

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF
FIRST PHILIPPINE HOLDINGS CORPORATION
VIA VIDEOCONFERENCE
ON MAY 30, 2022¹**

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 said that this is the third time that the company is constrained to hold the meeting virtually due to the ongoing pandemic. He thanked everyone who registered, sent proxies and who were present at the meeting. He advised the stockholders that the following members of the board were present:

Chairman & CEO Mr. Federico R. Lopez	Chairperson of the Executive and the Finance & Investment Committees; Vice Chairperson of the Corporate Governance Committee; Member of the Compensation & Remuneration Committee
Vice Chairman Ambassador Manuel M. Lopez	Member of the Corporate Governance Committee
President & COO Francis Giles B. Puno	Vice Chairperson of the Executive and the Finance & Investment Committees; Member of the Compensation & Remuneration and the Corporate Governance Committees
Mr. Richard B. Tantoco	Member of the Executive, Finance & Investment, and the Related Party Transactions Committees
Ms. Mercedes Lopez-Vargas	Member of the Audit Committee
Mr. Miguel Ernesto L. Lopez	Member of the Executive, Audit, and the Finance & Investment Committees
Mr. Emmanuel Antonio P. Singson	Member of the Executive, Finance & Investment, Related Party Transactions Committees
Mr. David O. Chua	Member of the Board Risk Oversight Committee

¹DRAFT ONLY. For ratification by the stockholders at the next annual general meeting.

Ms. Roberta L. Feliciano	Member of the Board Risk Oversight Committee
Commissioner Anita B. Quitain	Member of the Board Risk Oversight Committee
Mr. Jaime I. Ayala	Chairperson of the Corporate Governance Committee; Member of the Audit and the Board Risk Oversight Committees
Mr. Stephen T. CuUunjieng	Chairperson 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
Ms. Rizalina G. Mantaring	Chairperson of the Audit Committee; Member of the Compensation & Remuneration, Related Party Transactions, and the Board Risk Oversight Committees
Mr. Cirilo P. Noel	Chairperson of the Board Risk Oversight Committee; Member of the Related Party Transactions and the Audit Committees

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

- Mr. Victor Emmanuel B. Santos, Jr. - Executive Vice President & Compliance Officer
- Mr. Anthony M. Mabasa - Senior Vice President
- Mr. Nestor J. Padilla - Senior Vice President
- Mr. Joaquin E. Quintos IV – Senior Vice President
- Mr. Renato A. Castillo - Senior Vice President & Chief Risk Officer
- Mr. Oscar R. Lopez, Jr. – Vice President
- Mr. Benjamin R. Lopez - Vice President
- Mr. Ariel C. Ong - Vice President
- Ms. Anna Karina P. Gerochi - Vice President, Head Human Resources Management
- Mr. Anthony L. Fernandez - Vice President

Ms. Emelita D. Sabella - Vice President & Investor Relations 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
Mr. Jose Valentin A. Pantangco, Jr. - Vice President & Head, Corporate
Planning
Ms. Maria Carmina Z. Ubaña - Vice President/Comptroller
Mr. Alexander M. Roque – Vice President
Mr. Denardo M. Cuayo - Vice President
Mr. Esmeraldo C. Amistad - Vice President & Assistant Corporate Secretary/
Assistant Compliance Officer
Ms. Milagros D. Fadri - Vice President
Ms. Agnes C. De Jesus - Vice President & Chief Sustainability Officer
Mr. Rene J. Mayol – Vice President
Mr. Angelo G. Macabuhay - Head, Internal Audit
Mr. Ernie G. Imperial – Vice President & Chief Digital Officer
Ms. Karen Y. Chung – Vice President
Mr. Jonathan C. Russell – Senior Board Adviser
Mr. Mario L. Bautista – Senior Board Adviser

Also present were Ms. Editha V. Estacio, Mr. Noel P. Rabaja, Ms. Frances Rose J. Villamayor, Ms. Jhoanna Feliza C. Go, Ms. Dione Cristy Velina, Mr. Eduardo Luis D. Andin, and Ms. Mariane M. Reyes, 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 this 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 the Business Mirror, both being newspapers of general circulation, last May 8 and 9, 2022 in both printed form and online. The meeting materials including the Notice and Agenda, Explanation of the Agenda Items, Definitive Information Statement, Registration and Validation Procedures including for Voting, the Management Report, and the Audited Financial Statements together with the quarterly financials and interim report were also posted in the Philippine Stock Exchange's (PSE) EDGE Disclosure System and/or in 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 original minutes of the meeting.

DETERMINATION OF QUORUM/GROUND RULES

Upon the inquiry of the Chairman, the Corporate Secretary reported that out of the 487,318,944 common shares issued and outstanding, there were present either in person or represented by proxy 338,061,101 shares of the common stock representing 69.37% of the outstanding voting stock of the Corporation. There being a quorum, the Chairman declared the meeting open for the transaction of business, noting that the meeting had to be conducted virtually but that the company had taken steps to ensure that the shareholders had the opportunity to participate in the meeting to the same extent possible if it had been conducted in person. He then requested the Corporate Secretary to discuss the procedure and 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 13, 2022 were entitled to register and vote the number of shares in their name as of the record date. For the election of directors, each stockholder may cumulate his votes. The Notice and Agenda as published included an explanation of the agenda items. As stated in the Registration and Validation Procedures furnished to the stockholders, a validation of the stockholders was conducted from May 23, 2022 to May 27, 2022.

Qualified stockholders and proxies who successfully registered and validated for the meeting were sent a confirmation through email and the links for them to attend the virtual ASM and to cast their vote on or before May 20, 2022 through a secure online voting platform. This online voting platform contained all the items for approval as indicated in the agenda set out in the notice unless other matters were raised. The proposed resolution for each of these was to be shown on the screen during the course of the meeting.

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.²

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

² The tabulation of votes does not include the proxies covering 459,888 shares where the shareholders did not indicate any vote. Only formal abstentions have been counted as such with respect to the matters presented for approval by the shareholders.

total number of votes cast does not exceed the number of shares owned by them multiplied by the number of directors to be elected.

Votes received through electronic voting or voting *in absentia* and votes cast through proxies were tabulated by the Office of the Corporate Secretary and validated by Sycip Gorres and Velayo & Co. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, were to be reflected in the minutes of this meeting.

Questions and comments were allowed to be submitted during registration and until May 20, 2022. The Corporate Secretary stated that the Corporation will endeavor to respond to all questions within the time allowed.

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 nominees with the most number of votes will be elected as directors.

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 and ASM portal as well as on the EDGE disclosure system of the PSE. He reminded everyone that the meeting was being recorded, both video and audio. Except for the designated speakers and presenters, the microphones of the other attendees have been muted.

APPROVAL OF 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 last May 21, 2021 was posted at 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 stated that Management proposed the approval of the following resolution by the stockholders:

“RESOLVED, that the stockholders of First Philippine Holdings Corporation hereby approve the minutes of the Annual Stockholders’ Meeting held on May 21, 2021.”

The Corporate Secretary stated that the Company received votes or proxies representing 337,601,213 shares or 99.86% of the shares present or represented at the meeting which voted in favor of the approval of the minutes of the last annual stockholders meeting and approving the same. The Company received zero shares voting against and zero shares abstaining from voting on this particular matter. This was noted by the Chairman and 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 -

Good morning.

The COVID-19 pandemic has been a roller-coaster ride for the Philippine economy. Philippine gross domestic product (GDP) growth dropped to a negative 9.5 percent in 2020 due to highly restrictive lockdowns but then recovered back up to 7.7 percent in the fourth quarter of the following year, ending at a full year 5.6 percent in 2021.

Entering 2022, we saw a huge spike in COVID-19 cases in the country. Majority of these cases were from the Omicron B.2 variant described as more transmissible but much less virulent than Omicron B.1 and Delta. This accounted for the sudden surge after the Christmas holidays and the precipitous drop in cases after Valentine’s Day. Many mobility indices inched back to pre-pandemic levels with non-transit movement close to full recovery and public transport rebounding to roughly 25 percent below pre-pandemic levels. Barring any new more virulent COVID-19 variants, it appears like the Philippines is headed toward an endemic COVID-19 situation where we learn to live with the virus without the restrictive lockdowns that have constrained the economy these last two years.

As we emerge from this pandemic, we see the Russia-Ukraine crisis posing yet another risk to global growth. Energy and commodity supply chain disruptions will generate a lot of pressure on prices everywhere and will not spare the Philippines, which will likely breach the Central Bank inflation targets for the year. The country’s debt-to-GDP ratio

pre-pandemic was 39 percent but has now climbed to 63.5 percent given a lot of necessary pandemic spending.

Amidst these interesting times, we will continue to pursue our businesses with vigor. At the FPH Group, we are transitioning by redesigning our offices and facilities for hybrid work that integrate remote work habits honed during the pandemic with rebuilding our face-to-face corporate communities. We are keeping the best of both worlds, even using office real estate more efficiently as we move forward.

However, our collective battle for the planet's climate continues. In February 2022, the UN IPCC released the Working Group II's Sixth Assessment Report ("AR6", written by 270 researchers from 67 countries, and approved by 195 governments) declaring that (to quote the New York Times): *"The dangers of climate change are mounting so rapidly that they could soon overwhelm the ability of both nature and humanity to adapt, creating a harrowing future in which floods, fires and famine displace millions, species disappear and the planet is irreversibly damaged. "Any further delay in concerted anticipatory global action," the report says, "will miss a brief and rapidly closing window of opportunity to secure a livable and sustainable future for all."*

Recall that following the release of Working Group I's Sixth Assessment Report in August 2021, UN Secretary General Antonio Guterres gave a stern warning that this was a **Code Red for Humanity**. The latest report he now describes as an **Atlas of Human Suffering**. It is undeniable that our planet's climate is changing, primarily from human-caused emissions of burning fossil fuels, and it is changing faster and more dangerously than we thought.

At the conclusion of Glasgow 26th Conference of Parties (COP26) last November 2021, the general feeling was that the conference over delivered, given the political headwinds, but under delivered in relation to what the science still demands of us. Now, remember that at Paris 21st Conference of Parties (COP21) in 2015 the world applauded soft agreements that pledged actions toward a global warming threshold of 2.0 degrees Celsius with many seeking to limit warming to 1.5 degrees Celsius.

Hardly any of those pledges are being met today, which still puts the world on course for a planet that is 3-4 degrees Celsius warmer by the end of the century. Clearly, catastrophic and uninhabitable. However, even the 2.0 degrees Celsius target applauded in Paris will change our planet beyond recognition: close to 99 percent of coral reefs will disappear, extreme heat, and 1-in-100 year flooding events will become regular occurrences, existentially threatening all coastal cities.

Given the Philippines is among the ten most vulnerable nations on Earth to climate risks mainly due to its geographic location and archipelagic structure, we should be among the most driven to amplify calls for commitments to a 1.5 degree Celsius world.

So what does keeping to 1.5 degrees Celsius really mean? The science tells us we only have about 300-400 gigatons-worth of greenhouse gases (GHG) left to emit before we exceed that number. Since the world currently emits 51 gigatons of greenhouse gas each year, we only have around 6-8 years remaining before we lose all chances of hitting that goal of limiting warming to 1.5 degrees Celsius and being left to contend with a harsher 2.0 degrees Celsius world or worse. The UN IPCC AR6 makes this very clear: the window is closing fast.

All these make our Mission of ***“forging collaborative pathways for a decarbonized and regenerative future”*** more urgent. Our desire is to be at the forefront of the transition to a net zero economy by 2050. Energy production continues to be our country’s biggest source of GHG estimated at 47 percent in 2020.¹

Many of us in the power industry have since declared our preference for clean and renewable energy. Our own transition to a decarbonized future will be anchored in the next few years by our efforts to bring in liquefied natural gas (LNG). When complete, our LNG terminal in Batangas City will allow us to import natural gas from around the world, thus providing consumers with clean, reliable energy that will also displace power produced by dirty coal, even after our indigenous supply in Malampaya is exhausted.

In line with the Philippine Energy Plan of 2020-2040, natural gas will also serve as an enabler of intermittent renewable energy like wind and solar, which will help keep the lights on when these sources are not available. We see LNG as the bridge fuel that will make wind and solar power more reliable, increasing demand and hastening widespread adoption of these platforms onto our power systems. First Gen is also planning to significantly expand its wind and solar portfolio over the coming years. The demand for wind and solar will not just come from grid operators serving large urban areas; it will also come from off-grid communities with little or no access to 24/7 electricity, households looking to cut their carbon emissions, and contestable customers operating commercial and industrial establishments.

Even as we fulfill our role of bridging the entry of more renewable energy to the grid, we are also planning our own decarbonization. To meet that net zero carbon future, our natural gas plants will eventually need to be repowered, possibly with clean hydrogen, as technology develops and attain commerciality. In the same vein, we are pursuing

¹ USAID (2018). *Cost Benefit Analysis of Mitigation Options: 2018 Integrated Report*

energy efficiency schemes as well as taking stock of other technologies that will further advance our net zero goal.

However, beyond just halting any additional warming is the Herculean task of preserving, rebuilding, and more importantly regenerating the planet and everything we are losing. This is why we believe sustainability is no longer enough in a world that is badly in need of healing and renewal. We specifically chose to use the word **Regenerative** in our recrafted mission, with all the responsibility that it carries.

Being regenerative, however, is not just about renewing the environment. Above all else, it is about healing the wounds inflicted on our communities and societies from decades of flawed economic thinking and the resulting policies that have widened inequalities making the dream of prosperity for billions of people even more out of reach.

Admittedly, this is a tough time to be in business. I would even say, the toughest I can remember in the last four to six decades. The road will be filled with curve balls. But life is not just about the presence or absence of difficulties, it is all about how we deal with those inevitabilities that matters. How we do that, is what will make it such an exciting and fulfilling time to build businesses that meet the challenges of the 21st century.

We thank you and hope for your continued and unwavering 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. Francis Giles B. Puno, President & Chief Operating Officer of the Corporation, after being given the floor, rendered his report, thus -

Dear shareholders,

I recall when we at First Philippine Holdings declared our decision to forego any investment in coal-fired power years ago. At the time, we felt like an outlier in our field because the growth in the country's energy supply was likely to be powered by the perceived low cost of coal even when players understood its harmful impact on the environment and human health.

FPH's thoughtful deliberation to refrain from coal was influenced by our own experience with Super Typhoon Yolanda in November 2013

that caused significant casualties in Leyte as well as physical damage to our geothermal facilities. Our decision was further concretized in the wake of the 2015 United Nations Climate Change Conference—or COP21—when energy players were still adjusting to the reality of the climate crisis and burning fossil fuels was very much the norm to drive economic growth.

The writing on the wall could not be any clearer. The global energy future would firmly shift in favor of clean, low-carbon sources. For us at FPH, this was an opportunity to help pivot the energy landscape in the Philippines to favor renewable energy and stay ahead of competition. It was reinforced by the fact that our country has limited locally available fossil fuel reserves like coal, oil, and natural gas.

Much has changed since. As the global attitude towards the climate crisis gained increasing awareness, so did the plans of how key players responded.

Come 2021, the Glasgow Climate Pact signed during COP26 set the bar to reach net zero by 2050 and pushed for the need to limit global warming to below 1.5 degrees Celsius.

The energy industry gained added pressure to act on the climate crisis with the Pact's goal to end the use of coal.

While the call to decarbonize is a tall order for developing countries like the Philippines, the catastrophic effects of further damaging the planet will only worsen unless we undergo genuine behavioral change. This is supported by the fact that the Philippines is the 4th most affected country by climate change in the last twenty years.

The energy sector contributes up to 47 percent of the Philippines' greenhouse gas (GHG) emissions. Understandably, our economy and, by definition, our carbon emissions grew through the years from new fossil fuel-based capacity that resulted in an ever increasing reliance on imported coal and maxing out the potential of locally available natural gas from Malampaya.

There are, however, the makings of a decarbonization pathway.

In 2020, the Department of Energy revised its Philippine Energy Plan (PEP) and officially declared a moratorium on the construction of new coal plants and promoted a future with more renewable energy. Specifically, the PEP sets a target to increase the share of renewable energy in the energy mix from 21% currently to 35 percent by 2030 and subsequently, increase that further to 50 percent by 2040. This is certainly moving forward in the right direction.

In April 2021, President Rodrigo Duterte signed the Philippines' Nationally Determined Contribution as part of the country's commitment to the Paris Agreement. Through the NDC, the country

committed to reduce its emissions by 75 percent by 2030 contingent upon the support of climate finance, technologies and capacity development.

Descent from Carbon Peak to Carbon Neutrality

Humanity stands at the precipice of greenhouse gasses that have grown to mountainous proportions and it is crucial to human survival that we find our way back down.

After you climb a mountain, the manner of descending is sure to be different and at times more challenging. The same applies to the Philippines' decarbonization pathway towards net zero. Whatever actions and trends have moved our economy and energy industry forward must change to favor carbon-neutral industrialization.

The landscape of the past two years with the COVID-19 pandemic caused the country's first major recession since the 1990s and greatly affected our path towards economic growth.

FPH fared well amidst the pandemic, avoiding the increased prices for coal that the majority of energy players unexpectedly suffered from. On an operational level, we focused on protecting our people through our COVID-19 information and vaccination campaign as well as Shelter-in-Place accommodations.

What we learned is that phenomena such as viruses that affect public health and stronger storms due to climate change will continue to disrupt the way we live until we change the way we do things with resilience and antifragility in mind.

This serves as both a challenge and opportunity for FPH. There is a lot of work to be done to achieve decarbonization and regeneration and search for solutions that are bespoke to the Philippine context.

First, while there has been progress with the moratorium on new coal-fired plants, coal continues to dominate with a 54 percent share in the Philippines' power generation mix. This is followed by natural gas at 19 percent. Unfortunately, the country will have to be substantially reliant on importing coal supply for the foreseeable future and Malampaya, the country's largest gas field, is expected to run out of its reserves in the next few years.

Second, we need to march forward as a developing economy. We will continue to make substantial investments in new supply of electricity even when our archipelago is more frequently hit by natural calamities that will intensify as climate change worsens.

This is notably different from other nations whose power grids do not need to cross the sea. Interconnected power lines will be costly and will be a key factor as power disruptions occur due to natural calamities.

Third, decarbonization actually implies increased electrification, especially when it makes more sense for transport and other key industrial activities to shift to electricity.

Fortunately, the Philippine plans for decarbonization serve as favorable winds behind our sails as clean energy becomes a shared solution that most stakeholders today agree with.

The Path to Regeneration and Decarbonization

As we celebrate FPH's 60th year milestone in 2021, our recrafted mission statement was a declaration of our business' resolve to focus our profit engines to help address the climate emergency.

Given our country's heavy reliance on coal, there is a need for a cleaner fuel as well as transitioning to a broad spectrum of variable renewable energy.

First Gen provides clean low carbon energy to its markets. Our natural gas plants facilitate the penetration of variable renewable energy by balancing their intermittency. Our geothermal and, to a certain extent, our hydro assets are capable of producing baseload electricity over a 24-hour period.

First Philec, our energy solutions subsidiary, supports a low-carbon future by providing electrical distribution systems and products that reduce energy losses, increase asset life, and build digital infrastructure that enables reliable power connection directly to customers.

And FPH's efforts to decarbonize are not confined to the energy sector alone. A broad range of other industries and sectors can also contribute to climate change mitigation.

Living and commercial spaces, as the settings of most of our daily activities, have the potential to foster practices that benefit communities and the environment while industrial spaces can elevate the experiences of its locators and in turn, the customers they cater to. The goal of our real estate arm is to identify market segments by promoting spaces that are livable, resilient, inclusive and innovative.

Rockwell Land, mostly known for its vertical communities, has also expanded into horizontal developments. This caters to the market's growing demand for residential lots and fosters improved living standards, decongesting the metro and building communities in emerging cities.

Our industrial real estate arm, First Philippine Industrial Park, attracts foreign investments to the country, providing livelihood opportunities to our growing population and enhancing the trust in our nation's capabilities and attractiveness as a manufacturing hub.

Human life should also be protected by resilient structures that enhance efficiency, mobility, and accessibility. Our construction business contributes to this by building and developing key infrastructures across the country.

First Balfour's public-private projects, such as the Cebu-Cordova Link Expressway (CCLEX), aims to reduce traffic, while water conveyance infrastructure such as the Novaliches-Balara Aqueduct 4 (NBAQ4) project connecting La Mesa Reservoir to the Balara Filtration System allows for greater consumer access to basic water needs.

Powering Progress

FPH managed to perform well through 2021 and made the following milestones:

The development of our LNG Interim Offshore Terminal (IOT), which aims to fill the demand for natural gas in the country as indigenous sources run out, is scheduled to be completed in the 4th quarter of 2022 to allow for the docking of the Floating Storage and Regasification vessel under a 10-year time charter agreement with the BW Group of Norway. And given the Russia-Ukraine crisis, we are extremely fortunate to have locked in the FSRU vessel, the tug services and the costs of materials such as steel and concrete to enhance the feasibility of this investment. All main structural components of the terminal have arrived on-site with construction and installation ongoing throughout the pandemic.

In October 2021, global investment leader KKR completed its follow-on investment in First Gen through a voluntary tender offer. With the completion of the share acquisition, KKR's total investment reached almost PHP9 billion, holding nearly 20% ownership in First Gen. The firm's investment is an affirmation of commitment to our business mission, purpose and long term investment prospects and attractiveness.

First Philec continues to be the country's leader in providing electrical distribution equipment, taking up over 50% of the Philippines' distribution transformers market. We are now pursuing opportunities within the broader utility value chain and are supplying various distribution line components to Meralco, VECO and other utilities.

Rockwell Land handed over close to 500 units in 2021, a 30% increase from the year prior. It also launched PHP19 billion worth of projects, namely, The Manansala, The Balmori Suites, Nara Residences, The

Villas-Aruga, and the Arton East Tower. New launches comprised about 50% of the total gross reservation sales for the year.

First Balfour stayed the course with the continued construction of its landmark projects, the CCLEX and NBAQ4 as described earlier, which are set for completion this 2022. Apart from these, the company is currently working to deliver our close to PHP8-billion order backlog recorded at the end of 2021 while actively pursuing other planned infrastructure projects.

As we managed the diminishing but still-present challenges of the pandemic, our operations were able to pick up and recover alongside the national economy. This is subsequently reflected in our financial performance.

Financial Performance

FPH closed 2021 with a consolidated attributable Recurring Net Income (RNI) of PHP10.1 billion, up by 7% from last year.

Real estate, construction, and energy solutions were our main drivers of growth. The respective contributions of our business segments are as follows:

- First Gen's attributable RNI declined slightly by 1.4% compared to the previous year, from PHP12.6 to PHP12.4 billion.
 - The Avion plant reported stronger income contribution from higher electricity sales generated from its ancillary services with the National Grid Corporation. Likewise, the Santa Rita and San Lorenzo plants registered an increase in earnings coming from reduced finance costs from lower interest rates and lower income tax rates after the effectivity of the CREATE Law.
 - These were tempered by the weaker results of the San Gabriel plant which experienced curtailment of natural gas supply resulting in higher generation costs from replacement power purchases further aggravated by the expiry of its income tax holiday incentive.
 - EDC's geothermal plants also reported a decline in earnings primarily due to steam supply issues and unplanned outages during the year as its operations and maintenance activities were hampered by constraints experienced with the pandemic.
- First Philec posted a record-breaking net income of PHP495 million, a significant 50% growth from the previous year. This was primarily driven by the increase in sales volume across its market segments.

- Net income attributable to Rockwell Land climbed by 55%, from 2020's PHP1.1 billion to PHP1.7 billion in 2021, mainly reflecting higher sales bookings and construction completion of residential development projects. Rockwell Land likewise recognized revenues from its new projects, namely Arton, Aruga Mactan, and Rockwell South. The bottomline growth was further supplemented by lower interest charges and income taxes.
- FPIP's net income improved by almost PHP12 million or 10.5% to PHP124 million from higher Ready Built Factory (RBF) leasing and water and park revenues. Despite the pandemic, FPIP maintained an average RBF occupancy rate of 94% and successfully implemented a water tariff adjustment effective August 2021.
- First Balfour and ThermaPrime's annual combined earnings for 2021 reached a record-high of PHP462 million, a significant jump of PHP413 million from last year's combined bottomline of PHP50 million driven by the recovery of revenues from construction projects and drilling activities.

Forging on in a Changing World

Reflecting on the past 25 years since I joined the company, I saw how we have nurtured strongly committed leadership, management and support teams in the parent and subsidiaries that have: (1) built the most impressive portfolio of clean, low-carbon, and renewable energy power assets through First Gen; (2) built highly sought-after curated livable and job-centered communities through Rockwell and First Philippine Industrial Park; (3) built key infrastructure like roads, bridges, tunnels, power stations, water treatment plants, and factories necessary for nation building through First Balfour; (4) manufacture electrical components necessary for resilient power distribution to electricity consumers through First Philec; and (5) see opportunities to nurture new businesses such as best-in-class affordable healthcare and education through Asian Eye Institute and First College.

As we celebrate our 60th anniversary, we at FPH will continue to navigate through a changing world and will continue to identify significant opportunities across the industries we are involved in.

Our recrafted mission of forging collaborative pathways towards decarbonization and regeneration is pivotal in how we see FPH's businesses flourish in the future. It crystalizes our view of playing more offense than defense. It enables our leadership and our management team to refine and elevate their ambition with exciting opportunities that are out there. In the next 29 years towards the big 2050 net zero goal, FPH will certainly play a leadership role in the country's decarbonization pathway while building on our mission of regeneration.

For now, I am grateful for the progress we have made and the support we have received as we pursue our mission. I would like to thank our stakeholders: our consumers, employees, shareholders, and host communities, whose growth we wish to see alongside our own. Join us in this urgent and exciting journey ahead to a decarbonized and regenerative future that is powered by good.

Thank you.

**PRESENTATION & APPROVAL OF THE
MANAGEMENT REPORTS AND
RATIFICATION OF THE BOARD APPROVAL OF
THE AUDITED FINANCIAL STATEMENTS FOR
THE PERIOD ENDED DECEMBER 31, 2021**

The Chairman stated that copies of the management report, which included the audited financial statements for the calendar year ending December 31, 2021, 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 March 29, 2022. 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.

Consistent with the Company's policy allowing stockholders to participate in the meetings of stockholders and ask questions, 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 also present to explain as may be necessary. In connection with the meeting, the Company had requested its valued stockholders to submit their questions through a designated online link. He then requested the Corporate Secretary to read the questions that can be accommodated within the time allowed. Management was ready to respond after each question.

The Corporate Secretary said that the Company received questions from a stockholder of record and from the press. He read the first question from Ms. Victoria A. Martinez, a stockholder of record, thus, "What does your mission statement of

forging collaborative pathways to a regenerative future mean, and how are you changing or reinventing your businesses to achieve the mission?”

Mr. Puno responded to the question. He said that the country faces clear existential challenges brought about by the warming climate, the destruction of earth’s life support systems, and deepening social divisions in the society. As a society, it needs to work ever closer together across all its divides to find systematic solutions that not only stem the erosion of nature before it but to restore and heal it. The Company should aim not only to survive but to nurture a world wherein future generations will thrive amidst abundance. As a group, it has committed itself to contribute to these efforts by transforming its current business models and creating new business paradigms that maximize value for all stakeholders and co-creators. The massive effort will also require the group to engage and partner with business, government, civil society and communities in innovative and radical ways. Moreover, while these global and national issues are daunting and unprecedented, the Company firmly believes that these also represent massive opportunities for it to take advantage of its growth platforms in energy, property, construction, manufacturing and services and do exceptionally well while intrinsically doing a whole lot of good.

The Corporate Secretary then read the next question from Ms. Iris Gonzales of the Philippine Star, thus, “What is the outlook for the power situation?”

Mr. Puno responded and said that the Luzon demand continues to grow as the economy reopens and quarantine restrictions are gradually relaxed. Based on data from the Department of Energy, Luzon demand is expected to grow by 5.46% annually (2022-2023) and needs additional capacity to address thin reserves. The group had and continues to experience several instances of thin supply margins due to unplanned outages of several baseload plants that resulted in 26 red alerts and 21 yellow alerts observed in Luzon for 2021. There have already been 3 yellow alerts in the first quarter of 2022, and it is expected that this will persist for the rest of the year. WESM prices are currently high due to power plant reliability issues and seasonal high demand during summer months. This is expected to persist until new power plants come online.

The Corporate Secretary said that the following consolidated questions which appear to be inter-related and which may call for just one response are from Mr. James Loyola of the Manila Bulletin, Ms. Iris Gonzales from the Philippine Star and Ms. Jennifer Austria of the Manila Standard, thus, “What’s the capex breakdown and

earnings guidance?” and “What is the business outlook of the company for 2022 amid the current market environment?”

The Chairman called on the CFO, Mr. Emmanuel Antonio P. Singson, to respond. Mr. Singson said that the consolidated capex budget for this year is around P51 billion. 56% of the budget, or about P29 billion, is allocated to the power generation group, particularly for EDC’s drilling and growth initiatives, and for First Gen’s LNG and Aya projects. 35% of the budget, or about P18 billion, is allocated to the property sector, mainly through Rockwell. The balance of P4B is allocated to grow the construction, manufacturing and new businesses in healthcare and education. The Company expects that its financial performance in 2022 will be relatively flat compared to last year.

The Corporate Secretary then stated that those were the questions received, but that if there were questions received after the deadline or during the meeting through other means such as through the corporate secretary’s email at corporatesecretary@fphc.com, as provided in the meeting materials, or at invrel@fphc.com, the Company will endeavor to respond to these questions as well.

The Chairman hoped that the stockholders, as well as the Company’s friends from the press, would find the responses sufficient and requested the Corporate Secretary to read the proposed resolution with respect to the financial statements, the reports and the voting results.

The Corporate Secretary stated that Management proposed the approval of the following resolution for approval by the stockholders:

“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, 2021; and*
- (ii) approve, as they hereby do approve, the management reports covering the calendar year ending December 31, 2021.”*

The Corporate Secretary stated that the Company received votes or proxies representing 337,214,593 shares or 99.75% 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 shares voting against and 386,620 shares abstaining from voting on this particular matter. This was noted by the Chairman and who declared the resolution approved.

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

The Chairman said that the next item in the agenda was the ratification of the acts of the Board of Directors, of the Executive Committee, other Board Committees, and of the Management of the Corporation. Those actions affecting the business, operations, financial performance and decisions of the Corporation are also covered in the Information Statement, Management Report, Chairman 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 stated that Management proposed the approval of the following resolution by the stockholders:

“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, 2021, and up to the date of this Annual Stockholders Meeting, and the Chairman 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 337,214,593 shares or 99.75% of the shares present or represented at the meeting which voted in favor of the confirmation, ratification and approval of the acts of the Board of Directors, of the Executive Committee, the other Board Committees, and of the Management during the calendar year ended December 31, 2021 and up to the date of this meeting as well as the Chairman & President's Reports. The Company received zero shares voting against and 386,620 shares abstaining from voting on this particular matter. This was noted by the Chairman and 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 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
Ambassador Manuel M. Lopez
Mr. Federico R. Lopez
Ms. Mercedes Lopez-Vargas
Mr. Francis Giles B. Puno
Commissioner Anita B. Quitain
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

none of the directors nominated have attended less than 50% of the meetings as well as a section on their compensation, including their committee attendance. The Board likewise conducted a performance self-assessment for 2021. 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 99.31% of the votes. The Corporate Secretary certified that the board 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	337,582,633 99.86%	18,580 0.01%	-
Roberta L. Feliciano	337,276,223 99.77%	324,990 0.10%	-
Miguel Ernesto L. Lopez	336,737,019 99.61%	864,194 0.26%	-
Manuel M. Lopez	336,500,723 99.54%	1,100,490 0.33%	-
Federico R. Lopez	336,428,883 99.52%	1,172,330 0.35%	-
Mercedes Lopez-Vargas	335,740,139 99.31%	1,861,074 0.55%	-
Francis Giles B. Puno	336,687,119 99.59%	914,094 0.27%	-
Anita B. Quitain	337,582,633 99.86%	18,580 0.01%	-
Emmanuel P. Singson	337,582,633 99.86%	18,580 0.01%	-
Richard B. Tantoco	337,582,633 99.86%	18,580 0.01%	-
*Jaime I. Ayala	337,320,873 99.78%	280,340 0.08%	-
*Stephen T. CuUnjieng	337,601,213 99.86%	-	-
*Francisco Ed. Lim	337,601,213 99.86%	-	-
*Rizalina G. Mantaring	337,601,213 99.86%	-	-
*Cirilo P. Noel	337,320,873 99.78%	280,340 0.08%	-

* Nominated and elected as Independent Directors

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

The Chairman formally declared the said nominated stockholders to be the duly elected members of the Board of Directors, to serve as such for the ensuing year and until their successors are duly elected and qualified.

APPOINTMENT OF EXTERNAL AUDITORS

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

The Corporate Secretary stated that Management proposed the approval of the following resolution by the stockholders:

“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 2022-2023.”

The Corporate Secretary reported that the Company received votes or proxies representing 336,680,103 shares or 99.59% of the shares present or represented at the meeting which voted in favor of the appointment of Sycip Gorres Velayo & Co. as the Corporation’s external auditors. The Company received 673,480 shares voting against and 247,630 shares abstaining from voting on this particular matter. This was noted by the Chairman and who declared the resolution approved.

ADJOURNMENT

The Chairman inquired if there was any other business to be taken up. Upon the advice of the Corporate Secretary that there was none, the Chairman thanked everyone who attend the virtual stockholders’ meeting, wished for their continued good health and reminded them to be safe. He thanked the stockholders for all the support and stated that he looks forward to another year serving all of the Company’s stakeholders. The meeting was thereupon adjourned.

ENRIQUE I. QUIASON
Corporate Secretary

A T T E S T :

FEDERICO R. LOPEZ
Chairman of the Board