board of Directors (i.e., gaming, gambling, hard liquor, cigarettes and tobacco, and mining).
- c) *Market Share in the Industry* – As of December 2022, Solidaritas Fund cornered 1.0% of the P13.72 Billion total net asset value of balanced funds based on PIFA's December 2022 report. The Fund accounted for 0.6% of balanced funds' NAV in 2021.
- d) *NAV Growth vis-à-vis Industry Growth* – As of December 31, 2022, the Fund's NAV fell to P137.54 Million, down 7.40% from P148.52 Million. The Balanced Fund Industry contracted by 43.07%.
- e) *Performance vis-a-vis Competition* – Solidaritas ranked 1st among the peso balanced mutual funds in 2022.

**NAVPS per quarter for the year 2022:**

QUARTER	DATE	NAVPS	
1st	14-Mar-22	2.0399	<b>LOW</b>
	9-Feb-22	2.1505	<b>HIGH</b>
2 <sup>nd</sup>	23-Jun-22	1.9190	<b>LOW</b>
	1-Apr-22	2.1074	<b>HIGH</b>
3rd	30-Sep-22	1.8490	<b>LOW</b>
	16-Aug-22	2.0214	<b>HIGH</b>
4th	3-Oct-22	1.8571	<b>LOW</b>
	29-Nov-22	2.0303	<b>HIGH</b>

***Discussion and analysis of material events and/or uncertainties known to the management that would address the past and would have an impact on future operations.***

**Any known trends, demands, commitments, events or uncertainties that will have material impact on the issuer's liquidity:**

Liquidity of the fund may be affected by the market's depth or the existence of readily available buyers and sellers in the market.

**Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:**

None

**All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:**

None

**Any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures:**

None

**Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations:**

None

**Any significant elements of income or loss that did not arise from the issuer's continuing operations:**

The Fund Manager is not aware of any significant element of income or loss that did not arise from the Fund's continuing operations.

BPI Investment Management, Inc. (BIMI) has registered under the Foreign Account Tax Compliance Act (FATCA) as a sponsoring entity for the Funds it manages. These Funds include the ALFM Mutual Funds, Ekklesia Mutual Fund, and Solidaritas Fund. As a sponsoring entity, BIMI will perform the due diligence, withholding, and reporting obligations of the sponsored entities.

In accordance with this, investors who make initial subscriptions to the Fund from July 1, 2014 onwards have been asked to submit the necessary documents if they are identified as US citizens, or if they fall under any of the US indicia categories.

The following are the Solidaritas Fund, Inc. Committee's approval policies & procedures for the external auditor:

- Recommend to the Board the selection of the external auditor, who will be accountable to the Board and to the Audit Committee as representatives of the shareholders. The Board and the Audit Committee will consider the external auditor's independence, effectiveness, and the approval of the fees and other compensation to be paid to the external auditor. The Audit Committee should review and discuss with the accountants on an annual basis all significant relationships the accountants have with Solidaritas Fund, Inc. to determine the accountants' independence.
- Review the performance of the external auditor and approve any proposed discharge of the external auditor when circumstances warrant.

- Periodically consult with the external auditor regarding internal controls and the fullness and accuracy of Solidaritas Fund, Inc. financial statements.
- The Audit Committee will actively engage the external auditor in dialogues regarding independence.
- Adhere to the following procedures for the approval of services by the external auditor:
  - The Audit Committee will annually approve the scope of, and fees payable for, the year-end audit to be performed by Solidaritas Fund, Inc. external auditor for the next calendar year.
  - Solidaritas Fund, Inc. may not engage the external auditor for any services unless they are approved by the Audit Committee in advance of the engagement.
  - If Solidaritas Fund, Inc. wishes to engage the external auditor for any services, Solidaritas Fund, Inc. will define and present to the Audit Committee specific projects and categories of the services to be provided, and fee estimates, for which the advance approval of the Audit Committee is required. The Audit Committee will review these requests and determine whether to pre-approve the engagement of the external auditor for the specific projects and categories of service.
  - Solidaritas Fund, Inc. will report to the Audit Committee regarding the actual spending for these projects and services, compared to the approved amounts on a quarterly basis.
  - The Audit Committee Chairperson will report to the Audit Committee at each regularly scheduled meeting the nature and amount of any non-audit services that he has approved.

### *Corporate Governance*

The evaluation system adopted by Solidaritas Fund, Inc. to determine the level of compliance of the Board and top-level management with its Manual of Corporate Governance is based primarily on the SEC Corporate Governance Self-Rating Form (CG-SRF).

Solidaritas Fund, Inc. has undertaken the following measures to fully comply with the adopted leading practices on good corporate governance:

- Consider changes, improvements, or additions to current corporate disclosure procedures
- Implement processes for identifying items where timely corporate disclosure is necessary

Except for the required changes mandated by SEC, Solidaritas Fund, Inc. has no material deviations from its Manual of Corporate Governance since it filed its CG-SRF with the SEC.

Apart from the foregoing changes or improvements being considered for corporate disclosures, there are no plans to improve the current corporate governance of Solidaritas Fund, Inc.

### *Other Disclosures*

- There were no disagreements with the former accountant, on any matter of accounting any financial disclosure.
- There were no known trends, events or uncertainties with material impact on liquidity and sales. Neither were there events that would trigger direct or contingent financial obligations that are material to the Fund, including any default or acceleration of an obligation.
- There were no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.
- There were no material commitments for capital expenditures. The realized and unrealized gains on stock and fixed income investments brought by market appreciation represent the significant element of income from continuing operations.