

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS  
OF  
FIRST PHILIPPINE HOLDINGS CORPORATION  
HELD AT THE FIFTH EAST AT ROCKWELL  
5<sup>th</sup> FLOOR POWER PLANT MALL  
ROCKWELL CENTER, MAKATI CITY  
ON MAY 31, 2024<sup>1</sup>**

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**CALL TO ORDER AND ROLL CALL**

The Chairman of the Board and Chief Executive Officer, Mr. Federico R. Lopez, called the meeting to order and thereafter presided. He advised the stockholders that the following members of the board were present:

Chairman & CEO Federico R. Lopez	Chairman of the Executive and the Finance & Investment Committees; Vice Chairman of the Corporate Governance Committee; Member of the Compensation & Remuneration Committee
President & COO Francis Giles B. Puno	Vice Chairman of the Executive and the Finance & Investment Committees; Member of the Compensation & Remuneration and the Corporate Governance Committees
Ms. Mercedes Lopez-Vargas	Member of the Audit Committee
Executive Vice President, Treasurer & CFO Emmanuel Antonio P. Singson	Member of the Executive, Finance & Investment, and Related Party Transactions Committees
Mr. David O. Chua	Member of the Board Risk Oversight Committee
Ms. Roberta L. Feliciano	Member of the Board Risk Oversight Committee
Mr. Jaime I. Ayala	Chairman of the Corporate Governance Committee; Member of the Audit and the Board Risk Oversight Committees

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<sup>1</sup> DRAFT ONLY. For ratification by the stockholders at the next annual general meeting.

Mr. Stephen T. CuUunjieng	Chairman of the Compensation & Remuneration and Related Party Transactions Committee, Member of the Audit and the Corporate Governance Committees
Mr. Francisco Ed. Lim	Member of the Audit, Corporate Governance and the Board Risk Oversight Committees
Mr. Miguel Ernesto L. Lopez	Member of the Executive, Audit, Finance & Investment Committees
Ms. Rizalina G. Mantaring	Chairperson of the Audit Committee, Member of the Compensation & Remuneration, Board Risk Oversight, and Related Party Transactions Committee
Mr. Cirilio P. Noel	Chairman of the Board Risk Oversight Committee, Member of the Audit and Related Party Transactions Committees

The Chairman further stated that senior management, Board advisers, as well as external auditors SGV & Co., were all present at the meeting, which the Corporate Secretary, Mr. Enrique I. Quiason, formally recorded as follows:

Mr. Victor Emmanuel B. Santos, Jr.	Executive Vice President
Mr. Anthony M. Mabasa	Senior Vice President
Mr. Joaquin E. Quintos IV	Senior Vice President
Mr. Renato A. Castillo	Senior Vice President & Chief Risk Officer
Mr. Anthony L. Fernandez	Senior Vice President
Mr. Jose Valentin A. Pantangco, Jr.	Senior Vice President & Head, Corporate Planning
Ms. Anna Karina P. Gerochi	Vice President, Chief Human Resources Officer
Mr. Jonathan C. Tansengco	Vice President
Mr. Ramon A. Carandang	Vice President
Ms. Shirley H. Cruz	Vice President & Chief of Staff, Office of the Chairman
Ms. Maria Carmina Z. Ubaña	Vice President/Comptroller
Ms. Rachel R. Hernandez	Vice President, Assistant Corporate Secretary & Compliance Officer
Ms. Agnes C. De Jesus	Vice President & Chief Sustainability Officer

Mr. Rene J. Mayol	Vice President
Mr. Ernie G. Imperial	Vice President & Chief Digital Officer
Ms. Karen Y. Chung	Vice President & Investor Relations Officer
Mr. Angelo G. Macabuhay	Vice President & Head of Internal Audit
Ms. Jannina Cynthia P. Mendoza	Vice President for Strategic Brand Management
Mr. Enrique I. Quiason	Corporate Secretary
Ms. Lianne M. Bacorro	Assistant Compliance Officer
Mr. Jonathan C. Russell	Senior Board Adviser
Mr. Mario L. Bautista	Senior Board Adviser
Mr. Walter C. Wassmer	Senior Board Adviser

Also present were Ms. Maria Vivian Ruiz, Mr. Noel P. Rabaja, Ms. Veronica Andresa R. Pore, and Mr. Richard Belda, all representing the external auditors of the Corporation, SyCip, Gorres, Velayo & Co.

## **PROOF OF NOTICE**

The Corporate Secretary confirmed that he had caused notices of the annual meeting to be published in accordance with applicable regulations of the Securities and Exchange Commission (SEC). In compliance with the SEC's requirements, the notice and agenda of the meeting were published in the Manila Times and Business Mirror, both being newspapers of general circulation, last May 9 and 10, 2024 in both printed form and online. The meeting materials including the Notice and Agenda, Explanation of Agenda Items, Definitive Information Statement, the Management Report, and the Audited Financial Statements together with the quarterly financials were also posted on the Philippine Stock Exchange's (PSE) EDGE Disclosure System and on the company's website. He confirmed his execution of a Certificate attesting to this fact. The Chairman instructed the Corporate Secretary to append that Certificate to the minutes of the meeting.

## **DETERMINATION OF QUORUM/GROUND RULES**

Upon the inquiry of the Chairman, the Corporate Secretary reported that out of the 463,586,091 common shares issued and outstanding, there were present either in person or represented by proxy 309,269,448 shares of the common stock representing 66.71% of the outstanding voting stock of the Corporation. There being a quorum, the Chairman declared the meeting open for the transaction of business. He then requested the Corporate Secretary to discuss the procedures and ground rules to be observed for the meeting.

The Corporate Secretary explained that under the Company's Articles of Incorporation, all common shares have full voting rights. Except for delinquent stock, all common stockholders of record as of April 23, 2024 were entitled to register and vote the number of shares in their name as of the record date. The Notice and Agenda as published included an explanation of the agenda items. A validation of the stockholders' status was conducted from May 21 to 24, 2024.

For items other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain.

For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast does not exceed the number of shares owned by them multiplied by the number of directors to be elected. In the election of directors, cumulative voting shall be allowed and the top fifteen nominees with the most number of votes will be elected as directors.

The Corporate Secretary explained that the manner of voting shall be non-cumulative, except as to the election of directors. Each stockholder shall have one vote for each share entitled to vote and registered in his name.

The vote of the stockholders representing at least a majority of the shares present or represented at the meeting will be sufficient to approve any of the matters for approval. In the election of directors, cumulative voting shall be allowed and the top fifteen (15) nominees with the most number of votes will be elected as directors. Voting shall be done by balloting and the transfer agent shall count and canvass the ballots.

The Corporate Secretary said that the participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Company's website, as well as on the EDGE disclosure system of the PSE.

For fair and orderly proceedings, the following ground rules will be observed during this meeting:

- a. A stockholder who wishes to ask a question or make a comment must identify himself and direct his question to the Chairman. If he is a holder of a proxy, he is to state this fact and the name of the stockholder who granted him the proxy. He must first be recognized by the Chairman before he can have the floor.
- b. Questions or comments from the floor may be entertained subject to the following:

- (i) Only questions or comments relevant to the particular item in the agenda being discussed will be allowed;
  - (ii) To give equal chance to everyone – a stockholder can ask one (1) question or give one (1) comment. If there are questions or comments which could not be entertained on the floor, a stockholder may submit his position in writing to the Office of the Corporate Secretary within five (5) days from the date of the meeting.
- c. A stockholder shall be given, at most, two (2) minutes to ask a question or discuss his comments.

The Chairman may waive or allow exceptions to the foregoing rules if, in his judgment, he deems it necessary or proper under the circumstances. Any person who fails to follow the foregoing guidelines may be declared out of order and barred from further participation in the proceedings or escorted from the venue.

The Corporate Secretary reminded everyone to observe proper decorum and due courtesy during the meeting.

#### **APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

The Chairman said that the next order of business was the approval of the minutes of the previous stockholders' meeting. He said that an electronic copy of the draft minutes of the Annual Stockholders' Meeting held last May 29, 2023 was posted on the company's website within five (5) business days after the date of the actual meeting. He requested the Corporate Secretary to read the proposed resolution in this regard.

The Corporate Secretary read the draft resolution as follows:

*“RESOLVED, that the stockholders of First Philippine Holdings Corporation hereby approve the minutes of the Annual Stockholders' Meeting held on May 29, 2023.”*

The Corporate Secretary stated that the Company received votes or proxies representing 309,242,261 shares or 99.99% of the shares present or represented at the meeting which voted in favor of the approval of the proposal, zero (0) shares voting against, and zero (0) shares abstaining.

This was noted by the Chairman who declared the resolution approved.

## **THE CHAIRMAN'S REPORT**

Mr. Federico R. Lopez, the Chairman and Chief Executive Officer, then rendered his annual report, thus -

2023 was a harsh year for our planet. It was the hottest year on historical record by a substantial margin of +0.15°C over the previous high set in 2016; and it's most likely the hottest year in the last 100,000 years. It's no exaggeration that every person from every corner of the world has experienced this past year the "unprecedented fury" unleashed by all the extreme weather events that have been increasing and occurring more frequently, "supercharged" by climate change.

Scorching and prolonged heatwaves were felt across the continents, setting new temperature records in Southern Europe, North Africa and the Middle East and in countries like the US and China.

Raging wildfires such as in Maui Island, Canada, and Greece were considered the worst and the largest experienced in these areas, burning down forests, properties, and even claiming lives.

Powerful hurricanes, cyclones and typhoons swept across the various regions, causing devastating floods like *Cyclone Freddy*, which was one of the longest lasting cyclones that lasted for 34 days. Another storm, *Daniel*, brought record rainfall in Libya that overwhelmed dams and caused deadly flooding as more than 4,000 people died and over 10,000 more went missing. Tropical cyclone *Mocha* hit Myanmar and affected some 800,000 people in the region. Typhoon *Mawar* lashed out in Guam and was the strongest storm to affect the island since 2002. It also affected the Philippines as *Super Typhoon Betty* with a peak intensity of 215kph.

There were intense rainfall and extreme precipitation too, that caused flash floods in New York, Hong Kong and parts of Northern Europe.

The extremely high temperature also contributed to record breaking levels for ocean heat and acidification, sea level rise, Antarctic sea ice loss and glacier retreat. What scientists have been fearing and warning us on the devastating effects of climate change continue to unfold every single day now, highlighting our own vulnerabilities to the powerful wrath of nature. We are in the midst of a climate crisis that we ourselves have caused and the cost of further inaction can only be catastrophic.

What's more, the 2023 Global Stocktake (GST) revealed that the world is not on track on limiting global warming to 1.5°C. The GST is a core

component of the 2015 Paris Agreement that assesses each country's progress on climate action and encourages them to augment their climate goals. The slow mitigation could have been compensated by adaptation to shield us from the worsening climate change impacts, but the UN Environmental Programme (UNEP) Adaptation Gap Report of 2023 noted the world is also underfinanced and underprepared from the climate hazards.

Amidst all these, how then can we secure a decarbonized and regenerative future?

Many scientists have expressed the urgency for more ambitious climate action. In the words of UN secretary general Antonio Guterres: *"Leaders can't kick the can any further. We're out of road."*

At the conclusion of COP28 in December 2023, negotiators from all over the world worked overtime to deliver a new plan to address the mounting crisis posed by human-induced climate change. Key was the agreement to "transition away from fossil fuels in energy systems" as well as to support vulnerable nations most impacted by climate change through pledges to a loss and damage fund. There was also progress on the \$100.0 Billion pledged by developed nations to finance climate mitigating and adaptation initiatives in developing countries. The Global Goal on Adaptation was also included to encourage "accelerating the use of ecosystem-based adaptation and nature-based solutions."

For the Philippines, we saw the systematic approach undertaken by our government from updating our National Greenhouse Gas (GHG) Inventory, to the crafting of the Philippine Climate Change Assessment Report 2018-2023 with the help of the Oscar M. Lopez Center, and the completion of the National Adaptation Plan focused on food security, water sufficiency, ecosystem and environmental stability and human security which are all for release in 2024. We await finalization of the implementation plan of our Nationally Determined Contribution (NDC) to complete the foundation to rally all sectors to climate action. Complementing the government blueprint are planned regulations to align the private sector to this course, borne out of recognition that businesses contribute largely to the national GHG footprint. We also anticipate the adoption by the Securities and Exchange Commission of the international sustainability and climate standards for disclosure based on the prescriptions of the International Financial Reporting Standards Board in June 2023.

At the FPH Group, we've been actively speaking about the global Journey to Net Zero through its three phases namely: (1) reducing the current level of greenhouse gas emissions of 59 gigatons per year and seeing emissions peak by 2025; (2) then eliminating all GHG emissions and getting to Net Zero by 2050; (3) and then finally reducing the concentration of GHGs in the atmosphere and achieve net negative

emissions. We must bear in mind that the ultimate goal is to solve the climate crisis that, by all accounts, is undeniably real and in urgent need of action. We have a narrowing time frame of the next 26 years to make our every action count and avoid irreversible damage to our planet.

Foremost is the need to decarbonize and scale up the greening of our electricity grid. This entails not only changing the electricity system but building a new global energy system with components we have never built before and at a massive scale. We believe this to be the greatest energy transition in the history of mankind.

Our diverse portfolio of clean and renewable energy sources allows us the best opportunity to shepherd our country's energy transition to Net Zero. Aligned with the Philippine Energy Plan, we've set our target to grow our low carbon energy portfolio to 13,000 MW by 2030, of which 9,000 MW will be from renewable energy. We've lined up our expansion and growth projects utilizing our various fuels of geothermal and hydro and we are eyeing to expand our solar and wind power facilities through several service contracts in various sites all over the country that will be explored in the next few years.

Still, we recognize the importance to keep the lights on during this energy transition, more so with the imminent depletion of our Malampaya natural gas reserves. In 2023, we completed our LNG terminal facility situated at the First Gen Clean Energy Complex and ushered our floating storage and regasification vessel, the BW Batangas into the Batangas Bay. We've begun importing LNG for testing and commissioning, and the LNG facility is ready to make up for any shortfall in Malampaya production and to continue to power our natural gas plants. This early though, we are looking at new technologies and alternative fuels to repower our natural gas plants, consistent with our own commitment to Net Zero by 2050. At Energy Development Corporation, we've embarked on a massive multi-year well-drilling operation to expand output for our various geothermal power plants to ensure a more steady and reliable supply from one of the few renewable energy sources capable of delivering power on a 24/7 basis. In May 2023, we won the bid for the 165-MW Casecan hydro facility that, in combination with our Pantabangan-Masiway plants and our planned Project Aya pumped storage facility, gives us control over such a unique hydro asset complex. With the turnover of Casecan in February 2024, we are now working to realize synergies in our hydro operations to supply the country's growing demand for clean energy.

As we clean up our energy grid, we are also working to scale up energy efficiency as the "first fuel" and encourage its use everywhere. Today these efforts are still sparse and fragmented but have great potential to reduce carbon emissions and bring real cost savings and enhance the bottom lines of our customers. We've been developing our own arsenal of solutions such as rooftop solar, remote energy monitoring systems that allows consumers real-time monitoring of energy consumption,



energy efficiency audits and solutions for commercial and industrial establishments, and distributed microgrids and resilient power solutions that can deliver reliable electricity all with the view to address the many pain points experienced by consumers.

We recognize though that it takes more than energy security and energy transition to stabilize the distressing state of the climate. While addressing the climate crisis feels such a daunting task, we remain optimistic and hopeful. Our FPH Mission “to forge collaborative pathways to a decarbonized and regenerative future” continues to guide our path and we reaffirm our commitment to collaborate with our stakeholders, the government and the global community in the continuing fight to secure our future. Thank you for your continued and unwavering trust and support.

The Chairman thereupon called on Mr. Francis Giles B. Puno, President & COO of the Corporation, to render his report.

## **THE PRESIDENT’S REPORT**

Mr. Puno, after being given the floor, rendered his report, thus -

Dear Valued Shareholders,

Standing in front of you here today, it is tempting to simply start off my report with a big, loud headline:

‘FPH consolidated net income increases 22% to P29B in 2023’. This is the kind of headline that sets a very positive tone. But, it is not the only one you need to hear.

It is also my role as President to provide you – who have invested in a company you trust to give you the best possible returns– with a transparent and balanced view of what we are doing today, and what we aspire to do in the near future. And in doing so, I believe you will find the promise of an even more exciting future ahead for your company truly powered by good.

In 2023, FPH made significant headway in our mission of creating a decarbonized and regenerative future and achieved strong business returns.

FPH made great strides both in the execution of our strategic and operational initiatives and in delivering strong financial results. We are proud of these achievements, which are the result of the hard work of a tremendously talented, committed, and passionate team upon whom you have placed your trust.

That said, we also note that we achieved all these against a backdrop of persistent environmental, social, and economic threats.

Last year brought days of scorching heat in the dangerous levels of 40 to 50 degrees Celsius during the summer months, only to be followed by Super Typhoon Egay which battered the northern part of the country with destructive winds of up to 240 kph. I'm sure you can attest that we are experiencing the same this year. Sadly, it is the most vulnerable populations – the Philippines included – that are unfairly bearing the brunt of 'global boiling'.

The silver lining is that we already know what needs to get done. It is just a matter of heeding the call and doing it. This is precisely the reason why we at FPH have taken the painstaking effort to align our business plans with our mission. By doing so, we have increasingly realized that there are many exciting opportunities that are opening up for our businesses in power, real estate, construction, manufacturing and energy solutions, healthcare and education. Your company, FPH, by innovating its ways of doing business, is in a strong position to lead as we move towards a decarbonized and regenerative future.

Today, it gives me great joy to share with you our stories from our ongoing journeys.

Let me start off by talking about the initiatives of our power subsidiaries, First Gen and EDC.

First, the challenges: Countries like the Philippines are constrained with limited fossil fuel reserves--Malampaya natural gas supply has been in decline. Aside from this, most of our country's coal needs are imported from Indonesia. In 2023, coal imports to the Philippines increased to 35 million tonnes costing over PHP 200 billion. Coal already makes up 60% of our electricity supply. In contrast, Vietnam's energy mix for coal is at 50%.

The fact that we do not have a significant supply of indigenous fossil fuel reserves may turn out to be an unexpected blessing given the Government's policy to decarbonize the country's energy systems. Indigenous, renewable sources of energy—be it geothermal, solar, wind, or hydro— must be increasingly tapped but needs to be supported with the right policies and incentives.

Amidst this scenario, we have realized that that there is no one-size-fits-all approach to solving energy security, and that solutions must be tailor-fit to a country's unique situation. Our challenge is this: how do we decarbonize in a just manner while addressing the need for energy security?

The good news is that not only is there a blueprint for success, but there is one where we can play a large role in. The challenges we face have

prompted the Government to put in place a policy to decarbonize the country's energy needs. In last year's annual report, the Department of Energy (DOE) updated the Philippine Energy Plan (or PEP) 2020-2040. Based on its Clean Energy Scenario, the plan targets 35% renewable energy share by 2030, and as much as 50% share by 2040. That's from 21% in 2020.

Today, FPH subsidiary First Gen is the largest producer of renewable energy in the Philippines. In 2023, our renewable energy portfolio alone generated around 8,000 GWh of RE, which mostly came from our geothermal capacity which is the only renewable energy source that can run 24/7.

To meet the targets of the Philippine Energy Plan, First Gen will need to grow its energy portfolio from the current 3.5GW to as much as 13GW by 2030. Close to 4x larger in just 6 years. First Gen's 13GW ambition will enable First Gen to make a difference and continue to be relevant--to keep pace with the country's growth while growing its market share.

This may seem a lot. It may sound unrealistic, but from an electricity production perspective, this is a growth of a little more than doubling First Gen's electricity production by 2030. Not as unrealistic as you may think.

Given the Government's coal moratorium, which we fully support, and the fact that banks no longer provide long-term financing for coal projects, the PEP indicates supply growth to come primarily from renewable energy combined with additional gas-fired plants. This is very much consistent with First Gen's current portfolio and capabilities.

First Gen's geothermal subsidiary, Energy Development Corporation (EDC), is increasing its geothermal energy capacity through a major 40-well drilling campaign over the next three years. This effort will reinforce our ability to supply 24-hour baseload renewable energy, and will require EDC to mobilize seven drilling rigs, up from the usual two, to be conducted simultaneously. In addition to this, EDC is also building 83 MW of new geothermal power plants and 40 MWh of Battery Energy Storage System to be commissioned in 2024 in anticipation of the increased steam production.

First Gen increased its ability to supply renewable energy to its growing customer base when it won the competitive bid on a 526 million USD offer for the 165-MW Casecanan hydroelectric plant in May last year, which was subsequently turned over by PSALM last February. The Casecanan plant and First Gen's 135 MW Pantabangan-Masiway hydroelectric plant perform synergistically by making use of the large water storage capacity of the Pantabangan reservoir. A plan to construct the 100 MW Aya pumped storage hydroelectric plant in the same area

will create a unique and flexible 400 MW total combined hydroelectric facility that will benefit First Gen's growing renewable energy portfolio.

Lastly, as a result of over a decade of hard work, First Gen is pleased to announce the completion of its landmark liquefied natural gas (LNG) regasification terminal in our Clean Energy Complex in Batangas City. This major milestone will address First Gen's long-term fuel supply needs. Our current fleet of Santa Rita, San Lorenzo, San Gabriel and Avion plants are currently running simultaneously on Malampaya and regasified LNG that ensures continuous electricity production. Moreover, the combined 1,500 MW of capacity of Santa Rita and San Lorenzo have the added unique technical benefit of being triple-fuel capable (with Malampaya, LNG or liquid fuel). LNG will also pave the way for the potential expansion of the 1,200 MW Santa Maria project to address the country's future baseload power needs.

First Gen successfully received its first LNG cargo delivery at Subic in August 2023 and completed subsequent deliveries of LNG cargoes in its Batangas complex in December 2023, February and May 2024. First Gen has now established a proven track record of buying spot LNG cargo in the international market and is currently in discussions with key players for succeeding LNG cargoes to supplement Malampaya in the medium to long term.

Our capability to grow our clean energy portfolio requires integrating different technologies across varying energy sources. Geothermal energy, together with solar, wind, and hydroelectric energy sources, must be harnessed in a way that protects the environment at the same time.

Our approach given our unique combination of its existing geothermal, hydro, wind and solar combined with gas technologies as part of our portfolio will provide a clear pathway for First Gen to grow our intermittent solar and wind projects as part of our future renewable-dominant portfolio. This is a unique value proposition that we offer our energy customers today.

As a result of our efforts last year, First Gen's attributable net income of PHP17.4B grew by PHP3.2 billion or 23%, mainly driven by EDC's higher earnings from the higher average contract prices and Wholesale Electricity Spot Market (WESM) rates. The improved full-year results of Burgos Wind following a better wind regime, lower replacement power purchases and higher power generation. This was due to minimal outages of our geothermal plants, and San Gabriel plant's higher capacity also contributed to the rise in earnings for 2023.

Regenerative practices that lead to higher quality of living is a key element of our mission and is embedded in the strategies of all FPH companies. As we answer the call for cleaner, reliable power, we also

address the pillars of societal development with our growing non-power investments in industry-leading Regenerative Businesses.

I am pleased to share with you exciting developments in our real estate, infrastructure, energy solutions and social services businesses.

Let's begin with Rockwell Land. Rockwell has seen the recovery of its business and has exceeded its pre-pandemic levels.

In 2023, Rockwell launched PHP16 billion worth of projects, capitalizing on the strength of its brand to expand outside of Metro Manila and build a larger landbank to sustain its growth. Rockwell curated communities and elevated living experiences are now a reality in emerging regional economies such as Cebu, Mactan, Bacolod, Angeles, Laguna, Batangas and Bulacan. The cumulative economic progress that our country has experienced through the years has opened up the opportunity for potential customers to aspire for and afford a Rockwell-developed property and to be part of a curated community.

Rockwell Land's attributable net income of PHP3.1 billion was higher by PHP811 million or 35%, backed by a strong performance of the Residential Development segment. The Commercial Leasing segment likewise surpassed last year's performance due to higher average rental rates and leased spaces for both retail and office areas.

Let's move on to First Philippine Industrial Park. Riding airplanes, cars, or simply using your smartphones. Chances are, products you encounter on a daily basis use components that are made at the world-class facilities of locators inside FPIP.

FPIP is now home to 155 locators from all over the world, including Japan, the US, and Europe and to a workforce of over 70,000 employees. The 70,000 jobs today positively impact the lives of over 1 million Filipinos. FPIP continues to be committed to building industries and creating high value-add jobs, welcoming two new industrial locators and five new commercial locators. Locator renewals covering 2 hectares were concluded. An additional 1.75 hectares were leased and 2.4 hectares were sold. On top of this, FPIP now has 18.5 hectares of Ready Built Factories, of which 80% are currently leased.

FPIP's recurring revenues hit a record high of P1.3B in 2023, while net income declined by 21%, to PHP175 million, as the higher revenues from recurring sources were weighed down by the higher operating and finance expenses in 2023.

Let's talk about our engineering, construction, and infrastructure business. First Balfour has always used innovative and responsible engineering to build infrastructure for our growing economy. In 2023, First Balfour applied its expertise across a wide range of projects,

including transport hubs, power, LNG, water treatment plants and modern medical facilities.

Projects completed by First Balfour in 2023 include Manila Water's East Bay Water Treatment Plant, the NGCP Hermosa-San Jose Overhead transmission line, and St. Luke's Medical Center-Quezon City Pivot Building.

In addition, First Balfour completed its subcontracting activities for San Miguel's Batangas Combined Cycle Power Plant (BCCP), and First Gen's LNG Terminal.

First Balfour's order backlog also increased by close to 5x, from PHP6.5 billion to over PHP30 billion. First Balfour is currently working to deliver on this backlog while actively pursuing planned infrastructure projects in the construction markets it serves, namely: transportation, power and energy, high-value buildings, and water. T1 Rentals, First Balfour's equipment leasing unit, is also continuing its business expansion to address the growing demand for infrastructure projects.

However, due to the lower margins on certain projects and higher finance expenses of First Balfour, as well as lower revenues from ThermaPrime due to the reduction of drilling rigs in service, the Group reported a consolidated net loss of PHP126 million, a decline of 124% from 2022.

First Balfour expects to reap the benefits of its order backlog's significant increase in the following years.

First Philec continues to enjoy significant market share domestically, while ramping up its export business.

In addition to a stronger domestic business base, an initial order of 900 electric transformers were also served across 8 US states, the first of many in the export business pipeline. All these proudly Philippine-, and proudly First Philec-made. It has also developed its own smart meters, and has been shortlisted by Meralco as a supplier for its Advanced Metering Infrastructure project.

First Philec is working towards penetrating the electric vehicle (EV) charging systems and energy storage segments in the future. Additionally, First Philec has partnered with Nascent Technologies, a Philippine start-up in energy storage solutions, to establish new innovative energy storage systems and testing Lithium-Carbon battery samples.

First Philec, Inc. closed the year with a net income of PHP1.0 billion, at par with last year's results, reflecting steady revenues from its sale of electrical transformers and new business lines in 2023.

Lastly, some updates on our new regenerative businesses. Imagine American medical technology bundled with Filipino care and compassion. This was the vision behind the acquisition of the Medical Services of America – Philippines, which results in synergies with our existing healthcare businesses. MSA PH, together with Asian Eye Institute and Pivot, provide accessible solutions and professional medical services nationwide. Our education arm, First College continues to develop its range of offerings, equipping talented young individuals with various work and technical skills. These allow them access to quality jobs that lead to sustainable livelihood and improved quality of life.

The Healthcare Group registered a combined net income of PHP7 million, a significant turnaround from a net loss of PHP104 million in 2022, reflecting the positive incremental contribution of The MSA (Philippines) and the improved results of Asian Eye from better margins.

Moving onto the group-wide financial highlights of FPH for 2023:

The Consolidated Net Income of the FPH Group reached PHP29.1 billion, higher by PHP5.2 billion or 22% compared to 2022. The significant growth is largely due to the upturn in the operating results of the power generation and real estate sectors.

The Net Income Attributable to FPH amounted to PHP15.1 billion, higher by PHP2.4 billion or 19% compared to last year largely driven by the stronger operating earnings.

The corresponding Recurring Net Income (RNI) attributable to FPH grew by PHP1.0 billion or 8% to PHP13.8 billion, a record-high for FPH.

This sets the tone for an exciting future for the group and our valued shareholders.

We live in exciting times, able to align our business plans with our decarbonized and regenerative mission – the intertwining of profit and purpose. This clarity of purpose gives us a clear sense of direction in how we manage FPH's portfolio: providing clean energy, curating living communities, enabling industries of the future, creating high value-add jobs, building resilient infrastructure, and giving access to affordable healthcare and quality education. One thread unites all businesses under FPH, they are all "Powered by Good".

Our mission is far from being easy, but we are encouraged knowing that the message of revitalizing life amidst a seemingly bleak future resonates clearly with the many talented individuals we work with across the FPH group.

What FPH has achieved in 2023 is far from the end of our efforts. We hope that our stakeholders will continue to share in this journey, energized by our behavior and actions toward a future worth fighting for. Let's all continue to be "Powered by Good". Thank you for all your support.

**APPROVAL/RATIFICATION OF THE  
DECEMBER 31, 2023 REPORTS AND THE  
AUDITED FINANCIAL STATEMENTS / OPEN FORUM**

The Chairman stated that copies of the management report, which included the audited financial statements for the calendar year ending December 31, 2023, were duly published and made available to the stockholders prior to the meeting. The management report and the financial statements included all pertinent actions undertaken during the year, as well as the activities and performance of the subsidiaries and affiliates, including the declaration of dividends by the Company. He explained that the Board of Directors approved the issuance of the audited financial statements last April 4, 2024. The statements also included a report from the Audit Committee on internal controls, risk management systems, and on the external audit and non-audit fees.

The Chairman said that management was prepared to clarify or elaborate on any matter reflected in the management report and the financial statements. He also said that the external auditors were present to explain as may be necessary.

As there were no questions raised, the stockholders, on motion made and duly seconded, approved the following resolution:

*“RESOLVED, That the stockholders of First Philippine Holdings Corporation (the ‘Corporation’):*

- (i) confirm, approve, and ratify, as they hereby do confirm, approve and ratify, the Board of Directors' approval of the Audited Financial Statements of the Corporation for the period ended December 31, 2023; and*
  
- (ii) approve, as they hereby do approve, the management reports covering the calendar year ending December 31, 2023.”*

The Corporate Secretary stated that the Company received votes or proxies representing 308,855,641 shares or 99.87% of the shares present or represented at the meeting which voted in favor of the approval of the management reports and audited financial statements. The Company received zero (0) shares voting against and 386,620 shares abstaining from voting on this particular matter.



## **RATIFICATION OF THE ACTS OF THE BOARD, EXECUTIVE COMMITTEE, OTHER BOARD COMMITTEES, AND MANAGEMENT**

The Chairman said that the next item in the agenda was the ratification of the acts of the Board of Directors, Executive Committee, other Board Committees, and Management. Those actions affecting the business, operations, financial performance and decisions of the Corporation were also covered in the Information Statement, Management Report, the Chairman's and President's Reports, and in the discussions in this meeting. He requested the Corporate Secretary to read the proposed resolution with respect to the foregoing.

The Corporate Secretary read the proposed resolution, as follows:

*“RESOLVED, That all resolutions and acts of the Board of Directors, the Executive Committee and other Board Committees, as well as the acts of, and contracts entered into by, the Management of First Philippine Holdings Corporation during the calendar year ended December 31, 2023, and up to the date of this Annual Stockholders Meeting, and the Chairman's and President's Reports, be, as they are hereby, confirmed, ratified and approved by the stockholders.”*

The Corporate Secretary stated that the Company received votes or proxies representing 280,758,753 shares or 90.78% of the shares present or represented at the meeting which voted in favor of the proposal, zero (0) shares voting against, and 28,483,508 shares abstaining. This was noted by the Chairman who declared the resolution approved.

## **ELECTION OF DIRECTORS**

The Chairman said that the next item in the agenda was the election of directors of the Corporation for the ensuing year. There are fifteen (15) seats in the Board to be filled. He asked the Corporate Secretary to discuss the provisions of the By-Laws and the rules of the SEC with respect to the election of directors.

The Corporate Secretary said that, according to Article II, Section 3 of the By-Laws, “all nominations for the election of Directors by the stockholders shall be submitted in writing to the Corporate Governance Committee at least sixty (60) days before the scheduled date of the annual stockholders' meeting.” Nominations and elections of independent directors must also comply with the regulations of the SEC

and all related issuances. In this regard and except as explained in the Information Statement, the Board, as recommended by the Corporate Governance Committee, received within the said period nominations in favor of the following stockholders as Directors of the Corporation for the ensuing year:

*Mr. David O. Chua  
Ms. Roberta L. Feliciano  
Mr. Miguel Ernesto L. Lopez  
Mr. Benjamin R. Lopez  
Mr. Federico R. Lopez  
Ms. Mercedes Lopez-Vargas  
Mr. Francis Giles B. Puno  
Mr. Santiago Dionisio R. Agdeppa  
Mr. Emmanuel Antonio P. Singson  
Mr. Richard B. Tantoco  
Mr. Jaime I. Ayala  
Mr. Stephen T. CuUnjieng  
Mr. Francisco Ed. Lim  
Ms. Rizalina G. Mantaring  
Mr. Cirilo P. Noel*

It was advised that the Corporate Governance Committee and the Board of Directors, as applicable and based on the Manual, reviewed and favorably passed upon the qualifications and eligibility of the stockholders nominated as Regular Directors and as Independent Directors for the ensuing year in accordance with the By-Laws and the Corporation's Manual for Corporate Governance. Ms. Mantaring, Mr. Noel, Mr. Lim, Mr. Ayala and Mr. CuUnjieng were nominated as independent directors. The directors' qualifications and professional experiences were all discussed in the Information Statement. An attendance report was included to show that none of the directors nominated attended less than 50% of the meetings for the year 2023. There was also a section on their compensation, including their committee attendance. The Board likewise conducted a performance self-assessment for 2023. The members of the Board have complied with the Company's policies on self-dealing, disclosures and related party transactions, among others.

With respect to the votes cast, each director received at least 96.80% of the votes. The Corporate Secretary certified that the directors so nominated have received the requisite votes for election without prejudice to a final tabulation to be made part of the records.

The votes for the directors were as follows:

	ACTION		
	FOR	AGAINST	ABSTAIN
David O. Chua	309,242,261 99.99%	0	0
Roberta L. Feliciano	309,242,261 99.99%	0	0
Miguel Ernesto L. Lopez	308,600,971 99.78%	641,290 0.21%	0
Benjamin R. Lopez	308,962,481 99.90%	279,780 0.09%	0
Federico R. Lopez	308,254,631 99.67%	987,630 0.32%	0
Mercedes Lopez-Vargas	308,880,751 99.87%	361,510 0.12%	0
Francis Giles B. Puno	308,600,967 99.78%	641,294 0.21%	0
Santiago Dionisio R. Agdeppa	309,242,261 99.99%	0	0
Emmanuel P. Singson	309,242,261 99.99%	0	0
Richard B. Tantoco	299,363,752 96.80%	9,878,509 3.19%	0
*Jaime I. Ayala	309,242,257 99.99%	4 .00%	0
*Stephen T. CuUnjieng	309,242,261 99.99%	0	0
*Francisco Ed. Lim	309,242,261 99.99%	0	0
*Rizalina G. Mantaring	309,242,261 99.99%	0	0
*Cirilo P. Noel	309,192,361 99.98%	49,900 0.02%	0
<i>* Nominated and elected as Independent Directors</i>			

*\*Percentage of votes is based on the number of shares present or represented at the meeting*

## APPOINTMENT OF EXTERNAL AUDITORS

The last item in the agenda was the appointment of external auditors. The Chairman requested the Corporate Secretary to read the proposed resolution in this regard.

The Corporate Secretary read the proposed resolution, as follows:

*“RESOLVED, that the stockholders of First Philippine Holdings Corporation (the “Corporation”) hereby approve the appointment of SyCip Gorres Velayo & Co. as the Corporation’s external auditors for the period 2024-2025.”*

The Corporate Secretary reported that the Company received votes or proxies representing 309,192,361 shares or 99.98% of the shares present or represented at the meeting which voted in favor of the proposal, 49,900 shares voting against, and zero (0) shares abstaining. This was noted by the Chairman who declared the resolution approved.

## **OTHER MATTERS**

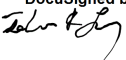
Ms. Nora Barja, a stockholder, commended the Chairman and the Board of Directors for a profitable year for the Company, and requested that they consider increasing the dividend payouts. She also requested that the Annual Stockholders’ Meetings for Rockwell Land Corporation and Lopez Holdings Corporation be face-to-face starting next year, given that the Company has been having physical meetings for two years in a row already.

## **ADJOURNMENT**

The Chairman inquired if there was any other business to be taken up. There being none, and upon motion duly made and seconded, the meeting was thereupon adjourned.

DocuSigned by:  
  
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**ENRIQUE I. QUIASON**  
Corporate Secretary

**A T T E S T :**

DocuSigned by:  
  
863FB2481A81447...  
**FEDERICO R. LOPEZ**  
Chairman of the Board