

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF
FIRST PHILIPPINE HOLDINGS CORPORATION
HELD AT CINEMA 6, R3 LEVEL, POWER PLANT CINEMA,
POWER PLANT MALL, ROCKWELL CENTER, MAKATI CITY
ON MAY 28, 2018**

The annual meeting of the stockholders of First Philippine Holdings Corporation (“Corporation”) was held at 10:00 a.m. on May 28, 2018 at Cinema 6, R3 Level, Power Plant Cinema, Power Plant Mall, Rockwell Center, Makati City. The following Directors were present at the meeting:

Present: Mr. Oscar M. Lopez
Mr. Federico R. Lopez
Amb. Manuel M. Lopez
Mr. Augusto Almeda-Lopez
Mr. Peter D. Garrucho, Jr.
Mr. Elpidio L. Ibañez
Ms. Rizalina G. Mantaring
Chief Justice Artemio V. Panganiban
Mr. Francis Giles B. Puno
Commissioner Anita B. Quitain
Mr. Ernesto B. Rufino, Jr.
Mr. Juan B. Santos

Also Present: Mr. Stephen T. CuUnjieng

Absent: Mr. Eugenio L. Lopez III
Mr. Richard B. Tantoco

Members of senior management consisting of the following were likewise present:

Mr. Emmanuel P. Singson - Senior Vice President, Treasurer & CFO
Mr. Anthony M. Mabasa - Senior Vice President
Mr. Victor Emmanuel B. Santos, Jr. - Senior Vice President &
Compliance Officer
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
Mr. Anthony L. Fernandez - Vice President
Mr. Jonathan C. Tansengco - Vice President
Mr. Ramon A. Carandang - Vice President

Mr. Alwin S. Sta. Rosa - Vice President
Ms. Shirley C. Hombrebueno - 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
Ms. Ma. Theresa M. Villanueva - Head, Internal Audit
Mr. Fiorello R. Estuar - Senior Adviser
Mr. Jonathan C. Russell - Senior Adviser
Mr. Mario L. Bautista - Board Adviser

The Corporation's Vice President & Investor Relations Officer, Ms. Emelita D. Sabella, was also present at the meeting.

Also present were Ms. Editha V. Estacio, Ms. Vivian Cruz-Ruiz, Mr. Noel P. Rabaja, Mr. J. Carlitos G. Cruz, Mr. Wilson P. Tan, Ms. Frances Rose J. Villamayor and Ms. Pillar B. Hernandez, all representing the external auditors of the Corporation, SyCip, Gorres, Velayo & Co.

CALL TO ORDER

The meeting was called to order by Mr. Federico R. Lopez, Chairman of the meeting. The minutes of the proceedings were recorded by Mr. Enrique I. Quiason, Corporate Secretary.

PROOF OF NOTICE

The Secretary reported that notices of the annual meeting of the stockholders had been sent to the stockholders of the Corporation and that he had executed a certification to this effect. The Chairman directed the Secretary to append the said certification to the minutes of the meeting.

DETERMINATION OF QUORUM/GROUND RULES

The Secretary reported that out of the 550,951,569 common shares issued and outstanding, there were present either in person or represented by proxy 369,162,042 shares of the common stock representing 67.00% of the outstanding voting stock of the Corporation. There being a quorum, the Chairman of the meeting declared the meeting open for the transaction of business. A few of the proxies submitted and validated carried approvals for, abstentions or an opposition to some of the matters to be discussed during the meeting. It was noted that while the abstentions or opposition

were not significant in number and would not affect the results of the voting, these will nevertheless be made part of the records and noted for each item under consideration.

For fair, orderly, and efficient proceedings, the Corporate Secretary advised that the following ground rules were going to be observed during the meeting:

- (a) Each stockholder shall be allowed one (1) vote per share. In case of election of directors, a shareholder is allowed to cumulate his votes;
- (b) 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;
- (c) Questions or comments from the floor will 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/her position in writing to the Office of the Corporate Secretary within five (5) days from today;
- (d) A stockholder shall be given, at most, two (2) minutes to ask a question or to discuss his comments;
- (e) Voting shall be by viva voce except for the matters covered by proxies which will be polled.

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.

The Office of the Corporate Secretary, the stock transfer agent, and an independent third party, SyCip, Gorres, Velayo & Co., assisted in the recording, counting and validation of the votes.

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

On motion made and seconded, the reading of the minutes of the Annual Stockholders Meeting held last May 29, 2017, copies of which had earlier been circulated to the stockholders, was dispensed with, and the minutes were approved as recorded.

Stockholders representing 369,132,843 shares or 99.99% of the shares present or represented at the meeting voted in person or by proxy in favor of approving the minutes of the annual stockholders meeting held last May 29, 2017. The company received zero shares voting against and zero shares abstaining from voting this particular matter.

THE CHAIRMAN'S REPORT

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

The year 2017 was yet another year of bizarre weather. Last year was ranked the third hottest on historical record, with all 17 years of the 21st century ranked among the 18 hottest in history. Historical weather patterns all over the world are being altered, with our world being changed faster than anyone ever imagined before.

In California alone, we saw nearly 9,000 wildfires raging out of control, causing historic levels of death and destruction; similarly, Portugal experienced its worst natural disaster in living memory as 280,000 hectares of forests were burned in a wildfire in June; Chile also experienced its "greatest forest disaster", destroying over 40,000 hectares of their leading timber and pulp producing areas. Unprecedented droughts in Cape Town, Morocco, Spain, India, and Iraq have caused reservoirs to dry up, affecting food production and harvest, and resulting to water rationing and even the threat of completely turning off all water supply. Devastating flooding events in South Asia brought about by extreme monsoon rains caused by high ocean temperatures have left 1,200 people dead across India, Bangladesh, and Nepal.

Recent studies published in Nature Geoscience are showing that Category 4 and 5 storms in the Asia-Pacific region have doubled or even tripled over the last 37 years. The destructive power of these typhoons has also increased by more than 50% over this same period.

Atmospheric science experts at the Massachusetts Institute of Technology (MIT) are saying that Atlantic hurricanes are also 60% more powerful than they were in the 1970s. Scientists from the National Oceanic and Atmospheric Administration (NOAA) looking at 120 years of data also found that the number of extreme snowstorms between 1961 and 2010 has more than doubled relative to the previous six-decade period 1900 to 1960. Experts at the National Aeronautics and Space Administration (NASA) are also concluding that rainfall totals from tropical cyclones have risen at a rate of 24% per decade since 1988. Ground-based records of 76% of weather stations in the US are reporting a substantial increase in extreme precipitation since 1948, with one analysis showing extreme downpours happening 30% more often today. When Typhoon Haiyan hit us in 2013, all that destruction was accompanied by 615 mm of rain. In December 13 to 16th of last year when Typhoon Urduja (*international name: Typhoon Kai-tak*) hit our sites in Leyte, she lingered for 4 days and dumped a total of 1,400 mm of rain during that period.

It's undeniable that our planet has been altered immensely. The world is now 1.1 degrees Celsius warmer than it was in pre-industrial times, which means we only have 0.9 degrees Celsius to go before we exceed the Paris COP 21 commitment of less than 2 degrees Celsius. In fact, the United Nations Environment Programme (UNEP) believes we only have two years left before the door closes to the ideal 1.5-degree Celsius limit desired by the Climate Vulnerable Forum which includes the Philippines.

The world needs to decarbonize its energy chain fast. The term used is "deep decarbonization" and one of the fastest ways to accomplish this is to decarbonize the electricity sector. As more electric vehicles begin to permeate our roads and our lives in the decades to come, it would be supremely ironic if they merely switched from using oil to being powered by a dirty coal-powered electricity grid. Thus, decarbonizing the power grid hits two birds with one stone: electricity users as well as and a growing chunk of the transport sector which today accounts for half of global oil consumption.

We all know that over the last 9 years, the cost of wind, solar PV, and battery storage are decreasing very fast---30% for wind and 80% each for solar PV and lithium ion batteries. It's clear that renewable energy will penetrate the electricity grid and our daily lives, whether we like it or not, and the intermittent nature of renewables will become a primary concern for the power industry. But these are not insurmountable concerns and progressive utilities are recognizing and planning for these eventualities. As this happens, the needs of the electricity industry will change very rapidly too. There will be no silver bullet and there will be a pressing demand to incorporate a

diverse arsenal of solutions to meet the needs of a decarbonizing and decentralizing power sector.

The power generation sector needs to play a key role as the world transitions and decarbonizes. Here we see a critical role for generation sources that are flexible, low carbon or renewable. Coal-fired power is none of these. Our largest platforms, natural gas and geothermal power, are all of these. Our geothermal company, Energy Development Corporation (EDC), however, must also rise to the challenge of building stronger, more resilient facilities to withstand the harsher weather events to come yet stay competitive amidst falling energy costs. This is why I firmly believe that EDC will remain laser-focused in its use of technology to achieve efficiencies, asset resilience, and old-fashioned cost control to solidify geothermal power's desirability in a climate-changed world.

Our natural gas-fired platform on the other hand represents the country's best bet to keep our lights on in the transition to the all-renewable future so needed by the planet. Gas-fired plants have only one-third to one-fifth the carbon emissions of coal plants per kilowatt-hour produced; they're more flexible and ramp up much faster too; and today they're even more cost competitive than coal at all modes of operation: be it base load, mid-merit and peaking. First Gen's 2,017 MW of gas plants already form an economically-sized anchor load for a Liquefied Natural Gas (LNG) import terminal that can enable our country's use of this vital fuel way after the Camago-Malampaya field has run out.

As we build the legs to a 21st century platform using natural gas, geothermal, wind, solar, and hydro, it's encouraging to likewise see more and more companies greening their footprints and supply chains. Globally, there's the RE 100 --- 131 of the world's largest companies pledging individual glide paths toward using 100% renewable energy. In the Philippines, we see an emergent but growing number of electricity consumers specifically requesting low carbon and renewable power to green their supply chains. I expect this will only accelerate as millennial consumers come of age, their purchasing power increases, and climate change concerns mount globally.

As we see these shoots emerging, I must say that despite the obstacles we've encountered along the way, it continues to be a rewarding journey. And we will forge ahead, confident of bringing competitively-priced renewable and low-carbon electricity to meet the needs of millions of Filipinos as we move with the demands of the times.

In the years to come, FPH's platform of businesses from energy, real estate, transformer manufacturing, to construction will all respond to the demands of a new century. Our world is changing but the tools we have to tackle these challenges are also improving exponentially. It is ours to seize the opportunities presented by rapid change in our mission to continue uplifting lives.

Thank you very much for your continued support throughout our journey.

THE PRESIDENT'S REPORT

Mr. Francis Giles B. Puno, President & Chief Operating Officer of the Corporation, was given the floor and rendered his report, thus -

Dear Stakeholders,

Let me start by asking this question: If you see your house starting to catch fire, will you:

- a) Deny that it is burning and go on your merry way, as if nothing was happening, then just hope that the fire goes out on its own?
- b) Run away without trying to contain the fire and save the people and the belongings that can still be saved? Or
- c) Do what you can to contain the fire, save your family (and valuables, if you can), and call the firefighters to make sure your house--as well as others around it--are not razed to the ground?

I am sure that many of you will choose "c"--especially when you know that something can still be done to contain the fire and save what you can of the people and things that matter to you.

So it bothers me that many of us today in positions of leadership, authority and influence in business and in government are actually acting like letter "a"--denying that our home is burning and going on with "business as usual," when it is clear, based on both scientific facts and on what we see around us, that the Earth, our only home, is indeed starting to "catch fire" and is getting dangerously warmer and warmer each year.

2017 turned out to be the third warmest year on record and the warmest year without the El Niño effect. Carbon emissions worldwide were higher in 2017 compared to the three years prior where emissions stayed relatively flat. At this rate, the COP21 target of limiting increase in global temperatures to no more than 1.5

degrees Celsius by 2030 a goal the Philippines has committed to will not likely be met.

We cannot keep on pretending that the house isn't burning. It is for this reason that we emphasize the theme of this year's annual report. We collectively need to increase awareness and keep the pressure up to address this urgent concern. Otherwise, we are, in fact, running out of time.

Our financial performance

FPH Group's total revenues increased by PHP13.0 billion, or 14%, from PHP92 billion to PHP105 billion in 2017 following the strong performance accomplished across our Energy, Real Estate, and Manufacturing platforms.

Net Income attributable to FPH decreased by PHP4.0 billion, or 41%, to PHP5.9 billion in 2017 from last year's PHP9.9 billion, largely on account of non-recurring or one-off items related to First Gen group's debt prepayments and gains previously recognized from San Gabriel's liquidated damages and First Philec's favorable arbitration settlement.

More importantly, FPH delivered an attributable Recurring Net Income (RNI) of PHP6.8 billion, exceeding by PHP900 million or 15 percent compared to PHP5.9 billion previously.

Our energy group, led by First Gen, reported attributable RNI of PHP 8.2 billion in 2017, higher by PHP533 million or 7% compared to PHP7.7 billion in 2016. Our clean natural gas platform continued to deliver steady recurring earnings through the reliable operation of the Santa Rita and San Lorenzo gas-fired plants, as well as the full-year contribution of the new San Gabriel and Avion plants. However, lower earnings were contributed by our geothermal platform mainly because of the natural calamities that struck EDC's Leyte plant and the decrease in contracted capacity of the Pantabangan-Masiway hydroelectric plant.

Including nonrecurring items, Net Income attributable to First Gen amounted to PHP6.8 billion, PHP2.6 billion or nearly 30% lower than last year's PHP9.4 billion reflecting the one-time debt prepayment cost and the absence of last year's gain on liquidated damages received for the San Gabriel plant. It is worth pointing out that EDC's Burgos wind farm generated more electricity due to favorable wind patterns.

One key milestone worth highlighting was forging a strategic partnership with two of the largest global institutional investors:

Macquarie Infrastructure of Australia and the Government Investment Corporation of Singapore. The consortium's PHP64.5 billion investment in EDC one of the country's largest foreign direct investments last year is a testament to the confidence in EDC's renewable platform, as well as on the increasing global support to shift away from fossil fuels in favor of renewable energy. First Gen participated in the tender offer and partially sold a portion of its EDC shares and raised USD240 million that was used for its debt reduction program. Under the new partnership, First Gen continues to hold a majority stake in EDC, maintaining day-to-day control of the company.

We are off to a good start in 2018 by securing a baseload power supply contract for 100% of San Gabriel's 414 MW capacity to Meralco, ensuring that more clean and affordable energy will be made available to consumers. This 6-year contract, which went through a Competitive Selection Process (CSP), is still going through regulatory approvals. In the meantime, San Gabriel and Avion are running as merchant plants at high dispatch levels and benefitting from high spot market prices as electricity demand increases and older baseload coal plants are going through maintenance. With the San Gabriel contract, First Gen will now increase its total contracted capacity from 80% to 92% and provide more predictability to its revenues.

We are also exploring partnerships for the establishment of the country's first Liquefied Natural Gas (LNG) regasification terminal in preparation for a post-Malampaya gas scenario in 2024. The LNG facility will be located at the First Gen Clean Energy Complex in Batangas and will ensure the continuous supply of natural gas for all gas-fired power plants. We are also planning for two additional natural gas power plants in Batangas. The Sta. Maria and the St. Joseph plants will contribute over 1,000 MW of clean and flexible power-generating capacity as needed by the market.

On the real estate front, Rockwell Land recorded a strong year in 2017 and breached the PHP2 billion net income mark, from PHP1.8 billion in 2016. Thanks to growth in its property portfolio and its expansion in key locations around Metro Manila, residential development was the biggest contributor to income with the increased completion and reservation sales for Proscenium, Sanson, The Vantage and Edades Suites. In its office portfolio, the company also experienced higher occupancy of 8 Rockwell and the newly opened Rockwell Business Center Sheridan.

Our industrial park business through FPIP and FIT posted a combined net income of PHP393 million, up by PHP159 million or 68% from PHP234 million last year. We are now shifting our

industrial land expansion with the development of Phase 3 of FPIP and opened the Oasis Commercial Center offering three floors of commercial and retail spaces for lease to address locators' needs inside the Park.

For Rockwell Land and FPIP, sustainable development means creating green, livable spaces where families and communities can thrive. At Rockwell, our continued expansion outside of Makati City and onto other urban areas in Metro Manila and Cebu shows an increased demand to reclaim our spaces and reimagine the way we live in our cities. Patrons enjoying the Rockwell Center in Makati will be treated to an even more premium retail experience, as the mall expansion is close to completion and will offer new dining and shopping experience. Parallel to that, we are working on the Aruga Hotel, which will open its doors in 2020. Rockwell is also launching its first development with Aruga Resorts and Residences in Mactan. This brings our signature service, attention to detail, and sustainable luxury living to the Cebu market.

Another development we are excited about is the re-development of the Benpres Building in Ortigas into a 40-storey office tower with 60,000-sqm of leasable space, that will be both LEED- and BERDE-certified. Envisioned to be the permanent home of the FPH Group by 2022, the new Benpres Building will embody all the Lopez Values built into our DNA that makes FPH an exciting place to work in. This landmark structure will redefine the Ortigas landscape and be the preferred office address in that part of the metropolis.

It was also a banner year for our construction arm, First Balfour. Despite a dull performance in 2017 registering a lower net income of PHP 224 million versus PHP 486 million in 2016, First Balfour sees a bright future as it reached a historical high in order generation when it was awarded the PHP22 billion Cebu-Cordova Link Expressway Project, envisioned to be the longest bridge in the Philippines, as well as the PHP5 billion Novaliches-Balara Aqueduct 4, considered an engineering milestone for being the first time a tunnel-boring machine will be used in an urban setting in the Philippines.

Last but not the least, 2017 was also a good year for our electricity distribution transformer manufacturing arm, First Philec, Inc., which recorded a net income of PHP475 million up by PHP76 million or 19% from PHP399 million previously. First Philec is leveraging its expertise in medium to low-voltage electrical distribution systems to develop smarter systems and gather useful information about how clients consume energy and achieve energy efficiency.

Our commitment: Low-carbon development for our present and future

Let me now talk about our commitment to champion low carbon development in the country. In 2016, we took a firm unequivocal stand against coal-fired power when we said that we were not going to build, develop, or invest in any coal-fired power plants.

We see alignment with global initiatives such as the “Powering Past Coal” alliance at the COP23 United Nations Convention on Climate Change held in Germany last year. Though the Philippines has yet to join the alliance of over 20 countries led by the United Kingdom and Canada (and just recently Chile), this global movement to phase out destructive coal for the sake of stabilizing the planet has long since started and is slowly but surely gaining momentum.

Each of our subsidiaries likewise committed to a five-year carbon reduction target. As active participants of the Global Reporting Initiative (GRI), we are using data to improve our awareness of our own impacts on the environment, and we are taking active measures to achieve net positive strategies to protect and nourish the natural environments around our work sites.

Efforts like “Powering Past Coal” and GRI Reporting affirm the direction that FPH has taken to champion low carbon development in our country. It is sad to say, however, that we unfortunately find ourselves as an outlier in the sense that we are the only major conglomerate in the country who has truly chosen the clean energy and sustainable route as opposed to a majority of our competitors.

Our imperative: Secure our future, today

While 2017 has been a good year overall, much more needs to be done--and done fast. Our businesses are already moving ahead with key initiatives that we will contribute to our long-term goals and secure our ‘green growth’ areas in energy, real estate, manufacturing, and even new ventures in education and wellness.

We decided to dive deeper and have recently launched FIRST School, a senior high school program that offers vocational training to complement the needs of the locators at FPIP. FIRST School has a unique model of education through a dual experiential system, where students are trained and equipped with the latest technologies and be given the opportunity to work with leading industrial companies located in our industrial park after they graduate.

We have also acquired majority stake in Asian Eye Institute and are developing new strategies to reimagine healthcare and wellness

beyond our current investments. As a company anchored on wellness in all its forms, we are excited about developing a healthcare platform and creating impact in that space.

Our clarion call: Enlist allies like YOU in our critical mission

In 2017, FPH won in the Best Sustainability Program Category during the Philippine Stock Exchange (PSE) Bell Awards for Excellence in Corporate Governance. While this was an important award that recognized our sincere commitment to minimize our impact on the environment, we are keeping our eye on the ball by focusing on what matters more: enlisting allies like you in our critical mission to save this burning house. Our subsidiaries First Gen and EDC were also recognized for their leadership in the clean energy space. First Gen was named Green Company of the Year at the 2017 Asia CEO Awards. The award recognizes the company for its leadership and participation in sustainability and environmental protection programs in the Philippines. EDC was included among the 2018 Carbon Clean 200 – a global list of publicly traded companies above a billion dollars market cap that are “leading the way with solutions for the transition to a clean energy future.”

As a final point, the question worth asking is “Is it all worth it?”

We believe the conscious decision of FPH to focus and champion low carbon development in the country is paying off and that it is possible to do well and do good at the same time. This can be clearly seen in our earnings base from 2010 till 2017 which has grown at an admirable compounded rate of 28%.

As a conglomerate Powered by Good, we believe in the possibilities that we can unlock by working together, and we thank you for joining us as we forge ahead against the status quo and dream audaciously for a more livable future.

We thank you once again for your continuing support!

**PRESENTATION & APPROVAL OF THE
MANAGEMENT REPORTS AND
RATIFICATION OF THE BOARD APPROVAL OF
THE AUDITED FINANCIAL STATEMENTS FOR
THE PERIOD ENDED DECEMBER 31, 2017**

The Chairman stated that copies of the management report, which include the audited financial statements for the calendar year ending December 31, 2017, were distributed to the stockholders prior to the meeting. He explained that the Board of

Directors approved the audited financial statements last April 5, 2018. The Chairman inquired whether there were questions from the floor on the audited financial statements. He also opened the floor to the stockholders for them to raise any other queries they may have.

Mr. Robert Go, a stockholder, suggested including prayer or invocation after the national anthem. The Chairman noted the suggestion. About the data on the presentation reported by the Chairman on the grim outlook of climate change, Mr. Go asked if there are sources other than U.S. data and if United Nations can be used as a resource. The Chairman replied that the data came from all over the world and not just the U.S. In fact, many of the droughts that are being experienced are all over the world. United Nations sources were also used. He added that a lot of the information are available from the world-wide web. He also said that the company sponsors the OML Center for Climate Change, which puts out a report every year relating to the climate change assessment impact on the Philippines. A lot of the leading scientists in the country are with this center. The Chairman said that there is a need to understand the impact of climate change locally rather than just looking at what else is happening in the world. On page 28 of the sustainability report distributed to the stockholders, there is a picture of the Philippine climate change assessment. The Chairman noted that if the stockholder would like a copy of the report, it would be made available to him. First Philippine Holdings Corporation is the only company in the Philippines that produces that report in conjunction with the Climate Change Commission.

Mr. Go further suggested that next year's annual report should have happier faces and should be more hopeful. The Chairman replied that the company will take that into account and thanked the stockholder for his comments. He then stated that the current annual report emphasizes that the Philippines is one of the most vulnerable countries in the world in terms of climate and something must be done about it.

Mr. Go further inquired about the company's advocacy for the environment especially since June 5 will be environment day. The Chairman said, as what he had been saying in many of the past shareholders meetings, that for the company, every day is environment day, and is not just one day and the company intends to keep it that way in the years to come. The Chairman said that he believes that this advocacy

is something more than CSR and should be incorporated in the way the company does business.

Atty. Pacifico Tacub, another stockholder, commended the Chairman and the President of the company for their reports. He agreed that all of us must help in maintaining our world as a better place to live in.

Mr. Jun Cabiling took the occasion to praise Mr. Anthony Mabasa for the good job he has done with the West Tower regarding the oil leak. He stated that it is his understanding that the team already completed the cleaning up of the West Tower. Mr. Cabiling thanked Mr. Mabasa because of this.

As there were no other questions to be raised, the stockholders, on motion made and duly seconded approved the following resolutions:

“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, 2017; and*
- (ii) approve, as they hereby do approve, the management reports covering the calendar year ending December 31, 2017.”*

Stockholders representing 368,787,943 shares or 99.90% of the shares present or represented at the meeting voted in person or by proxy in favor of the resolution approving the management report and the audited financial statements, while stockholders representing 344,900 shares or 0.09% abstained from voting. No shares voted against.

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

On motion made and duly seconded, the following resolution was approved by the stockholders:

“RESOLVED, That all resolutions and acts of the Board of Directors and the Executive Committee as well as the acts and contracts entered into by the Management of First Philippine Holdings Corporation during the calendar year ended December 31, 2017 and up to the date of the meeting, and the Chairman and President’s Reports, be, as they are hereby, confirmed, ratified and approved.”

The Secretary noted that the company received proxies with votes in favor, against and to abstain on the following items:

	FOR	AGAINST	ABSTAIN
Ratification of the acts of the Board, of the Executive Committee and of Management			
Items entered into in the ordinary course of business with those of significance having been covered by the proper disclosures and the related actions taken with respect thereto such as:			
a) The election of directors and appointment of corporate officers	368,206,593 99.74%	-	344,900 0.09%
b) Membership in the relevant committees such as the Executive Committee	368,206,593 99.74%	-	344,900 0.09%
c) Designation of authorized signatories	368,206,593 99.74%	-	344,900 0.09%
d) The resignation of officers	368,206,593 99.74%	-	344,900 0.09%
e) The appointments of the Vice President & Comptroller and Vice Presidents	368,206,593 99.74%	-	344,900 0.09%
f) The purchase of 149,999 common shares and 1 founder’s share in Asian Eye Institute from Dr. Felipe I. Tolentino for a total consideration of P19,500,000	368,206,593 99.74%	-	344,900 0.09%
g) The approval of the audited financial statements for the calendar year ended Dec. 31, 2016	368,206,593 99.74%	-	344,900 0.09%
h) The declaration of cash dividends on common and preferred shares	368,206,593 99.74%	-	344,900 0.09%
i) The termination of the engagement of Securities Transfer Services, Inc. as stock transfer agent effective Dec. 15, 2017	368,206,593 99.74%	-	344,900 0.09%
j) The extension of the engagement of STSI as stock transfer agent to January 10, 2018	368,206,593 99.74%	-	344,900 0.09%
k) The advice on the issuance of Notice of Award to the Cebu Link Joint Venture (CLJV), a joint venture among Acciona Construccion S.A., D.M. Consunji, Inc. and First Balfour, Inc., the construction subsidiary of FPH, for the Design and Build contract of the 8.5-kilometer Cebu-Cordova Link Expressway	368,206,593 99.74%	-	344,900 0.09%
l) The engagement of BDO Unibank, Inc.-Trust and Investments Group as the new stock transfer agent effective Jan. 10, 2018.	368,206,593 99.74%	-	344,900 0.09%

ELECTION OF DIRECTORS

The Secretary informed the Chairman 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 nomination and election committee at least 60 days before the scheduled date of the annual stockholders meeting. Nominations and elections of independent directors must also comply with Securities and Exchange Commission Circular No. 16 and all related issuances. 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. Augusto Almeda-Lopez
 Mr. Stephen T. CuUnjieng
 Mr. Peter D. Garrucho, Jr.
 Mr. Elpidio L. Ibañez
 Mr. Eugenio L. Lopez III
 Mr. Federico R. Lopez
 Ambassador Manuel M. Lopez
 Mr. Oscar M. Lopez
 Ms. Rizalina G. Mantaring
 Chief Justice Artemio V. Panganiban
 Mr. Francis Giles B. Puno
 Commissioner Anita B. Quitain
 Mr. Ernesto B. Rufino, Jr.
 Mr. Juan B. Santos
 Mr. Richard B. Tantoco

It was advised that the Board of Directors, in its regular meeting on March 1, 2018, reviewed and favorably passed upon the qualifications and eligibility of the stockholders nominated as Directors for the ensuing year in accordance with the By-Laws and the Corporation's Manual for Corporate Governance. Ms. Rizalina G. Mantaring, Chief Justice Artemio V. Panganiban, Mr. Juan B. Santos and Mr. Stephen T. CuUnjieng are being nominated as independent directors. With respect to the proxies, each director received at least 89.64% of the votes.

It was duly moved and seconded that the fifteen stockholders who were nominated as directors for the ensuing year be declared elected as Directors for the fifteen board seats of the Corporation.

There being no objection, the Chairman directed the Secretary to cast the relevant votes in favor of the following stockholders duly nominated as Directors of First Philippine Holdings Corporation for the ensuing year and until their successors shall have been duly elected and shall have qualified. The votes for the directors were as follows:

	FOR	AGAINST	ABSTAIN
Augusto Almeda-Lopez	334,167,718 90.52%	14,690,814 3.98%	20,274,311 5.49%
Stephen T. CuUnjieng	369,132,843 99.99%	-	-
Peter D. Garrucho, Jr.	334,167,718 90.52%	14,690,814 3.98%	20,274,311 5.49%

Elpidio L. Ibañez	334,119,548 90.51%	14,690,814 3.98%	20,322,481 5.51%
Eugenio L. Lopez III	330,878,518 89.64%	17,931,844 4.86%	20,322,481 5.51%
Federico R. Lopez	352,398,559 95.46%	15,443,124 4.18%	1,291,160 0.35%
Manuel M. Lopez	333,993,328 90.47%	14,817,034 4.01%	20,322,481 5.51%
Oscar M. Lopez	331,785,328 89.88%	17,305,754 4.69%	20,041,761 5.43%
Rizalina G. Mantaring	369,132,843 99.99%	-	-
Artemio V. Panganiban	349,956,244 94.80%	18,214,329 4.93%	962,270 0.26%
Francis Giles B. Puno	334,336,618 90.57%	14,817,034 4.01%	19,979,191 5.41%
Anita B. Quitain	334,572,758 90.63%	14,300,174 3.87%	20,259,911 5.49%
Ernesto B. Rufino, Jr.	334,572,758 90.63%	14,300,174 3.87%	20,259,911 5.49%
Juan B. Santos	369,124,523 99.99%	-	8,320 0.00%
Richard B. Tantoco	334,853,478 90.71%	14,300,174 3.87%	19,979,191 5.41%

The Chairman directed the Secretary to note the proxies which gave particular votes to certain nominees. It was also noted that Ms. Rizalina G. Mantaring, Chief Justice Artemio V. Panganiban, Mr. Juan B. Santos and Mr. Stephen T. CuUnjieng were duly elected as independent directors.

At this point, the Chairman welcomed the new Directors, namely, Commissioner Anita B. Quitain, and Mr. Stephen T. CuUnjieng.

APPOINTMENT OF EXTERNAL AUDITORS

On motion duly made and seconded, the stockholders approved the retention of Sycip, Gorres, Velayo and Co., Certified Public Accountants, as the Corporation's external auditors for the ensuing year.

Stockholders representing 369,003,459 shares or 99.96% of the shares present or represented at the meeting voted in person or by proxy in favor of the motion while stockholders representing 129,384 shares or 0.04% voted against the motion, and zero shares abstained.

At this point, Mr. Go, the stockholder who had been recognized to take the floor earlier, suggested that the independent directors to be more proactive at the next stockholders meeting.

Mr. Gregorio Fagela, another stockholder, solicited the opinion of the Chairman regarding the reopening of the Bataan nuclear power plant. The Chairman said that it is always good for any new administration to look at it because it is an asset that has been stranded for decades. In the past, the country had been under many secretaries of energy and after study, shelved any plans of reopening because of the state of technology during those times. When the group was still developing its Sta. Rita gas plant, there was a proposal to convert the Bataan Plant from nuclear to natural gas. The study showed that the conversion to natural gas would be more expensive than building a new one and that conversion alternative was shelved. As for turning it into a nuclear plant, the Chairman said that one concern that he always had is that the Philippines sits in the Pacific Rim of Fire where 90% of the world's earthquakes occurs. He also said that it may not be wise to have a PWR (pressurized water reactor) here in the country and if the country tries to do it, it will probably get so much social opposition it will be difficult to get the reopening off the ground. The Chairman said that it may be better to spend efforts and energies pursuing other technologies that are much easier to do. The cost of renewable energy has come down over time. Nuclear energy on the other hand is going the other way because of the safety measures that have to be put in. In fact, Westinghouse, one of the biggest nuclear power companies and which provided the technologies for the Bataan nuclear plant, declared bankruptcy a few years ago. So it does not look good in a sense for us. Mr. Guillermo Gili, another stockholder, suggested that if a nuclear plant should be established it should be in Calayan Island in the north or in Lamitan Island in the south. He also inquired on the amount of investment in terms of peso value and percentage with respect to the investment of Social Security System (SSS) in the company. Mr. Emmanuel P. Singson, the Chief Finance Officer, replied that SSS owns 6% of FPH equivalent to about P2 billion. Mr. Gili directed his next question to Commissioner Quitain about any plans of SSS to divest in the future. Commissioner Quitain said that she does not think that it was taken up in the recent meetings of SSS, but as of this time there are no plans of any divestment.

ADJOURNMENT

The Chairman inquired if there was any other business to be taken up. There being no further business to transact, the meeting was, on motion made and duly seconded, thereupon adjourned.

ENRIQUE I. QUIASON
Corporate Secretary

A T T E S T :

FEDERICO R. LOPEZ
Chairman of the Board

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