



**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**

**April 24, 2019, 9:00 AM**

**Ballroom 2, Fairmont Makati**

**1 Raffles Drive, Makati Avenue, Makati City**

<b>Shareholders Present:</b>	No. of Outstanding and Voting Shares <b>22,950,978,540</b>	Percentage of Total <b>82.58%</b>
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**Directors Present:**

Fernando Zobel de Ayala	<i>Chairman of the Board Chairman, Executive Committee Member, Personnel and Compensation Committee</i>
Jaime Augusto Zobel de Ayala	<i>Vice Chairman of the Board Member, Executive Committee</i>
Bernard Vincent O. Dy	<i>President and Chief Executive Officer Member, Executive Committee Member, Sustainability Committee</i>
Antonio T. Aquino	<i>Member, Executive Committee Member, Audit Committee Member, Risk Oversight Committee</i>
Arturo G. Corpuz	<i>Chairman, Sustainability Committee</i>
Delfin L. Lazaro	<i>Member, Executive Committee</i>
Jaime C. Laya	<i>Lead Independent Director Chairman, Audit Committee Member, Risk Oversight Committee Member, Related Party Transaction Review Committee Member, Sustainability Committee Member, Corporate Governance and Nomination Committee</i>
Rizalina G. Mantaring	<i>Chairman, Risk Oversight Committee Member, Audit Committee Member, Related Party Transaction Review Committee Member, Corporate Governance and Nomination Committee Member, Personnel and Compensation Committee</i>
Cesar V. Purisima	<i>Chairman, Personnel and Compensation Committee Chairman, Corporate Governance and Nomination Committee Chairman, Related Party Transaction Review Committee</i>

## **1. Call to Order**

After the national anthem, the Chairman, Mr. Fernando Zobel de Ayala, called the meeting to order at 9:00 a.m. He welcomed the stockholders, members of the Board, the President, other officers and representatives of external auditor of the Corporation.

## **2. Notice of Meeting**

The Secretary, Mr. Solomon M. Hermosura, certified that the notice of the meeting was sent on March 27, 2019 to each stockholder of record as of March 8, 2019, in accordance with the By-Laws and applicable rules. The notice was also published on April 15, 2019 in the Philippine Daily Inquirer, a newspaper of general circulation.

## **3. Certification of Quorum**

The Secretary certified that there was a quorum for the meeting with stockholders owning 22,950,978,540 shares or 82.58% of the total outstanding shares, present in person or by proxy. Also deemed present is one stockholder owning 1,600 common shares who voted *in absentia* or through remote communication.

## **4. Instructions on Rules of Conduct and Voting Procedures**

The Chairman requested that any stockholder wishing to speak should first identify himself or herself after being acknowledged by the Chair and limit his or her remarks to the item under consideration.

Thereafter, the Secretary explained the rules of conduct and the voting procedures, copies of which were provided to the stockholders together with the notice of the meeting and were made available to the stockholders or their proxies upon registration at the meeting.

Stockholders may cast their votes manually using the ballot provided upon registration or electronically using the computers near the registration area. Both the paper ballot and electronic voting platform set forth the proposed resolutions for consideration by the stockholders, which resolutions would be shown on the screen as they are taken up during the meeting. Beginning this year's meeting, the Corporation has introduced a facility for voting *in absentia* or through remote communication as an additional mode through which stockholders who are not present may cast their votes. Registration under such mode began on March 27, 2019 and stockholders who successfully registered have until the end of the meeting to cast their votes *in absentia*.

The Secretary reported that as of April 15, 2019, after the end of the proxy validation process, stockholders owning 22,928,806,281 shares equivalent to 99.96% of the total shares represented in the meeting and 82.50% of the total shares had cast their votes on the items for consideration; that the votes of these stockholders had been tabulated; that he would be referring to such partial tabulation when reporting the voting results during the meeting; and that there were remaining votes which have yet to be counted and the results of the complete tabulation of votes would be reflected in these minutes.

## **5. Approval of the Minutes of the 2018 Stockholders' Meeting**

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on April 18, 2018. Copies of the minutes were distributed to the stockholders upon registration and a copy was posted on the website of the Corporation. After opening the floor for comments and there being no question, the Chairman requested for a motion for approval.

On motion of Atty. Joseph Ibanez, seconded by Ms. Erika Sengco, the stockholders approved the minutes and adopted Resolution No. S-01-19 as shown on the screen and set forth below:

**Resolution No. S-01-19**

**RESOLVED**, to approve the minutes of the annual stockholders' meeting held on April 18, 2018.

As tabulated by the Office of the Corporate Secretary and validated by SyCip Gorres Velayo & Co. (SGV), the votes on the motion for the approval of the minutes and the adoption of Resolution No. S-01-19 are as follows:

	For	Against	Abstain
Number of Shares Voted	22,932,914,324	1,805	6
% of Shares of Shareholders Present	99.9213%	0.000008%	0.0000003%

**6. Annual Report of Officers**

Message from the Chairman

The Chairman reported that the Corporation has been able to sustain its growth momentum in 2018 and concluded the year with a 16% expansion in its net income to PhP29.2 Billion despite rising interest and mortgage rates. Over the past 10 years alone, the Corporation's profitability has grown at a compounded annual rate of 25%. Year 2018 also marked the 30<sup>th</sup> anniversary of the Corporation, and its strategic transformation over the past 30 years continues to be a great source of pride. It has redefined the real estate industry and helped shape the country's economic and social landscape. From three (3) major estates in the 1990s, the Corporation now has 26 estates and presence in 57 growth centers nationwide. All these estates are sustainably and functionally designed, providing a better quality of life as well as economic progress within and around those areas through employment and entrepreneurial opportunities. The Corporation likewise expanded its business lines and created a full suite of products and services, namely: residential development, commercial leasing, hotels and resorts, construction, and property management. Today, the Corporation is the largest and most diversified property developer in the Philippines.

The Chairman further stated that the Corporation is leading the way in setting higher standards in tourism development that is sustainable and sensitive to the environment and the local communities and that Management takes pride in how the Corporation's estates have become models of world class eco-tourism. He emphasized that protection of environment and preservation of natural resources should always be part and parcel of the way things are done across all of the Corporation's business lines. Furthermore, the Corporation's deep commitment to sustainability is reflected in the target it has set for its commercial properties which is to achieve carbon neutrality by 2022. Since the announcement of this target in 2017, 62% of the Corporation's emissions are now offset by 560 hectares of carbon forest and its properties' increasing reliance on renewable energy sources. This commitment is very much aligned with the advocacy of Mr. Peter Calthorpe, a San Francisco-based architect and innovator in sustainable design and cofounder of Congress for New Urbanism, who is challenging the real estate sector to mitigate the effects of climate change and achieve a low-carbon economy through deliberate land use planning.

The Corporation's efforts over the past year were also recognized by the ASEAN Capital Markets Forum as one of the top 10 and top 50 best publicly listed companies in the Philippines and in the ASEAN, respectively. Moreover, for the third year in a row, the Corporation was included in the Sustainability Yearbook of RobecoSAM, a globally recognized investment specialist focused exclusively on sustainability

investing. In 2014, the Corporation became the first and only Philippine company to be included in RobecoSAM's sustainability index.

The Chairman emphasized that the Corporation will remain steadfast to its longstanding commitment to advance the well-being of the society and the environment by creating sustainable communities.

In closing, the Chairman thanked the dedicated employees, the President and Chief Executive Officer and his leadership team for steering the Corporation's continued success and laying the foundation for future growth, and the Board of Directors, whose dedication continues to guide the Corporation to greater heights year after year.

The Chairman also took the opportunity to acknowledge Mr. Antonino T. Aquino, member of the Board, for his special role over the past years in honing the safety and security readiness of the people in the Corporation's developments including the malls. He noted that the regular safety and security trainings paved way for the swift and orderly evacuation of people during the earthquake in the afternoon of April 22, 2019. Lastly, the Chairman thanked the stakeholders for their support and inspiration to stay true to the principles of sustainability as the Corporation continues to create a meaningful impact to all its communities.

#### President's Report

The President, Mr. Bernard Vincent O. Dy, reported that consistent growth in the Corporation's property and commercial leasing activities propelled its revenues to PhP166.2 Billion, up 17% from the previous year. Net income increased by 16% to PhP29.2 Billion which allowed the Corporation to distribute dividends of PhP7.5 Billion. In 2018, capital expenditures breached the PhP100-Billion mark for the first time in the Corporation's history, registering at PhP110.1 Billion which reflects the Corporation's aggressive posture to capitalize on opportunities at present while planting the seeds for future growth. Despite the record level of spending, strong cash flow generation, prudent cash management, and optimal capital deployment enabled the Corporation to minimize borrowings to end the year with a net debt-to-equity ratio of 0.72:1. Furthermore, the President reported that since the rollout, five years ago, of the Corporation's 2020-40 plan, which is to achieve a net income of PhP40 Billion by year 2020, the Corporation registered a compounded annual net income growth rate of 20% and return on equity reached 16.5%, the highest among industry peers. These results are due to the strength of the Philippine economy and the determined efforts of the organization to drive value while managing capital efficiently, and maintaining a strong balance sheet.

The President also reported that the Corporation's ability to expand its presence and develop more estates is made possible by the synergies with its partners. The Corporation's new estates, namely, Parklinks and Habini Bay, are undertaken in partnership with Eton Properties and Ayala Corporation, respectively. Parklinks is set to be the Corporation's greenest urban estate in Metro Manila, with 50% of its area dedicated to green and open spaces. Habini Bay is positioned to be the newest center of trade and commerce in Northern Mindanao. Parklinks (a 35-hectare estate located on the Quezon City-Pasig City stretch of C5 road) and Habini Bay (the 526-hectare development in Misamis Oriental) solidify the Corporation's distinction as the largest estate developer in the country, with a total of 26 mixed-use communities.

On the other hand, the Corporation continues to invest in its emerging and mature estates, and in 2018 it institutionalized a framework for estate development to be applied across all estates which framework integrates key livability factors such as pedestrianization, public transport connectivity, resource efficiency, signature attractions and events, engaging community facilities and contributing to the local economy through job creation and community programs. Makati Central Business District (CBD) best exemplifies the application of this framework with the various developments that are in full-swing including Ayala

North Exchange, Tower Two office building, new Mandarin Hotel, One Ayala, redevelopment of Glorietta and Greenbelt malls. The Corporation continues to work with the Makati Commercial Estate Association (MACEA) to enhance the pedestrian experience by extending the elevated walkways, integrating public art, and improving the parks within the CBD and continues to hold signature events, such as the Christmas Lights and Sound Show and Art Fair Philippines that continue to attract both domestic and international visitors.

The President further reported that property development remains to be the Corporation's major driver of growth with revenues of PhP120.3 Billion, 18% higher than the previous year, with Ayala Land Premier, Alveo, and Avida continuing to drive this performance, supported by Amaia and BellaVita. On the other hand, commercial leasing revenues reached PhP34.9 Billion, 17% more than the previous year, as all business lines registered double-digit revenue growth. The Corporation continues to expand its leasing formats through The Flats, the co-living space facilities, Clock In, the fully equipped co-working space, and standard factory buildings and warehouses in the Corporation's industrial parks in Laguna, Cavite, and Pampanga.

The President noted that the ability of the Corporation to deliver its growth strategy is made possible through the services provided by Makati Development Corporation (MDC) and Ayala Property Management Corporation (APMC). Following its principles of safety, quality, timely delivery, cost efficiency and sustainability, MDC undertook the construction of 221 projects in 2018, 55 of which were completed in the same year. Its training centers also produced 5,306 graduates in 2018 bringing its total to 24,706 graduates since 2015. APMC, on the other hand, added 15 new developments in 2018 to its portfolio, bringing the total managed properties to 242.

The President also reported updates on the Corporation's strategic investments including the consolidation of Cebu Property Ventures and Development Corporation into Cebu Holdings, Inc. in 2018, the exchange of shares in Laguna Technopark, Inc. into additional shares in Prime Orion Philippines, Inc. (POPI). He also reported updates on MCT Bhd, the subsidiary in Malaysia, which continues to grow its business in the Klang Valley while Ortigas & Co. provided strong growth in equity contribution from its net earnings. These businesses have contributed PhP2.4 Billion to the Corporation's net income in 2018, a 60% increase from PhP1.5 Billion in 2017.

The President further noted that in 2017, the Corporation kicked off its ambitious plan for all its commercial assets to be carbon-neutral by year 2022. He reported that in 2018, the Corporation was able to reduce or offset 62% of its carbon emissions, an increase from 37% in 2017 which was accomplished through deliberate measures to procure renewable energy, the allocation of 560 hectares from the Corporation's land bank to be protected, reforested, and used as carbon forests, the investment in energy-efficient equipment, and the review of design and operating practices to reduce power consumption in the facilities.

Likewise, 2018 was a year of significant achievements as the Corporation continues to be recognized on many fronts by its various stakeholders through awards and recognitions.

The President noted that the Corporation will continue to co-create sustainable communities, constantly reinvent itself to meet the demands of the market, harness technology, and seek new ways to design communities as better places to interact, engage, connect, and enjoy life. More importantly, he emphasized that the Corporation will continue to align its business objectives with the needs of the communities and the country.

In closing the President acknowledged and thanked his colleagues for their dedication and commitment, the Board of Directors for their guidance, and the shareholders and stakeholders for working with the Corporation to co-create sustainable communities for a brighter future.

Visual presentations were shown to the stockholders as the Chairman and President delivered their respective message and report.

After the report of the President, an audio-visual presentation was shown to the stockholders.

Thereafter, the Chairman opened the floor for questions or comments from the stockholders.

Mr. Angelo Juarez asked how the Corporation ensures that its developments will be able to withstand an earthquake stronger than the one which happened on Monday, April 22, 2019. The Chairman noted that the Corporation takes the issues of structural integrity very seriously given that earthquakes are an occurrence in the country for the past years. The Corporation's various project designs particularly the big ones are done in collaboration with both local and foreign structural engineers, various building codes are followed and, in some cases, were even exceeded, and thorough study and various due diligence are being done to ensure sustainability of the site for the planned developments, all to make sure that there will be no structural issues and that the developments will be able to withstand major earthquakes. In relation to emergency preparedness, the President reported that the Corporation stepped up its emergency preparedness noting that all of the Corporation's buildings have redundant life support systems, back-up power and emergency water supply, and each facility has an emergency brigade and response team that are fully trained and conducts weekly drills. The Corporation also invested in three (3) operations centers located in Makati, Nuvali and Cebu to monitor what is going on in each and every single facility that the Corporation manages and ensure the dispatch of resources as needed.

Both the Chairman and the President acknowledged the team preparedness and efforts in the Corporation's various developments in relation to the earthquake that happened on Monday, April 22, 2019. The Chairman reported that the assigned safety and security teams were able to evacuate, all in fairly quick and orderly manner, close to 31,000 residents and individuals from office buildings and around 55,000 customers and merchants in the various mall projects. He also informed the stockholders that MDC, with its teams in the Corporation's estate in Pampanga, is assisting the community in Porac, Pampanga, which was badly hit by the earthquake.

Mr. Eduardo Tuazon raised his concern on the delayed correction of an entry on the transfer certificate of title of the property that his son purchased in Avida Settings Nuvali noting that various communications were also made with the assigned customer care assistant. The Chairman apologized for the delay and assured Mr. Tuazon that someone will approach and assist him with his concern. The President, on the other hand, explained the timeline of titling correction in the country noting the various stages of the process.

Ms. Trisha Ann Manipon asked if the Corporation will be able to achieve its 2020-40 plan which was launched in 2014. The Chairman replied that the Corporation is on track but so much of it will depend on the economy and if it will continue to grow at the phase it has been growing. The Corporation needs to grow by 17% over the next two (2) years to achieve its PhP40 Billion net income target. The President, on the other hand, noted that the economy continues to be robust, and the Corporation has enough landbank as well as the capability to execute the plans to achieve its 2020-40 target.

Mr. Sam Canoa asked if the Corporation's various properties and malls in different parts of Luzon are still stable following the various earthquakes that recently struck. He also asked if the Corporation plans to enter into casino business noting the Corporation's developments near the Entertainment City in Parañaque. The President confirmed that all malls and developments are stable, none are damaged, and all facilities are okay. Thorough inspections for structural damages are done after the earthquakes. On the other hand, the Chairman noted that the Corporation has not and does not intend to enter into casino business.



Ms. Mean Lim expressed her appreciation on how the Corporation managed the CBD but raised her concern on the lack of evacuation areas near Salcedo noting that during the earthquake on Monday, April 22, 2019, Jaime Velasquez Park and Ayala Triangle Gardens, the assigned refuge areas for residents, were packed with people including those from the various offices near the Salcedo area. The President noted that he will raise this concern during the next Board meeting of the MACEA to identify more areas and to have the information disseminated.

Mr. Guillermo Gili, Jr. commended the financial condition of the Corporation. On the other hand, he asked if the car stickers given to property owners in Ayala Southvale are still available, and why he hasn't received one given that he owns a property near Southvale. The President explained that the Southvale Drive continues to be a private road for use of residents of the Corporation's developments in the area. He assured that someone will approach him after the meeting to sort out his concerns.

Ms. Haizel Velasco inquired if there are sectors that the Corporation is optimistic on. The Chairman noted that the Corporation is bullish about all of its business products but he sees a great deal of growth in tourism in the country. With this, the Corporation will move quite aggressively in this sector which includes the development of the Seda brand. He further emphasized that the Corporation intends to do the tourism development a little differently from others which includes making sure that the environment is always considered, and that the business will be sustainable. He further expressed that tourism estate is one of the most direct and quickest ways to generate employment in some of the poor areas in the country.

Mr. Juergen Facundo expressed his appreciation of the Corporation's business of providing living spaces. He also asked about possible solutions for the McKinley road traffic. The Chairman reported that there have been a lot of discussions on what to do with it including working on other peripheral roads connecting Makati CBD and Bonifacio Global City, improving mass transportation through the subway and upgrading of bus systems. He noted though that the road is part of a bigger system which is not entirely controlled by the Corporation but some aspects are being addressed including making commuting easier for people. The President added that the sizeable intermodal transport terminal in One Ayala could help create easy access and hopefully would encourage people to forego taking their own vehicles which will result to decreased number of vehicles in the area.

Mr. Jay Fondoso shared that he is an owner of a unit in One Legazpi Park which is equipped with machines that test an earthquake's magnitude. He commented how good the project is and that he can sleep soundly at night. He further encouraged everyone to buy the Corporation's projects. He also shared that his family is happy that Amaia Land Corp., a subsidiary of the Corporation, bought his family's property in Shaw Boulevard and that they were paid well. Lastly, he commended how well the Corporation managed the incident in Serendra few years ago.

Mr. Stephen Soliven asked, following the earthquake on Monday, April 22, 2019, if all properties and developments of the Corporation are adequately insured. The Chairman confirmed that they are insured, and the status of the insurance is regularly checked.

Ms. Angela Granada requested for the Corporation's malls management to add more ventilation system in the basement parking of Glorietta Malls which the Chairman duly noted. She also commended the action taken by the management of Fairview Terraces during the earthquake which considered everyone's safety first.

There being no other questions, comments and suggestions from the stockholders, Mr. Nathan Casanova, seconded by Ms. Jexzel Rose Alcaraz, moved for the noting of the annual report and the approval of the 2018 consolidated audited financial statements, and the adoption of Resolution No. S-02-19, as shown on the screen and set forth below:

**Resolution No. S-02-19**

**RESOLVED**, to note the Corporation's Annual Report, which consists of the Message from Chairman, the President's Report, and the audio-visual presentation to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of 31 December 2018, as audited by the Corporation's external auditor SyCip Gorres Velayo & Co.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the motion for the noting of the annual report and the approval of the 2018 consolidated audited financial statements, and the adoption of Resolution No. S-02-19 are as follows:

	For	Against	Abstain
Number of Shares Voted	23,903,494,540	1,805	29,419,706
% of Shares of Shareholders Present	99.7931%	0.000008%	0.1282%

**7. Ratification of the acts of the Board of Directors and Officers**

The Secretary, upon the Chairman's request, stated that stockholders' ratification was sought for all the acts and resolutions of the Board, the Executive Committee, and other Board Committees exercising powers delegated by the Board, which were adopted from April 18, 2018 until April 24, 2019 as well as for all the acts of the Corporation's officers performed to implement the resolutions of the Board or its Committees, or in connection with the Corporation's general conduct of business. The acts and resolutions of the Board are reflected in the minutes of the meetings, and they include the election of officers and members of the various Board Committees, project launches, appointment of authorized representatives and bank signatories, treasury matters, budget and funding plan, investments, and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

The Chairman asked the stockholders if they have any questions or comments. There being none, the Chairman requested for a motion for approval.

Ms. Janelle Chenglay, seconded by Mr. Albert Imperial, moved for the ratification of the acts and resolutions of the Board of Directors, the Executive Committee, and other Board Committees, as well as all the acts of the officers performed pursuant to Board resolutions and the By-Laws of the Corporation since the annual stockholders' meeting on April 18, 2018 until April 24, 2019, and the adoption of Resolution No. S-03-19, as shown on the screen and set forth below:

**Resolution No. S-03-19**

**RESOLVED**, to ratify each and every act and resolution, from April 18, 2018 to April 24, 2019, of the Board of Directors (the "Board"), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, from April 18, 2018 to April 24, 2019, of the officers of the Corporation in accordance with the resolutions of the Board, the Executive Committee and other Board committees exercising powers delegated by the Board and with the By-laws of the Corporation.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the ratification of the acts of the Board of Directors and Officers of the Corporation and the adoption of Resolution No. S-03-19 are as follows:



	For	Against	Abstain
Number of Shares Voted	22,817,931,600	8,749,705	106,235,830
% of Shares of Shareholders Present	99.4203%	0.0381%	0.4629%

## 8. Election of Directors

The next item in the agenda was the election of nine (9) members of the Board of Directors for the ensuing year. The Chairman requested Mr. Cesar V. Purisima, the Chairman of the Corporate Governance and Nomination Committee, to explain this item.

Mr. Purisima informed the stockholders that, in accordance with the requirements of the Corporation's By-Laws, the Manual of Corporate Governance and the rules of the Securities and Exchange Commission, the names of the following nominees to the Board of Directors had been submitted to the Corporate Governance and Nomination Committee who had endorsed their nomination, and each one has accepted the nomination in writing:

Fernando Zobel de Ayala  
Jaime Augusto Zobel de Ayala  
Bernard Vincent O. Dy  
Antonino T. Aquino  
Delfin L. Lazaro  
Arturo G. Corpuz  
Jaime C. Laya  
Rizalina G. Mantaring  
Cesar V. Purisima

Messrs. Laya, Purisima, and Ms. Mantaring were nominated as independent directors.

Mr. Purisima further reported that all the nominees possessed all the qualifications and none of the disqualifications under the Corporation's By-Laws and Manual of Corporate Governance, and were eligible to be nominated and elected as directors of the Corporation.

The Chairman asked the stockholders if they have any questions or comments. There being none, the Chairman requested the Secretary to disclose the results of the election.

The Corporate Secretary reported that each of the nine (9) nominees has garnered at least 22,343,151,873 votes, which represent 97.41% of the total shares. Given this, he certified that each nominee has received enough votes for election to the Board.

With such certification, the Chairman requested for a motion.

On motion of Ms. Fiona Cerdan, seconded by Mr. Mervin Atienza, the stockholders elected the nine (9) nominees as directors of the Corporation for the ensuing term to serve as such until their successors are elected and qualified, and adopted Resolution No. S-04-19. The text of the following Resolution S-04-19 was shown on the screen.

### **Resolution No. S-04-19**

**RESOLVED**, to elect the following nominees as directors of the Corporation to serve as such beginning today until their successors are duly elected and qualified:

Fernando Zobel de Ayala  
Jaime Augusto Zobel de Ayala  
Bernard Vincent O. Dy  
Antonino T. Aquino  
Delfin L. Lazaro  
Arturo G. Corpuz  
Jaime C. Laya (*Independent Director*)  
Rizalina G. Mantaring (*Independent Director*)  
Cesar V. Purisima (*Independent Director*)

As tabulated by the Office of the Corporate Secretary and validated by SGV, the final votes received by the nominees are as follows:

<b>Director</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Fernando Zobel de Ayala	22,470,527,329	412,178,186	43,878,700
Jaime Augusto Zobel de Ayala	22,503,097,016	379,876,999	43,610,200
Bernard Vincent O. Dy	22,840,883,472	66,643,642	19,057,100
Antonino T. Aquino	22,718,831,475	202,889,639	4,863,100
Delfin L. Lazaro	22,718,215,449	203,505,665	4,863,100
Arturo G. Corpuz	22,728,890,937	192,830,177	4,863,100
Jaime C. Laya ( <i>Independent Director</i> )	22,345,275,705	569,894,509	11,414,000
Rizalina G. Mantaring ( <i>Independent Director</i> )	22,904,380,014	3,147,100	19,057,100
Cesar V. Purisima ( <i>Independent Director</i> )	22,539,244,375	374,510,939	11,414,000

## **9. Election of External Auditor and Fixing of its Remuneration**

At the request of the Chairman, Mr. Jaime C. Laya, the Chairman of the Audit Committee, informed the stockholders that the Committee evaluated the performance of the Corporation's external auditor, SGV, for the past year and found it satisfactory. Thus, the Committee and the Board agreed to endorse the election of SGV as the external auditor of the Corporation for the current fiscal year for an audit fee of Pesos: Four Million Four Hundred Thousand (PhP4,400,000.00), exclusive of value-added tax and out of pocket expenses.

The Chairman opened the floor for questions or comments. With no stockholder raising any question or comment, on motion of Atty. Joseph Ibanez, seconded by Ms. Bea Geronimo, the stockholders elected SGV as external auditor of the Corporation for the current fiscal year and approved SGV's audit fee, and adopted the following Resolution No. S-05-19, which was shown on the screen:

### **Resolution No. S-05-19**

**RESOLVED**, as endorsed by the Board of Directors, to approve the election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2019 for an audit fee of Four Million Four Hundred Thousand Pesos (PhP4,400,000.00), exclusive of value-added tax and out of pocket expenses.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the election of SGV as external auditor of the Corporation, the approval of its audit fee, and the adoption of Resolution No. S-05-19 are as follows:

	For	Against	Abstain
Number of Shares Voted	22,908,631,872	24,304,205	6
% of Shares of Shareholders Present	99.8155%	0.1059%	0.00000003%

## 10. Other Matters

The Chairman opened the floor for questions or comments from the stockholders on other matters which are relevant and of general concern to them.

Ms. Marie Anne Sta. Rita commented that the Corporation has a very worthy target of achieving carbon neutrality by 2022 and asked how does it plan to achieve this given the impact that climate change has all across the globe. The President noted that the Corporation will continue to buy and use renewable energy, and, in fact, Management is studying on doing the Corporation's own solar farm to augment the achievement of its targets and to offset more carbon footprint. Also, designs of the Corporation's developments are being looked at closely as well as the equipment and even the practices to be able to reduce energy consumption.

Mr. Joseph Rivera asked if Makati CBD will continue to be pedestrianized, and if a subway will be constructed, where will it be located. The Chairman confirmed that the CBD will continue to be pedestrianized and the Corporation is constantly trying to improve those within its properties while the interconnections between buildings are being handled by MACEA. Mr. Rivera also mentioned the court decision in favor of the insurance company in relation to the Glorietta incident that happened years ago. He further asked whose liability it will be if an old building collapsed during an earthquake and somebody is hit. In relation to the Glorietta incident, the Corporate Secretary mentioned that the case is still pending with the Supreme Court, and the Chairman noted that they prefer not to comment given the contradicting views on the incident.

Ms. Aileen Uy commented that Palawan seems to be not tourist-friendly anymore and asked if it will be shut down like Boracay. The Chairman commented that it will not be closed down but the Department of Environment and Natural Resources and the Department of Tourism imposed strict guidelines due to violations. There were no issues raised on the Corporation's developments, and it was actually commended for developing the area properly. Ms. Uy also asked if there are no plans for the Corporation to have a development in the Manila area. The President noted that part of the challenge is finding and acquiring a sizeable land in key areas in Manila since the Corporation is keen on developing estates which need a particular size.

Ms. Aldrin Alcantara asked about how the Corporation is addressing cyber security risks. The President noted that it is one of the enterprise risks that is being closely tracked by Management and that there is no serious breach that has happened while continuous upgrade of the system is being done to also minimize the risks. The Corporation's Chief Finance Officer and Treasurer, Ms. Augusto D. Bengzon, who is also in charge of the technology efforts of the Corporation, reported that aside from close monitoring by Management, updates on this risk is regularly being reported to the Corporation's Risk Oversight Committee and that the Corporation also has a very focused digital strategy. The Corporation likewise implements cyber security initiatives which are focused on the people, process and technology. He cited that there are regular security bulletins, online cyber security awareness training, conduct of regular cyber security risk assessments, third party Vulnerability Assessment and Penetration testing, implementation of Security Information and Events Management Platform (SIEM), and engagement of third-party managed Security Operations Center to monitor the Corporation's SIEM on a 24/7 basis.

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**11. Adjournment**

There being no other matters to discuss, on motion of Mr. Raymart Aguilar, seconded by Mr. Stephen Casimiro, the meeting was adjourned.



**SOLOMON M. HERMOSURA**  
Corporate Secretary



**JUNE VEE D. MONTECLARO-NAVARRO**  
Assistant Corporate Secretary



**NIMFA AMBROSIA L. PEREZ-PARAS**  
Assistant Corporate Secretary

Approved:

**FERNANDO ZOBEL DE AYALA**  
Chairman of the Board and of the Meeting