

**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 29, 2023<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 said that after three long years of holding the meeting virtually, the company was finally able to come together in person and share the occasion. 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
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. Benjamin R. Lopez	Member of the Corporate Governance Committee
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. 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
Ms. Roberta L. Feliciano	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

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

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

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 & Compliance Officer
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. Emelita D. Sabella	Vice President
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 & 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
Ms. Karen Y. Chung	Vice President & Investor Relations Officer
Mr. Angelo G. Macabuhay	Head, Internal Audit
Ms. Jannina Cynthia P. Mendoza	Vice President for Strategic Brand Management
Mr. Enrique I. Quiason	Corporate Secretary
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. Wilson Tan, Mr. Martin Guantes, Ms. Frances Villamayor, and Mr. Allan Ocho, all representing the external auditors of the Corporation, SyCip, Gorres, Velayo & Co.

The Chairman requested for a minute of silence in honor of Chairman Emeritus Oscar M. Lopez, and Vice Chairman Ambassador Manuel M. Lopez, both of whom passed away recently. A video tribute for both the Chairman Emeritus and the Vice Chairman was shown on the screen.

## **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 6 and 7, 2023 in both printed form and online. The meeting materials including the Notice and Agenda, Explanation of 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 minutes of the meeting.

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

Upon the inquiry of the Chairman, the Corporate Secretary reported that out of the 472,618,944 common shares issued and outstanding, there were present either in person or represented by proxy 318,016,189 shares of the common stock representing 67.29% 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 20, 2023 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. As stated in the Registration and Validation Procedures furnished to the stockholders, a validation of the stockholders was conducted from May 19, 2023 to May 26, 2023.

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 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 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.

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 take the floor 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 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 30, 2022 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 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 30, 2022.”*

The Corporate Secretary stated that the Company received votes or proxies representing 317,369,936 shares or 99.80% of the shares present or represented at the meeting which voted in favor of the approval of the proposal, zero shares voting against, and zero shares abstaining. 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 -

Today it's undeniable that the climate emergency being faced by humanity is real and in urgent need of action. In the last few years, we've employed various platforms, venues, and forums, including our integrated report covers, to highlight the existential threat posed by the climate crisis. Now it feels so much more encouraging as we see a myriad of sectors of society weaving threads from their respective fields into a tapestry of solutions that aims to bring carbon emissions down to zero by 2050. While the challenge is still daunting, we know that, with the right focus, countless solutions will come to light.

The journey to Net Zero will involve three phases that need to be executed within a limited timeframe. More importantly, we must keep in mind that the overriding goal is to “solve the climate emergency”, by mitigating and reversing emissions as well as adapting to its impacts that are already here and intensifying. Because if we don’t get it right, the exponential deterioration of global climate systems and the environment will make it impossible to solve other problems like poverty, inequality, disease, food production, freshwater scarcity, mass migration, social displacement, mass extinction of species, and biodiversity loss, among others. All of this we will feel during our lifetimes and they’re undeniably accelerating as we can see in news reports every single day now.

Recall that Paris COP 21 applauded the agreements that signaled we could limit global warming to 2.0 degrees Celsius if all commitments were met. Since then, the UN IPCC issued a Special Report on Global Warming, followed by its Sixth Assessment Reports from Working Groups I, II and III, all with dire warnings and consequences for a 2-degree Celsius warmer world. Taken together, they underscored the scientific consensus that our targets must not exceed 1.5 degrees by end century. This target is slipping away from us fast but the 1.5 degrees Celsius must still remain our base case.

Consequently, “solving the climate emergency” means deliberately embarking on a journey through these phases.

In PHASE ONE, we REDUCE Greenhouse Gas (GHG) emissions of carbon dioxide, methane, nitrous oxides and fluorinated gases from the current 59 gigatons (Gt) of GHG’s per year, and we see emissions peak by 2025. This is where most efforts are centered today. But we cannot stop there.

Next, in PHASE TWO, we aim further to ELIMINATE all emissions of GHG’s. We must get to Net Zero emissions by 2050.

However in PHASE THREE by 2050, we must begin the arduous task of reducing the concentration of greenhouse gases in the atmosphere. We must get to what is called NET NEGATIVE EMISSIONS. This is best described in the words of NASA climate scientist James Hansen: “If humanity wishes to preserve a planet similar to that on which civilization developed and to which life on Earth is adapted...CO<sub>2</sub> will need to be reduced...to at most 350ppm.”

For reference, pre-industrialization carbon dioxide levels were at 280ppm and we sailed past 350ppm in 1986. We continued to blow through 400ppm in 2013, the same year Super Typhoon Yolanda, the

most powerful typhoon on earth to ever make landfall, announced to the world, through the suffering of millions of Filipinos, that climate change is here and that we better get our acts together now. While the COVID-19 pandemic has given the world a short respite, today emissions are on the rise again and Paris COP 21 targets still aren't being met.

We now need to realize Phases One, Two and Three within the rapidly diminishing timeframe of the next 27 years. Failing to do this over the limited period will trigger irreversible tipping points, the effects of which we are already seeing in news reports from all over the world every day. The clock ticks as we speak. Winning this war and solving climate change will mean staying laser-focused on strategies, tactics and accelerating technologies that are likely to scale within this very critical timeframe of the next 27 years.

Progress through Phases One to Three in the battle to “solve the climate emergency” has many facets beyond just energy. It spans agricultural practices, food production, waste management practices, industrial processes, deforestation, f-gases used in refrigeration and many others. The key elements of the energy transition involves the following: reducing the carbon intensity of electricity, scaling up energy efficiency efforts, electrifying as much of transport and the industrial sectors, using carbon-neutral fuels for other hard-to-reach sectors, and deploying nature-based and man-made carbon capture, use and storage. All these will have immense implications for the central role of the electricity grid. The most important point is that by 2050, we will need 5 times the electricity we use today; and we will need 10-12 times the clean energy in use today.

For now at the FPH Group, our efforts remain focused largely on helping to reduce the carbon intensity of the electricity grid and then ultimately to decarbonize it. We're making it our mission to shepherd the energy transition to Net Zero.

From a global perspective, we need to clean up the electricity grid's generation sources with the intent of progressively lowering carbon intensity per kwh. This is done through a combination of renewable energy sources, storage (e.g., batteries or pump hydro), and other complementing low-carbon energy sources. This alone is a complex balancing act. For our country, adding more 24/7 renewable energy sources like hydro and geothermal power to the grid should be encouraged as no-regret options. However, what needs to be done thoughtfully is the addition of more renewable energy sources like solar and wind. Their variable and intermittent nature though necessitates that

we match them with more grid capacity and storage to account for the fact that they're not there when night falls or on cloudy or windless days. However, batteries are only capable of running 3-4 hours and thus fall short of fully providing power for the 10-12 hours before the sun rises or the stretches of cloudy or windless days or even weeks. As such, there is need for a low carbon emission fuel like natural gas to act as the bridge fuel that's technically more suited for complementing the variable nature of renewable energy.

We view First Gen's diverse portfolio of clean and renewable energy sources as a key enabler to a greener electricity grid. Our target is to grow our low carbon energy portfolio to 13,000 MW by 2030, of which 9,000 MW will be renewables. The construction of our LNG terminal has reached practical completion, and soon after we expect the commissioning of our floating storage and regasification unit vessel. Of course, over time, we must look toward repowering our natural gas facilities with green fuels like hydrogen as these become more feasible, or they can be decommissioned outright before 2050.

As we clean up our energy grid, we must also move towards scaling up energy efficiency as the "first fuel" and encourage its use everywhere. Today these efforts are still sparse and fragmented but they have great potential. They are the lowest hanging fruit to reduce carbon emissions and are no-brainers because they also bring real cost savings and enhance the bottom lines of our customers.

Yet, as we navigate this energy transition, we must bear in mind the need to keep the lights on and keep power prices affordable for all. At the same time, we must continue to improve access to 24/7 electricity for millions of households in the country who currently do not have it reliably in their lives if we are to even begin uplifting them from poverty.

Decarbonizing and scaling up a green electricity grid over the next three decades is probably the greatest energy transition in the history of mankind. It's not just changing the electricity system but building a new global energy system with components we have never built before and at a massive scale. This will need nothing short of collaborative action among various players that today consider themselves competitors. And these also need well-coordinated and timely action on the part of regulators who must ensure energy security and be well-versed on the elements that make for a successful and just energy transition.

In addition to creating a future-ready energy system, our being 4th on the world's climate vulnerability list necessitates that we prepare Philippine



cities, communities, and infrastructure for resilience in a climate-changed world. The impacts of the climate crisis as well as climate action that will be demanded of everyone are among the forces in history that will transpire “gradually and then suddenly”. If we’re not prepared and conveniently ignore it, we’ll be overwhelmed and not recognize the world around us in the coming thirty years. The science tells us we no longer have a choice. We need to act in a systematic and collaborative way if we want to succeed and make serious headway in tackling other issues like hunger, poverty, and the other pressing Sustainable Development Goals of our time. Trying to solve those will be futile if we don’t build for the resilience we need and if we don’t ultimately “solve the climate emergency”.

The forces unleashed by the climate emergency are already creating a future that, by necessity, must look very different from the past. The times call for new paradigms and even social constructs. We will need to measure progress using new metrics and reshape our way of life to thrive in a changed and rapidly changing world. It’s all about reimagining our relationship to the planet and to one another. If humans have such immense power to degenerate the Earth, if we so choose, humanity can also wield the same power to change course and regenerate it not just for the sake of currently living humans but for the millions of other species that co-inhabit our world, today and tomorrow.

The journey to a decarbonized and regenerative future is not purely driven by the bottom line. To our stakeholders, thank you for your support in helping us transform our Company to one that’s truly responsive to the needs not only of our country but of the world. 🌱

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 shareholders,

We are living in such uncertain times – whether it’s due to the existential threat of climate change or from geopolitical pressures or from the challenging macroeconomic environment of high inflation and rising interest rates.

If we pause to figure out how to best move forward, we think that FPH's mission to forge collaborative pathways for a decarbonized and regenerative future is even more relevant than ever.

Aligning FPH's business models and profit engines with a common mission and purpose is an effective way to engage and inspire our talent within our organization to move ahead with persistence and optimism despite uncertainties.

In 2022, FPH and its subsidiaries forged on and made very good progress on their respective operations as the economy began to bounce back from the COVID-19 pandemic.

As I'll be discussing, the FPH Group is executing on its growth plan across all its platforms. These are indeed exciting times to be part of FPH and I hope to be able to elaborate this journey with you this morning.

Let me start by discussing First Gen Corporation, our power subsidiary and largest earnings contributor, as it remains determined to lead the transition to a decarbonized and regenerative energy future.

The government is responding by pursuing a policy thrust, which we welcome and support, to develop more renewable energy and eventually transition our country away from fossil fuels. With a challenging aspiration to reach the mix of renewable energy from 21% in 2020 to 35% in 2030 and to 50% in 2040.

Responding to the call for the Philippines' need for cleaner and decarbonized power, First Gen is committed to expanding its clean energy portfolio to lead the country's clean energy transition by delivering up to 13 gigawatts (GW) of new clean and renewable power by 2030. Through this endeavor, we will significantly contribute to the country's decarbonization targets.

First Gen continues to build on the infrastructure that will allow our country to import enough liquefied natural gas (LNG) and to assure the continued operations of the Philippines' natural gas plants in the midst of the impending depletion of gas supply from the Malampaya field.

On the LNG infrastructure, First Gen has achieved practical completion on all its construction milestones. We are expecting the arrival of the BW Batangas Floating storage regasification vessel next month to enable the facilities to begin its commissioning activities. We are also tendering for the first delivery of LNG shipment to be delivered in the August-September

timeframe. This will allow us to start generating electricity from LNG shortly after additional commissioning activities.

First Gen also continues its program to expand its geothermal and hydro capacities. In 2023, it will start the construction of the 100 megawatt (MW) Aya Pumped Storage Hydropower Project in Nueva Ecija, while continuing the pre-development activities for its run-of-river projects in Mindanao.

We recently won the bidding for the 165 MW Casecnan hydroelectric plant as we continue to support the government's privatization program. Across the 130 MW Pantabangan – Masiway and the 165 MW Casecnan hydro electric plant and the 100 MW Aya plant that we are constructing, this unique and strategic facility will have a total capacity of close to 400 MW and help advance First Gen's renewable energy growth plans.

Meanwhile, First Gen's power geothermal power subsidiary, Energy Development Corporation (EDC) inaugurated the 3.6-MW Mindanao-3 Geothermal Binary Power Plant in Kidapawan City in April 2022. EDC's other geothermal plants—the 28.9-MW Palayan Bayan Binary Project, the 20-MW Tanawon Geothermal Power Plant, and the 28-MW Mahanagdong Geothermal Brine Optimization Plant— are progressing as scheduled. These projects will expand the country's supply of reliable 24-hour baseload power.

Moving on to our electrical manufacturing and energy solutions provider platform, First Philec continues to deliver efficient transformers to the market as it continues to grow its order book.

First Philec's more recent innovation includes its Super Green transformers made of materials that are fully recyclable and/or biodegradable with the aim to reduce its environmental impact. We are also collaborating with our customers to pursue smarter digital solutions in their metering operations.

FPH's non-energy businesses are closely linked with the mission of regeneration, where enhancing the quality of life requires services that tap into various aspects of national development.

Rockwell Land has firmly established its brand as a leading premium lifestyle community developer in the Philippines. It continues to deliver on its vision to create admired communities beyond the ordinary.

Rockwell Land has accelerated its expansion of residential and commercial spaces in key geographical areas outside the metro, aiming to address

congestion in the National Capital Region while at the same time creating spaces that are more inclusive, walkable, and environment-friendly.

In 2022, Rockwell launched a record PHP29.1 billion of highly marketable projects, including residential developments Edades West in the Rockwell Center Makati, the Bencab in the Rockwell Nepo Center in Pampanga, and the Bel-Air in the Rockwell Center Bacolod.

Our industrial real estate arm, First Philippine Industrial Park (FPIP), continues to attract world-class locators and advance the economy through local job creation while remaining true to its goals of elevating industry, community, and the environment. FPIP has built a thriving industrial park that is home to over 150 multinational locators and a workforce of almost 80,000 Filipinos.

We see FPIP's journey going beyond the industrial park as it transforms into a thriving, inclusive, resilient, regenerative and job-centered township. From being a park developer, it has now become both a developer and a solutions provider that offers a comprehensive and innovative one-stop-shop menu of products and services, catering not only to the locators but also to their employees. FPIP now builds dormitories, events and training sites, and areas for commercial and retail establishments, while it continues to operate its more traditional lines of business in land and ready-built factory leasing, park management, and provision of water and wastewater servicing.

Construction will also have its role to play through First Balfour Inc. (First Balfour). FPH supports infrastructure that not only aims to meet the energy needs of the country but also establishes public works that allow for efficient movement and flow of utilities.

First Balfour is well-positioned for growth given its stellar performance in delivering quality solutions to its clientele and its proven expertise in bridge construction and tunnel boring. It showcased this expertise through its initial ventures in constructing the 8.5-kilometer (km) CebuCordova Link Expressway (CCLEX), now the longest bridge in the country; and the 7.3-km Novaliches-Balara Aqueduct project using tunnel-boring machine technology.

First Balfour, along with Hong Kong-based partner Leighton Asia, is likewise participating in the North-South Commuter Railway (NSCR) Project, which will formally break ground in the first half of 2023. The NSCR contract package 3B, with an estimated value of PhP 24 billion,

involves civil engineering, tunnel construction, and building works for a railway spanning a little over six kilometers.

We at FPH likewise see the growing potential of our healthcare and education businesses as we cultivate a workforce that is capable of meeting the demands of a growing economy.

In December 2022, FPH signed a definitive agreement to purchase the local subsidiary of Medical Services of America (MSA), a provider of a comprehensive range of cardio-pulmonary services and equipment for hospitals and home-care patients.

We completed this transaction last Thursday, May 25.

MSA is the newest addition to FPH's healthcare push. This group now consists of the Asian Eye Institute (AEI), providing a comprehensive range of eye care services; Pi Health Inc., providing clinical research services; and the distribution of optical products. With MSA's addition, FPH now has a platform to deliver new products and services aimed at improving the country's healthcare system and, ultimately, the health and wellness of Filipinos.

Let me now report on FPH's 2022 Financial highlights.

FPH generated a consolidated revenue of PHP 170.3 billion, up by 36% or PHP 45.2 billion from PHP125.1 billion in 2021.

This was driven by the stronger revenues posted by (1) First Gen from the sale of electricity, (2) Rockwell, FPIP, and First Balfour from Contracts and services, and (3) First Philec, Inc. from its Sale of Merchandise, primarily distribution transformers.

The company posted a record-high consolidated attributable Recurring Net Income (RNI) of PHP12.8 billion, up by 27% or PHP2.7 billion from PHP10.1 billion in 2021.

The increase was driven by improved earnings across the conglomerate's core business groups, with power generation, energy solutions, and real estate showing significant growth.

The power generation group, under First Gen, posted an RNI improvement of PHP1.9 billion or 15%, from PHP12.4 billion in 2021 to PHP14.3 billion in 2022.

This was mainly driven by the higher earnings of EDC, which benefited from the favorable average Wholesale Electricity Spot Market (WESM) prices during the last quarter of the year and the improved generation of its Negros and Bacman geothermal plants due to higher steam availability and lower outages, together with the steady earnings contribution of First Gen's natural gas and hydro plants.

First Philec reported a net income of PHP1.0 billion, a PHP543 million or 110% jump from the previous year's PHP496 million.

This significant increase was mainly driven by the growth in sales of its core business of amorphous distribution transformers, as well as new businesses for distribution line components to its customers.

The real estate group contributed higher earnings by PHP638 million or a 42% increase from PHP1.5 billion in 2021 to PHP2.1 billion in 2022. This reflected the stronger financial performance of Rockwell Land's commercial and residential development segments together with FPIP group's industrial leasing and water utility businesses.

Net income attributable to Rockwell Land increased by PHP661 million or 40%, from PHP1.6 billion in 2021 to PHP2.3 billion in 2022, mainly reflecting the higher average occupancy and lease rates, supplemented by the higher sales booking and percentage of completion recognized by its residential projects.

The FPIP group's net income grew by PHP95 million or 76%, from PHP125 million in 2021 to PHP220 million in 2022. The notable growth mostly reflects higher industrial leasing income following the commencement of its new contracts with major locators such as Dyson and TE Connectivity and the increase in water revenues.

The construction segment likewise posted an increase of PHP73 million or 16% in earnings, from PHP454 million in 2021 to PHP527 million in 2022.

First Balfour registered a PHP69 million or 20% increase in reported net income following higher construction revenues and margins from major contracts, including the Cebu-Cordova bridge, Batangas Power Plant, EDC's Palayan Binary Plant, and Eastbay water treatment projects.

Meanwhile, Thermaprime posted a slightly lower net income by PHP4 million or 3%, mainly attributable to the standby status of its company-owned rig.

In the first quarter of 2023, FPH continued to see an increase in the company's consolidated attributable Recurring Net Income (RNI) at PHP 4.3 billion, up by 39% or PHP 1.2 billion from the PHP 3.1 billion in the same quarter of 2022.

The growth was mainly driven by the significant growth in share in recurring earnings of subsidiaries.

The power generation group, under First Gen, posted an RNI improvement of PHP1.9 billion or 64%, from PHP 3 billion as of March 2022 to PHP 4.9 billion in 2023.

This growth driven by the higher earnings contribution of EDC as it benefited from the higher average Wholesale Electricity Spot Market (WESM) and contract prices on this year's electricity sales. The favorable price variances were supplemented by the improved generation of its Negros, Leyte, and Bacman geothermal plants and from Burgos Wind due to better wind regime.

The Gas plants likewise posted better combined recurring earnings in the first quarter of 2023, largely reflecting Santa Rita's higher recurring earnings mostly on account of improved average Net Dependable Capacity supplemented by lower general and administrative expenses. The San Gabriel plant's net income contribution also increased mainly driven by higher capacity fees as the plant was dispatched at full capacity with increased gas supply from Malampaya.

First Philec reported net income for the first quarter of 2023 amounted to ₱175 million, down by ₱56 million or 24% as compared to the prior year's results largely due to the decline in transformer deliveries during the quarter.

Net income attributable to Rockwell Land increased by ₱76 million or 14% (from ₱524 million to ₱600 million) mainly reflecting the improvement in operating results of the Commercial Leasing segment brought about by the increase in average occupancy and rental rates of both the office and retail leasing operations, further supplemented by higher earnings from its hotel operations.

The FPIP group's net income grew by ₱6 million or 6%, from ₱103 million in 2022 to ₱109 million this year mainly due to the gain recognized on the sale of land.

The construction segment likewise posted a reversal of ₱173 million or 110% from a net income of ₱158 million in 2022 to ₱15 million net loss this quarter, reflecting the weaker bottomline of both First Balfour and Thermaprime during the period given the completion of projects and the building up of its order book.

I began this morning's presentation cautious given the uncertainties of climate change, geopolitical pressures, and a challenging economic environment. Despite these challenges, FPH's businesses are finding ways to thrive by executing on its ambitious plans with an engaged and capable organization.

FPH's mission—To forge collaborative pathways for a decarbonized and regenerative future—requires all hands on deck. We hope to catalyze and enable action not only from within our organization but also from other key stakeholders such as our customers, suppliers, government, shareholders and our host communities.

FPH is set to lead these exciting times borne by optimism that our goals are clear and that our actions are delivering the results we set out to achieve.

Thank you everyone for your support.

#### **APPROVAL/RATIFICATION OF THE DECEMBER 31, 2022 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, 2022, 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 30, 2023. 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.



Despite the lapse of a considerable period of time, there were no questions from the floor.

The Chairman requested the Corporate Secretary to read the proposed resolution with respect to the financial statements, the reports and the voting results.

The Corporate Secretary read the proposed resolution, as follows:

*“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, 2022; and*
- (ii) approve, as they hereby do approve, the management reports covering the calendar year ending December 31, 2022.”*

The Corporate Secretary stated that the Company received votes or proxies representing 316,983,316 shares or 99.68% 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, 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, 2022, 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 316,983,316 shares or 99.68% of the shares present or represented at the meeting which voted in favor of the proposal, zero shares voting against, and 386,620 shares abstaining. 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*  
*Mr. Benjamin R. 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 that none of the directors nominated attended less than 50% of the meetings. There was also a section on their compensation, including their committee attendance. The Board likewise conducted a performance self-assessment for 2022. 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 95.68% 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:

	<b>ACTION</b>		
	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
David O. Chua	317,351,356	18,580	-
Roberta L. Feliciano	303,664,374	13,705,562	-
Miguel Ernesto L. Lopez	316,733,346	636,590	-
Benjamin R. Lopez	317,142,856	227,080	-
Federico R. Lopez	315,802,676	1,567,260	-
Mercedes Lopez-Vargas	316,733,346	636,590	-
Francis Giles B. Puno	316,617,352	752,584	-
Anita B. Quitain	317,351,356	18,580	-
Emmanuel P. Singson	317,351,356	18,580	-
Richard B. Tantoco	317,142,856	227,080	-
*Jaime I. Ayala	317,369,932	4	-
*Stephen T. CuUnjieng	317,161,436	208,500	-
*Francisco Ed. Lim	317,369,936	-	-
*Rizalina G. Mantaring	317,161,436	208,500	-
*Cirilo P. Noel	317,161,436	208,500	-

*\* 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. 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 2023-2024.”*

The Corporate Secretary reported that the Company received votes or proxies representing 316,893,506 shares or 99.65% of the shares present or represented at the meeting which voted in favor of the proposal, 476,430 shares voting against, and zero shares abstaining. 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. There being none, and upon motion duly made and seconded, the meeting was thereupon adjourned.

**ENRIQUE I. QUIASON**  
Corporate Secretary

A T T E S T :

**FEDERICO R. LOPEZ**  
Chairman of the Board