

**PILIPINAS SHELL PETROLEUM CORPORATION**  
**MINUTES OF THE SPECIAL MEETING**  
**OF THE STOCKHOLDERS**  
**HELD AT THE 10TH FLOOR, SHELL HOUSE**  
**156 VALERO STREET, SALCEDO VILLAGE, MAKATI CITY**  
**ON 18 JULY 2016**

**Present:**

<u>Stockholder</u>	<u>No. of Shares Voted in Person</u>	<u>No. of Shares Voted by Proxy</u>	<u>Percentage</u>
Shell Overseas Investments B.V.		1,081,364,501	68.1843%
The Insular Life Assurance Company, Ltd.		310,079,001	19.5517%
Spathodea Campanulata Inc.		81,551,154	5.1421%
Acosta, Federico A.	14,145		0.0009%
Aguas, Nina D.	1		
Albert, Antonio A.	134,508		0.0085%
Alcuaz, Ma. Carmen	31,919		0.0020%
Araneta, Antonio S.	52,907		0.0033%
Ayala Corporation		98	0.0000%
Buenaflor, Joaquin R.	649,539		0.0410%
Buenaventura, Cesar A.	1		
Carosal Development Corporation		5,107,991	0.3221%
Chua, Edgar O.	52		
Dabao, Therese E.	21,786		0.0014%
De Leon, Bernardita	167,977		0.0106%
de Ortoll, Ma. Asuncion M.		132,843	0.0084%
Dela Cruz, Mona Lisa B.	7		
Dutta, Anabil	1		
Escaler, Francis L.	11,757		0.0007%
Escaler, Narcisa L.	1,089,910		0.1564%
Fernandez, Teresa Velasquez		294,057	0.0185%
Geus, Eduard	1		
Herbosa, Rosario Ma. L.	192,000		0.0121%
Jalandoni, Venicio Ma. L.	29,275		0.0018%
Leomont Realty & Development Corporation	23,502		0.0015%
Lourdes T. De Arroyo, Inc.	7,484,352		0.4719%
Ortoll, Jorge Z.		474,000	0.0299%
Ortoll, Jose Antonio M.	1,532,213		0.0966%
Ortoll, Ma. Beatriz M.		1,140,923	0.0719%
Ortoll, Ma. Elena M.		1,021,220	0.0644%
Ortoll, Ma. Marta M.		1,021,220	0.0644%
Ortoll, Ma. Rosario Z.		588,000	0.0371%

Ortoll, Ma. Teresa M.		1,021,220	0.0644%
Ortoll, Martin M.		1,021,220	0.0644%
Orzat Development Corporation		966,818	0.0610%
Pascual III, Jose Jerome R.	1		
Quiniones Jr., Sebastian C.	1		
Regina, Inc.	692,294		0.0437%
Rizal Commercial Banking Corporation		28,863,475	1.8200%
Tamaraw Investors Management Enterprises, Inc.		145,023	0.0091%
Velasquez, Javier L.		126,173	0.0080%
Yam, Anthony Lawrence D.	1		
Zarcon Development Corporation		1,726,462	0.1089%
Zobel de Ayala, Fernando	1		
Total	12,128,151	1,516,645,399	
Grand Total		<u>1,528,773,550</u>	<u>96.4828%</u>

**Also In Attendance:**

- Mr. E. R. Orocio, Corporate Secretary and Managing Counsel-Downstream
- Mr. C. E. M. Cheng, Assistant Corporate Secretary
- Ms. R. Del Rosario, Vice-President for External Relations
- Mr. H. G. L. Ortega, Vice-President for Human Resources
- J. C. Regalado, Vice-President for Legal
- D.G. Gamab, Vice-President for Trading and Supply
- M. B. Vergel De Dios, Business Manager for Commercial Fuels Philippines
- D. C. Javier, Lubricants Business Manager
- A. Hernandez, DSO Integration Manager
- R. B. Anastacio, Supply Operations Manager
- N. G. Dimailig, Country Tax Manager
- M. L. O. Dino, Legal Counsel
- R. G. Cura, Legal Counsel
- M. J. Nicdao, External Relations Downstream and Internal Communications Manager
- Representatives from Sycip Gorres Velayo and Co., a member of Ernst & Young

764. The attendees were requested to stand up for the national anthem. Afterwards, the attendees were asked to take their seats for the Safety Briefing Video. During the Safety Briefing Video, the attendees were advised of the emergency procedures that will be implemented to help them to respond appropriately in case an emergency occurs during the meeting.

765. **Quorum**

The Corporate Secretary certified that the Notices for this annual meeting of stockholder had been duly served on stockholders, and stockholders owning 96.4828% of the Corporation's outstanding capital stock were present in person or by proxy.

766. **Approval of the Minutes of the Annual Stockholders' Meeting Dated 13 May 2016**

On motion duly made by Mr. Antonio A. Albert and seconded by Federico A. Acosta, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolution:

“**RESOLVED**, that the Minutes of the Annual Meeting of the Stockholders held on 13 May 2016 be, as it is hereby, approved.”

No shareholder (or 0.00%) voted against, or abstained from the decision to approval.

767. **Ratification of the Corporation's Initial Public Offering**

The Chairman shared with the stockholders that as disclosed during the last meeting, the Corporation, through a dedicated team and its advisers, has been preparing for the initial public offering of its shares (“IPO”). He was pleased to inform the stockholders that the Board of Directors, during the Special Meeting held on 13 June 2016, has approved the conduct of the IPO and the Corporation is currently implementing the necessary actions to implement the same, which include the following:

1. Appointment of JP Morgan as Sole Global Coordinator, Bookrunner and Lead Manager
2. Appointment of BPI Capital as Domestic Lead Bookrunner and Underwriter
3. Appointment of Romulo Law and Allen & Overy as counsels as to domestic and international law, respectively
4. Application for exemption from IPO Tax from the Bureau of Internal Revenue, which remains pending as of date
5. Ongoing audit of 2016 first half financial results by Sycip Gorres Velayo and Co., a member of Ernst & Young (“SGV”)

In relation to the financial readiness of the Corporation to conduct an IPO, the Chairman stated that based on the unaudited Q1 2016 and preliminary H1 2016 results, the Corporation continued to do well. Sales volumes were only 3%

below plan despite an expected uncontracted volume of a large customer. The 2016 Q1 2016 Actual Net Income, Cash Flow From Operations and Earnings per Share were all above plan mainly due to strong refining and marketing margins. Borrowings and Long Term Debts decreased compared to 2015 mainly due to the repayment of loans using proceeds from the earlier rights issue with the Corporation currently enjoying a low gearing ratio of around 26%.

Moving forward, the Corporation still has to comply with numerous steps to conduct an IPO. The Chairman presented the key milestones and timelines. He mentioned that the Corporation intends to finalize the Prospectus soon and file the application with the SEC and PSE. The Chairman reminded the stockholders to surrender all their stock certificates to the Corporate Secretary within the prescribed time for dematerialization and lodgement, in accordance with the requirement of the SEC and PSE.

In relation to the IPO Parameters, the Corporation, upon consultation with its financial advisors has come up with an Indicative IPO Structure. For the Offer Share, the same shall predominantly be secondary shares, or shares owned by existing stockholders of the Corporation, with some new primary shares, or shares issued from the unissued portion of the Corporation's Authorized Capital Stock. While the exact Offer Size is still to be determined, it will be in compliance with the minimum public ownership requirement of 10%.

The Chairman also reminded the stockholders that per regulatory requirements, shareholders with more than 10% shareholding need to be locked up for 180 days post IPO. Other substantial shareholders with more than 5% shareholding may be subject to customary commercial lockups. Shares acquired within 180 days prior to the start of the offer period at a price lower than the Offer Price will be subject to a 365 day lock up period. The Chairman assured the stockholders that Royal Dutch Shell will remain a majority shareholder post IPO.

Upon query by Mr. Jose Antonio M. Ortoll, Mr. Chua explained that the Offer Price is still being determined. The Corporation is currently consulting with its advisors and the final price will depend on several factors, such as, but not including, the market at the time of the offer period, and the Corporation's performance and financial status.

The Chairman then explained that the stockholders have to approve/ratify the IPO, and for the stockholders to delegate certain authority to the Board of Directors to determine the final terms and conditions of the said offering, including offer structure, offer size, timetable and offer price.

On motion duly made by Jose Antonio M. Ortoll and seconded by Mr. Antonio A. Albert, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolutions:

**“RESOLVED**, that PILIPINAS SHELL PETROLEUM CORPORATION (the “Company”) approves, as it hereby

approves, the initial public offering of the Company's common shares, with a par value of One Peso (Php1.00) per share, subject to the registration requirements of the Securities and Exchange Commission ("SEC") and the listing requirements of the Philippine Stock Exchange, Inc. ("PSE");

**"RESOLVED**, that the Board of Directors of the Company, or any officer/s so authorized by the Board of Directors, is/are hereby authorized to determine the final terms and conditions, including, but not limited to, the offer structure, offer size, timetable, offer price, appointment of deal parties, determination of over-allotment option or such other terms, and to implement any transaction in connection with the securities offering without the necessity of obtaining further approval from the stockholders;

**"RESOLVED**, that in connection with the foregoing, the following be hereby approved:

1. the filing of a Registration Statement and any other required documents with the SEC for the registration of the common shares of the Company;
2. the filing of the Application for Listing, Listing Agreement and any other required documents with the PSE for the listing of the common shares of the Company; and
3. the authority of the Board of Directors of the Company and such other persons as are duly authorized by them ("Authorized Persons"), to sign, execute, deliver and/or amend, for and on behalf of the Company, in connection with or as contemplated by the initial public offering, any and all documents, contracts, agreements, certificates, undertakings and instruments as may be required or necessary to give effect to the foregoing resolutions, and to do such further acts and things as any such Authorized Persons shall deem necessary or appropriate in connection with, or to carry out the actions contemplated by, the foregoing resolutions, including to do and perform (or cause to be done and performed), in the name and on behalf of the Company, all such acts, including, but not limited to, lodgment of shares as required by the PSE , and to make, execute, deliver, issue or file (or cause to be made, executed, delivered or filed) with any person including any governmental authority or agency, all such agreements, documents, instruments, certificates, consents and waivers, and all amendments to any such agreements, documents, instruments or certificates, and to pay, or

cause to be paid, all such payments, as any of them may deem necessary or advisable to carry out the intent of the foregoing resolutions, the authority for the taking of any such action and the execution and delivery of such of the foregoing to be conclusively evidenced thereby;

“**RESOLVED FINALLY**, that any and all resolutions approved by the stockholders of the Company which are inconsistent with the foregoing resolutions are hereby revoked and superseded.”

No shareholder (or 0.00%) voted against, or abstained from the decision to approve any of the above resolutions.

768. **Ratification of the Amendments to the Corporation’s Articles of Incorporation**

The Chairman invited the Corporate Secretary to render his report. The Corporate Secretary explained that the IPO requires certain amendments to the Articles of Incorporation, pursuant to the requirements of the Philippine Stock Exchange, Inc. (“PSE”) and Securities and Exchange Commission (“SEC”). The said amendments will also enable the Corporation to comply with best practices in corporate governance, and to update certain provisions to reflect the current situation.

The proposed amendments, which were previously approved by the Board of Directors during the Special Meeting held on 13 June 2016 and which are required to be approved/ratified by the stockholders, are as follows:

(1) Seventh: Denial of Pre-Emptive Rights

A stockholder’s pre-emptive right refers to the right to subscribe to a company’s issues or disposition of shares of any class in proportion to his shareholdings. The Listing Rules of the PSE requires that pre-emptive rights be expressly denied in a company’s Articles of Incorporation prior to listing in the said Exchange.

(2) Eleventh: Clarify Mechanism to Replace President during Mid-term Vacancy and Update Shell Group Definition

The revisions are intended to correct certain typographical errors committed in previous amendments and keep the original language in the Article, which states that in case the position of the President becomes vacant, such vacancy shall be filled by a nominee of the Shell Group. Corrolarily, there is a need to clarify the definition of the Shell Group as used in said Article.

(3) Twelfth: Lock-Up Requirements

The PSE Listing Rules likewise require that a company applying for listing shall expressly state in its Articles of Incorporation said Exchange's Lock-Up Requirements, to wit:

- Existing stockholders who own an equivalent of at least 10% of the issued and outstanding shares of stock of the Corporation shall refrain from selling, assigning or in any manner disposing of their shares for the following periods after the listing of the shares:
  - o 180 days – If the Corporation meets the track record requirements of the PSE; or
  - o 365 days – If the Corporation claims an exemption from the track record and operating history requirements of the PSE.
- If there is any issuance or transfer of shares (i.e. private placements, assets for shares swap or a similar transaction) or instruments which lead to issuance of shares (i.e. convertible bonds, warrants or similar instruments) done and fully paid for within 180 days prior to the start of the offering period, and the transaction price is lower than that of the offer price in the IPO, all shares availed of shall be subject to a lock-up of at least 365 days from full payment of the aforesaid shares.

(1) Seventh: Denial of Pre-Emptive Rights

On motion duly made by Antonio A. Albert and seconded by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolution:

**“RESOLVED**, that the express denial of pre-emptive rights of the stockholders in the Corporation's Articles of Incorporation, in compliance with the Listing Requirements of the Philippine Stock Exchange (“PSE”) in relation to the Corporation's initial public offering and listing of its shares with the said Exchange, and the corresponding adoption of the following amendment of the Seventh Article of the Corporation's Articles of Incorporation, be as it is hereby approved:

**SEVENTH:** That the capital stock of the said corporation is PESOS:  
TWO BILLION FIVE HUNDRED

MILLION (Php2,500,000,000.00), Philippine currency, divided into TWO BILLION FIVE HUNDRED MILLION (2,500,000,000) shares with a par value of ONE PESO (P1.00) each.

**The holders of shares shall not be entitled to pre-emptive rights to subscribe to any new issues of such shares of stock, nor dispositions of existing stocks, whether issued from its unissued capital or from treasury.**

~~This Corporation recognizes the pre-emptive right of shareholders to subscribe for all issues in proportion to their respective shareholdings. However, such pre-emptive right may not be assigned except to existing shareholders. Pre-emptive rights shall not apply to shares to be issued to new shareholders as authorized by the Board if necessary to meet the subscription needs and finance the needs of the new Refinery to be established in Tabangao, Batangas.~~

~~No issuance, transfer or assignment of shares of stock of this Corporation which would involve the assignment of pre-emptive rights to new shareholders, shall be allowed or permitted to be recorded in the books of this Corporation. (As amended by deletion as at 20 April 1993)~~

No shareholder (or 0.00%) voted against, or abstained from the decision to approve the above resolution.

(2) Eleventh: Clarification of Mechanism to Replace President during Mid-term Vacancy

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolution:



**“RESOLVED FURTHER,** that the mechanism for electing the President during a mid-term vacancy be clarified via the amendment of the Eleventh Article of the Corporation’s Articles of Incorporation, which shall read as follows:

**ELEVENTH:** The Chief Executive Officer of the Corporation shall be the President who shall be elected annually by the Board of Directors from among the Directors nominated by the ~~Royal Dutch/Shell Group of Companies~~. The President shall not ~~be~~ removed except for cause. In the event the office of the President shall become vacant, such vacancy shall be filled by a nominee of the Shell Group, whose appointment shall be confirmed by the Board of Directors, for the unexpired term (or for such shorter period as the Board may determine ~~of Directors nominated by the royal Dutch/Shell Group of Companies~~).

A reference to the “Shell Group” is to the Royal Dutch Shell plc (the “Parent Company”) and any company which is for the time being directly or indirectly controlled by the Parent Company.

~~The expression on the “Royal Dutch/Shell Group of Companies” as used in this Articles, shall mean~~

- ~~(i) N.V. Koninklijke Nederlandse Petroleum Maatschappij;~~
- ~~(ii) The “Shell” Transport and Trading Company, Limited; and~~
- ~~(iii) Any Company which is For the time being directly or indirectly controlled N.V. Koninklijke Nederlandse Petroleum Maatschappij and the “Shell Transport and Trading Company, Limited, or either of them.~~

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No shareholder (or 0.00%) voted against, or abstained from the decision to approve the above resolution.

(3) Twelfth: Lock-Up Requirements

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,520,567,562 shares and representing 95.8777% of the outstanding capital stock of the Corporation (with stockholders owning 7,484,352 shares and representing 0.4719% of the outstanding capital stock of the Corporation abstaining and no stockholder voting to disapprove), adopted the following resolution:

**“RESOLVED FURTHER**, that the adoption of the PSE Listing Rules on Lock-Up Requirements as a prerequisite to the listing of the Corporation’s shares in the said Exchange and the corresponding insertion of the following Twelfth Article of the Corporation’s Articles of Incorporation, be as it is hereby approved:

**TWELFTH: In connection with the initial public offering and initial listing of shares by the Corporation with the Philippine Stock Exchange, Inc., (“PSE”) the corporation shall strictly comply with the following lock-up requirements prescribed by the rules and regulations of the PSE as may be amended from time to time in accordance with amendments to the Rules of the PSE:**

**(i) The corporation shall cause its existing stockholders who own an equivalent of at least ten per cent (10%) of the issued and outstanding shares of stock of the Corporation at the time of listing of such shares to refrain from selling, assigning or in any manner disposing of their shares for a period of One Hundred Eighty (180) days after the listing of said shares if the company meets the track record requirements of the Exchange Rules or Three Hundred Sixty Five (365) days if exempt from such requirements;**

(ii) If there is any issuance or transfer of shares (i.e., private placements, asset for shares swap or a similar transaction) or instruments which lead to issuance of shares (i.e., convertible bonds, warrants or a similar instrument) done and fully paid for within One hundred eighty (180) days prior to the start of the offering period, and the transaction price is lower than that of the offer price in the Initial Public Offering, all shares availed of shall be subject to a lock-up period of at least Three Hundred Sixty Five (365) days from full payment of the aforesaid shares.

“RESOLVED FINALLY, that the following Officers and/or any of their authorized representatives be as they are hereby authorized to perform any and all acts and execute any and all documents to implement the foregoing resolutions:

Chairman & President;  
Treasurer; and  
Corporate Secretary.”

769. **Ratification of the Amendments to the Corporation’s By-Laws**

The Chairman invited the Corporate Secretary to render his report. The Corporate Secretary explained that the IPO requires certain amendments to the By-Laws, pursuant to the requirements of the PSE and SEC. The said amendments will also enable the Corporation to comply with best practices in corporate governance, and to update certain provisions to reflect the current situation.

The proposed amendments, which were previously approved by the Board of Directors during the Special Meeting held on 13 June 2016 and which are required to be approved/ratified by the stockholders, are as follows:

(1) Section 1, Article II: Date of Annual General Meeting

The date of the Annual General Meeting shall be moved from the 3rd Tuesday of April to the 3<sup>rd</sup> Tuesday of May to reflect current practice. The new date is likewise aligned with the timelines required for the preparation and filing of certain reports such as the Annual report and Audited Financial Statements.

- (2) Section 3, Article II; Section 3, Article III; and Section 6, Article VI: Electronic Notice and other Forms of Notice of Meetings of the Board and Stockholders

To keep up with current technology and reflect current industry trends and best practices, the Corporation would like to adopt transmission of Notices of Meetings to its directors and stockholders via electronic means or any form of publication (i.e., newspaper publication; posting on company website, etc.)

To implement the foregoing, the stockholders will be required to also provide the Corporate Secretary with their electronic email addresses to help ensure that they receive company notices/disclosure in a timely manner.

- (3) Section 8, Article II: Closing of Transfer Books or Fixing of Record Date

The By-Laws provision on Closing Transfer Books or Fixing Record Date shall assist both the Corporation and the stockholders in determining which stockholders are entitled to notice of or vote at any stockholders' meeting or receive payment of any dividends declared. More importantly, this clause is aligned with current PSE Rules on the matter.

The proposed rules states that the stock and transfer books shall be closed for at least twenty (20) days immediately preceding the pertinent meeting or the Board of Directors shall set a Record Date instead.

- (4) Section 2, Article III: Conducting Board Meetings via Tele/videoconferencing

SEC Memorandum Circular No. 15-2001 allows the conduct of Board Meetings via tele/videoconferencing. Pursuant to the said circular and related SEC Opinions, the Corporation would need to provide an express provision in its By-Laws adopting this practice to ensure that Board Meetings conducted via tele/videoconferencing are valid.

- (5) Section 7, Article III: Election of Independent Directors

Public and publicly listed companies are required to elect independent directors who are independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as such directors. The election of Independent Directors is expected to assist the Board in carrying out its responsibility to exercise objective and independent judgment in managing the affairs of the Corporation and substantiate proper checks and balances. Independent Directors likewise bring a

different perspective to the various issues brought to the Board for discussion and final decision, which is expected to broaden the capability of the Board to provide strategic guidance to the Management.

As regularly disclosed, the Corporation is already compliant with this requirement and currently has two (2) independent directors sitting in its Board, namely: Messrs. Fernando Zobel de Ayala and Cesar A. Buenaventura. For purposes of listing with the PSE however, the Corporation is required to provide an express provision on the election of independent directors in its By-Laws.

(6) Section 8, Article III: Creation of Board Committees

Public companies and those listed in an Exchange are required to create at least the following three (3) Board Committees to ensure compliance with good corporate governance:

- (a) Board Audit Committee
- (b) Nominations Committee
- (c) Compensation & Remuneration Committee

While the Corporation, being a public company, is already compliant with the requirement to create these Board Committees, regulators would need to see an express provision in its By-Laws on the creation of these committees and others that may be required in the future or deemed necessary in accordance with best practices in corporate governance.

The main functions of these Committees as well as their compositions may likewise be found in the Corporation's Manual on Corporate Governance.

(7) Section 1, Article IX: Delegation to the Board of the power to Amend By-Laws

To allow flexibility in terms of adopting new By-Laws provisions as may be required by law or deemed necessary in keeping with corporate governance best practices, it is proposed that by the affirmative vote of the stockholders representing at least two-thirds (2/3) of the Corporation's outstanding capital stock, the By-Laws may be amended, repealed or replaced with a new one by the Board of Directors as it may deem proper. Said delegated authority to the Board may be revoked by the affirmative vote of the stockholders representing at least a majority of the Corporation's outstanding capital stock.

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, the stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolutions:

- (1) Section 1, Article II: Date of Annual General Meeting

**“RESOLVED,** that the date of the Annual General Meeting of the Corporation be moved from the 3<sup>rd</sup> Tuesday of April to the 3<sup>rd</sup> Tuesday of May and Section 1, Article II of the By-Laws be amended accordingly, which amendment shall read as follows:

**ARTICLE II  
STOCKHOLDERS’ MEETING**

Section 1. Annual Meeting:  
The Annual Meeting of the stockholders shall be held at the principal office of the Company ~~at 10 o’clock in the morning~~ on the third Tuesday in ~~April~~ **May** of each year. **If such date falls on a legal holiday, then the meeting shall be held on the following business day.**

- (2) Section 3, Article II; Section 3, Article III of the Corporation’s By-Laws: Electronic Notice and other Forms of Notice of Meetings of the Board and Stockholders

**“RESOLVED,** that utilization of additional modes of sending notices to the Corporation’s directors and stockholders, including publication and electronic methods, and its insertion in Section 3, Article II; Section 3, Article III of the Corporation’s By-Laws through the following amendments, be as it is hereby approved:

**ARTICLE II  
STOCKHOLDERS’ MEETING**

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Section 3. Notices: **Written or printed notice** of the time and place of Annual or Special Meetings of the stockholders shall be given **in any of the following manners, at the option of the Company** ~~either by:~~ **(1) by publication, (2) by** posting the same enclosed in a postage pre-paid envelope addressed to each stockholder of record entitled to vote at the address, ~~left~~ by such stockholder with the Secretary, or at his last known

post-office address; **(3) electronically, addressed to each stockholder of record entitled to vote to the electronic or e-mail address left by such stockholder with the Secretary, or his last known electronic or e-mail address** or **(4)** by delivering the same to him in person, **in any case** at least ~~twenty~~ **fifteen (15) business** days before the date set for such meeting. Notice ~~posted~~ **given** as aforesaid shall be deemed to have been given at the time of ~~such publication,~~ **posting, electronic transmission or delivery, as the case may be.** Every stockholder shall furnish the Secretary with the address, **physical and/or electronic or e-mail,** at which notice of meetings and all other corporate notices may be served upon or mailed to him by airmail in the case of non-resident stockholder and if any stockholder shall fail to furnish such address notice may be served upon him by mail directed to him at his last known ~~post-office~~ address. The notice of every Special Meeting shall state briefly the purpose of the meeting, and no other business shall be transacted at such meeting, except by consent of all the stockholders of the Company present and entitled to vote. **When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.** ~~No notice of any meeting need be published in any newspaper.~~ The stockholders of the Company entitled to vote may, by written consent, waive notice of the time, place and purpose of any meeting of stockholders and any action taken at a meeting held pursuant to such waiver shall be valid and binding. No failure or irregularity of notice of any

Annual Meeting shall invalidate such meeting or any proceeding thereat, and no failure or irregularity of notice of any Special Meeting at which all of the stockholders are present or represented and voting without protest shall invalidate such meeting or any proceeding thereat.

### ARTICLE III DIRECTORS

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Section 3. Notices of Directors' Meeting: **Written or printed notices** of all special meetings of the Board of Directors shall be ~~mailed~~ **transmitted** to each Director at his last known post-office address **or electronic or e-mail** address, or delivered to him personally, or left at his office, or transmitted by telegraph or telephone, **in either case** at least two days previous to the date fixed for the meetings provided that a special meeting of the Board of Directors may be held without notice by the unanimous written consent of all the members of the Board who are then present within the Philippines or with the presence and participation of all members of the Board who are then present in the Philippines. No notice need be given of regular meetings of the Board of Directors held at a time and place previously fixed by the Board of Directors. No publication of the notice of any meeting of the Board of Directors shall be required.

No shareholder (or 0.00%) voted against, or abstained from the decision to approve any of the above resolutions.

- (3) Section Article VI of the Corporation's By-Laws: Electronic Notice and other Forms of Notice of Meetings of the Stockholders

In relation to the changes to Article VI Shares and Their Transfer, stockholders owning 1,520,567,562 shares and representing 95.8777% of the outstanding capital stock of the



Corporation (with stockholders owning 7,484,352 shares and representing 0.4719% of the outstanding capital stock of the Corporation abstaining and no stockholder disapproving), on motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, approved the same:

**“RESOLVED,** that utilization of additional modes of sending notices to the Corporation’s stockholders, including publication and electronic methods, and its insertion in Section 6, Article VI of the Corporation’s By-Laws through the following amendments, be as it is hereby approved:

**ARTICLE VI  
SHARES AND THEIR TRANSFER**

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**Section 6.    Addresses - Every stockholder and transferee shall furnish the Secretary or transfer agent with his postal and electronic address to which notices may be served upon or mailed to him. If any stockholder shall fail to designate any change in such postal or electronic address, corporate notices shall be deemed properly served upon him by either: (1) publication, or (2) delivery or mail directed to him at his last known postal or electronic address.”**

- (4)    Section 8, Article II:    Closing of Transfer Books or Fixing of Record Date

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,520,567,562 shares and representing 95.8777% of the outstanding capital stock of the Corporation (with stockholders owning 7,484,352 shares and representing 0.4719% of the outstanding capital stock of the Corporation abstaining and no stockholder voting to disapprove), adopted the following resolution:

**“RESOLVED**, that provisions on closure of the Corporation’s Stock & Transfer Books and/or setting of a Record Date be adopted to determine stockholders entitled to notices of or to vote at any stockholders’ meetings or to receive dividend payments, which provisions shall be inserted in Section 8, Article II of the Corporation’s By-Laws, as follows:

**ARTICLE II  
STOCKHOLDERS’ MEETING**

XXX XXX XXX

**Section 8. Closing of Transfer Books or Fixing of Record Date - For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof or to receive payment of any dividend, the Board of Directors may provide that the stock and transfer books be closed for at least twenty (20) days immediately preceding such meeting or set a record date for the purpose.**

- (5) Section 2, Article III: Conducting Board Meetings via Tele/videoconferencing

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,520,567,562 shares and representing 95.8777% of the outstanding capital stock of the Corporation (with stockholders owning 7,484,352 shares and representing 0.4719% of the outstanding capital stock of the Corporation abstaining and no stockholder voting to disapprove), adopted the following resolution:

**“RESOLVED**, that the adoption of the procedures set out in the Securities & Exchange Commission (SEC) Memorandum Circular No. 15-2001 and the Corporation’s Manual on Corporate Governance on holding Board meetings via tele/video-conferencing and the following amendments to Section 2, Article III of the Corporation’s By-Laws, be as it is hereby approved:

**ARTICLE III  
DIRECTORS**

XXX XXX XXX

Section 2. Meetings of Directors: The Board of Directors shall hold meetings at least once every quarter at such time and place as the Board of Directors may prescribe. Special Meetings of the Board of Directors may be called by the President or upon the written request of any three Directors at such time and place as shall be specified in the call.

**Any Director may attend the meetings of the Board of Directors through teleconferencing or videoconferencing (i.e. conferences or meetings through electronic medium or telecommunications where participants who are not physically present are located at different local or international places) following the guidelines set in the Manual of Corporate Governance in accordance with the SEC rules and regulations.**

(6) Section 7, Article III: Election of Independent Directors

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolution:

“**RESOLVED**, that the Corporation shall elect independent directors in accordance with the requirements of the Securities & Regulations Code (“SRC”) and related laws and regulations and accordingly, insert the following provision to Section 7, Article III of the Corporation’s By-Laws:

**ARTICLE III  
DIRECTORS**

XXX XXX XXX

**Section 7. Independent Directors –  
As a publicly listed company, the**

Corporation shall conform to the requirement to have such number of independent directors who are possessed of such qualifications as may be required by law and the Manual on Corporate Governance of the Corporation.

No shareholder (or 0.00%) voted against, or abstained from the decision to approve any of the above resolutions.

(7) Section 8, Article III: Creation of Board Committees

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,528,051,914 shares and representing 96.3497% of the outstanding capital stock of the Corporation, adopted the following resolution:

“**RESOLVED**, that the Board shall create Board Committees, in accordance with the requirements of the Securities & Regulations Code (“SRC”) and related laws and regulations and accordingly, insert the following provision to Section 8, Article III of the Corporation’s By-Laws:

**ARTICLE III  
DIRECTORS**

XXX XXX XXX

**Section 8. Board Committees. -- The Board of Directors shall constitute an Audit Committee, a Nomination Committee and a Compensation Committee. In addition, the Board of Directors may create other purely internal committees or commissions with the powers determined by the Board of Directors.**

No shareholder (or 0.00%) voted against, or abstained from the decision to approve any of the above resolutions.

(8) Section 1, Article IX: Power of Shareholders To Delegate to the Board the Authority to Amend By-Laws

On motion duly made by Mr. Antonio A. Albert and seconded, by Mr. Tristan John A. Kabigting, in his capacity as the duly appointed proxy of Rizal Commercial Banking Corporation, stockholders owning 1,520,567,562 shares and representing 95.8777% of the outstanding capital stock of the Corporation (with stockholders owning 7,484,352 shares and representing 0.4719% of the outstanding capital stock of the Corporation abstaining and no stockholder voting to disapprove), adopted the following resolutions:

“**RESOLVED**, that Section 1, Article IX of the Corporation’s By-Laws be amended to read as follows, to provide instances where the stockholders may delegate to the Board of Directors the power to amend the By-Laws:

**ARTICLE IX  
AMENDMENT OF BY-LAWS**

XXX            XXX            XXX

Section 1. Amendments: These By-Laws or any of the **provisions herein** may be amended or repealed by **the affirmative vote of at least a majority of the Board of Directors and of the owners of the majority of the outstanding** ~~subscribed~~ capital stock at any Annual Meeting or Special Meeting duly called for that purpose. **However, the power to amend, modify, repeal or adopt new by-laws may be delegated to the Board of Directors by the affirmative vote of stockholders representing not less than two-thirds of the outstanding capital stock; provided, however, that any such delegation of powers to the Board of Directors to amend, repeal or adopt new by-laws may be revoked only by the vote of stockholders representing a majority of the outstanding capital stock at a regular or special meeting.**

“**RESOLVED FINALLY**, that the following Officers and/or any of their authorized representatives be as they are hereby authorized to perform any and all acts and execute any and all documents to implement the foregoing resolutions:

Chairman & President;  
Treasurer; and  
Corporate Secretary.”

770. Special Note

Before the meeting ended, Mr. Buenaventura shared a note regarding the Chairman, which appears below in verbatim:

"As this may be the last stockholders' meeting that our current Chairman will be presiding over, I believe it would be appropriate and I hope our shareholders will join me in paying tribute to Mr. Edgar Chua for his outstanding leadership in making this IPO a reality after almost 20 years.

This should be a particularly happy occasion for our minority shareholder as it unlocks the value of your investment going back to 1959.

Quite apart from this milestone, Mr. Chua has guided your company during the past 13 years as Chairman with unprecedented growth, profits and dividends.

I hope the stockholders in their wisdom will keep him as a Director of the company after his mandatory retirement in October."

The note was met with resounding applause from the stockholders.

771. There being no further business to transact, the meeting was adjourned, upon motion duly made and seconded.

Prepared by:

**ERWIN R. OROCIO**  
Corporate Secretary

**Attested By:**

**EDGAR O. CHUA**  
*Chairman*

