



Integrated Micro-Electronics, Inc.  
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**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**  
**April 7, 2017 at 9:00 AM**  
**Karangalan Multi-Purpose Hall, Integrated Micro-Electronics, Inc.**  
**North Science Avenue, Laguna Technopark, Biñan, Laguna**

	No. of Outstanding and Voting Shares	Percentage of Total
Shareholders present:	1,434,818,969	76.84%

**Directors Present:**

Jaime Augusto Zobel de Ayala	<i>Chairman of the Board</i>
Arthur R. Tan	<i>Chief Executive Officer Chairman, Executive Committee</i>
Fernando Zobel de Ayala	
Delfin L. Lazaro	<i>Chairman, Finance Committee Member, Compensation Committee</i>
Rafael Ma. C. Romualdez	<i>Vice Chairman, Executive Committee Member, Audit and Risk Committee Member, Finance Committee</i>
Hiroshi Nishimura	<i>Chairman, Compensation Committee Member, Audit and Risk Committee Member, Related Party Transactions Committee</i>
Jose Ignacio A. Carlos	<i>Member, Nomination Committee</i>
Alelie T. Funcell	<i>Chairman, Nomination Committee Member, Compensation Committee Member, Related Party Transactions Committee</i>
Edgar O. Chua	<i>Chairman, Audit Committee Chairman, Related Party Transactions Committee Member, Nomination Committee</i>
Jose Teodoro K. Limcaoco	<i>Member, Executive Committee Member, Finance Committee</i>
Gilles Bernard	<i>President</i>

## **1. Call to Order**

After the national anthem, the Chairman, Mr. Jaime Augusto Zobel de Ayala, called the meeting to order at 9:00 AM. He welcomed the stockholders, members of the Board of Directors, the Chief Executive Officer, the President and other officers of the Corporation.

## **2. Notice of Meeting**

The Secretary, Mr. Solomon M. Hermosura, certified that the notice of the meeting was sent by March 6, 2017 to each stockholder of record as of February 6, 2017 in accordance with the By-Laws and applicable rules. The notice of the meeting was also published on March 20, 2017 in the Philippine Daily Inquirer, a newspaper of general circulation.

## **3. Determination of Quorum**

The Secretary certified that there was a quorum for the meeting with stockholders owning 1,434,818,969 shares or 76.84% of the total outstanding shares present in person or by proxy.

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

The Chairman requested that any stockholder who wished to speak should identify himself after being acknowledged by the Chair and should limit his remarks to the item in the agenda under consideration.

The Secretary then explained that the rules of conduct and the voting procedures formed part of the Explanation of Agenda Items for Stockholders' Approval, which was provided to the stockholders together with the notice of the meeting. Printed copies of the rules of conduct and voting procedures were also provided to the stockholders or their proxies upon registration at the meeting.

The rules provide that a stockholder may vote manually using the ballot provided to him upon his registration and placing the voted ballot in the ballot boxes located at the registration table and inside the Multi-Purpose Hall. A stockholder may also vote electronically using any of the computers at the station for electronic voting near the registration area. The paper ballot and the website platform for electronic voting set forth the proposed resolutions for consideration by the stockholders and each proposed resolution would be shown on the screen in front as it is taken up.

The Corporation also allowed voting in absentia by sending out to each stockholder a ballot with a proxy form, submitted at least seven (7) days before the meeting. The votes in the ballot were counted even if the stockholder did not personally attend because every stockholder could participate in the meeting under the Corporation Code and the By-laws through his designated proxy or the Chairman of the meeting as the proxy in default in the absence of a designated proxy.

Each outstanding share of stock entitles the registered stockholder to one vote.

The stockholders generally act by the affirmative vote of stockholders owning at least a majority of the outstanding voting stock present at the meeting. However, approval of the stockholders owning at least two-thirds (2/3) of the total outstanding capital stock is needed for the proposed decrease of authorized capital stock and amendments of the Second and Seventh Articles of the Articles of Incorporation. The election of directors is by plurality of votes and every stockholder shall be entitled to cumulate his votes. The stockholders may cast their votes anytime during the meeting. All votes received shall be tabulated by the Office of the Corporate Secretary and the results of the tabulation validated by the external auditor, SyCip Gorres Velayo & Company (SGV). As the stockholders take up an item in the Agenda, the Secretary

would report on the votes that have been tabulated and the final tally of votes would be reflected in the minutes of the meeting.

The Secretary reported that at the end of the proxy validation process, stockholders owning 1,434,328,937 shares representing 76.81% of the shares represented in the meeting had cast their votes on the items for consideration by the stockholders; that the votes of these stockholders had been tabulated; that he would be referring to such partial tabulation when reporting the voting results throughout the meeting; that there were remaining votes that have yet to be counted but that the results of the complete tabulation of votes would be reflected in these minutes.

## 5. Approval of Minutes of the 2016 Stockholders' Meeting

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on April 8, 2016. He stated that copies of the minutes were distributed to the stockholders prior to the meeting and a copy thereof was posted and could be accessed on the website of the Corporation. There being no question, the Chairman requested for a motion for approval.

On motion of Ms. Jemelisa D. Gallaron, seconded by Mr. Reynaldo F. Ricablanca, the stockholders approved the minutes and adopted the following Resolution No. S-01-17, which was shown on the screen:

### Resolution No. S-01-17

**RESOLVED**, to approve the minutes of the annual stockholders' meeting held on April 8, 2016.

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the motion for the approval of the minutes and the adoption of Resolution No. S-01-17 are as follows:

	For	Against	Abstain
Number of Voted Shares	1,434,818,969	0	0
% of Shares Voted	100%	0%	0%

## 6. Annual Report of Officers

### Chairman's Message

The Chairman noted that the past year presented exciting opportunities for IMI to leverage the capabilities, scale, and brand value it has established over the past 36 years. He recalled that more than a decade ago, IMI made a strategic shift in its business from a single-location contract assembly manufacturing provider to a global partner in technology solutions. Today, IMI employs over 14,000 people with over 247,000 square meters of production space across 14 manufacturing plants in seven countries and now ranks as the sixth largest automotive electronics manufacturing service provider in the world.

The Ayala group believes that with emerging trends and shifts in the production supply chain, the environment is ripe for a sustainable resurgence of the domestic manufacturing industry. With its experience and expertise in EMS through IMI and in automotive distributorship through AC Automotive, it can contribute to this endeavor by taking the group's engagement to the next level.

As a strategy, in 2016, Ayala established AC Industrial Technology Holdings Inc. (AC Industrials) as a new pillar to boost its presence in industrial technologies and capture the growing opportunities amid technological shifts, changing industry landscapes, and increasing demand from end-users.

To support the Ayala group's long-term strategy in manufacturing, AC Industrials will house the group's portfolio of investments in industrial technologies—with IMI as the core manufacturing business, and as a conduit to tap different markets and technologies globally, and AC Automotive as the vehicle retail arm.

In support of the vision for AC Industrials, IMI acquired a 76% stake in VIA Optronics GmbH, a leading optical bonding and display solutions provider based in Germany. VIA's proprietary technology in optical bonding solutions for display systems will bolster IMI's strengths in automotive camera and display monitor solutions. Ayala Group also partnered with KTM AG, the largest motorcycle manufacturer in Europe, to distribute and manufacture motorcycle models in the Philippines under the KTM brand for the domestic market and export to China and eventually, to Southeast Asia.

The Chairman noted that inasmuch as IMI continues to work towards strategic and financial imperatives, it places equal importance to the external environmental and the social impact business creates. Through its lifesaving technologies for automobiles, IMI is helping lower car collision, 95% of which are related to human error. By pursuing vehicle electrification, IMI is contributing to energy savings and the reduction of air pollution. Finally, by exploring the opportunities in self-driving cars, it can help provide critical solutions to people with disabilities and aging populations.

Moreover, IMI is pursuing ways to mitigate the negative effects of rapid urbanization. The United Nations has predicted that by 2050, 66% of the global population will be living in cities. By collaborating with IMI's customers to develop new products in lighting, power, grid management, as well as in privacy and security, IMI can provide solutions that define the smart cities of tomorrow.

In closing, the Chairman thanked IMI's management team and staff for their engagement; the Board of Directors and its various committees for their guidance; and the partners, customers and shareholders for their continued commitment and support, and the shareholders for their presence as well during the meeting.

#### Chief Executive Officer's Message

The Chief Operating Officer recognized that the year 2016 was a crucial one for IMI as it entered new industries and reinvented existing businesses to fortify its portfolio, it also expanded its automotive and manufacturing range through AC Industrials, the wholly owned Ayala group subsidiary that seeks to play a major role in manufacturing.

Given the major challenges of energy resource constraints, population health management, and the enormous implications of climate change—significant opportunities are seen for both IMI and AC Industrials to deploy their creative competencies and capture higher growth in attractive end-markets.

He reported that IMI has been thriving in some of the most dynamic technical disruptions across industries in which it is already deeply involved, highlighting the following: connectivity, smart energy (through power modules) and driverless cars. These are the areas that the AC Industrials group will work on with the back-up of the various interests of the Ayala group.

By staying focused on its customers, IMI is now deftly managing disruptions and has evolved into a solutions provider of choice, with solid roots in electronics-based manufacturing. IMI's 36-year history marks notable milestones in its transition from being a component assembly manufacturer to being a systems and products solutions provider, and then again from being a mere consignment build-to-print

company to one that actually designs and markets its own platforms. Today, IMI not only builds systems and sub-systems but actual full products, and develop these into a global market.

IMI's global acquisitions over the years have strengthened its ability to support the different regions where it operates. Last year, it began initial steps for its expansion in Southeast Europe. IMI also secured majority stake in Via Optronics, GmbH, as part of the overall strategy to be on the lookout for the next disruptive technology. IMI's history is underpinned not only by its various mergers and acquisitions but also by organic growth and its ability to derive synergies out of its acquisitions - leading to exponential growth.

The Chief Executive Officer announced that on April 6, 2017, IMI has entered into an agreement to acquire 80% of STI Enterprises Limited, a private company established in the United Kingdom providing electronics design and manufacturing solution services. He then welcomed IMI's new partners - Tony, Simon, and Amanda Best, the principal stockholders and founders of STI.

IMI remains an organization that keeps learning, responding, and adapting, one that welcomes change in response to what's happening in the market and is not held back by legacy.

He declared that with the support of AC Industrials, its parent and sister companies, the foundation that IMI is built on -- the people, the capabilities, the passion and the culture -- will enable it to enter the age of limitless possibilities.

#### President's Report

The President reported that the Corporation ended 2016 with a revenue of US\$843 Million which is 4% higher than 2015; a net income after tax (NIAT) ratio of 3.3% (which is above industry average); and an operating income that rose by 13% year-over-year at 12% gross profit margin. Also, the 5-year historical compounded annual growth rate (CAGR) of IMI has grown almost twice compared to the electronic manufacturing services (EMS) global market, indicating that it is growing faster than the competition and the market. Automotive and industrial had delivered a combined revenue growth of 12%.

IMI is 21st among EMS companies worldwide according to Manufacturing Market Insider but is ranked 6<sup>th</sup> in the automotive sector. IMI's standing climbed a notch as it posted a 9% increase in automotive EMS revenues.

The President also reported that IMI received various awards and recognitions in 2016. The Philippine site received the Preferred Supplier status from a major Tier 1 automotive customer for seven consecutive years. The same site also won the first automotive power module program for safety application in power steering. IMI has been nominated by a customer as their preferred module partner with four new programs in the pipeline. IMI Kuichong was a recipient of the Huawei 2016 Excellent Quality Award while IMI Jiaxing received the Best Electronic Supplier Award from Bosch-Siemens Hausgerate (BSH) GmbH. IMI Mexico received an Export Achievement Award from the government of Jalisco, Mexico, for its significant contribution to the export sector. IMI Chengdu received the ISO/TS 16949 certification, a worldwide quality management systems standard for the automotive sector, allowing it to serve the local automotive sector.

On the expansion front, IMI is set to build a new plant in Serbia, which is very near Bulgaria, to support European operations and leverage IMI Bulgaria's corps of highly skilled engineers. IMI Czech was recognized for new projects that will require surface expansion in the next few years. IMI also completed a re-layout and retooling of its Mexico facility which included the installation of a fully automated back-end line with robots capable of delivering more than one million units per year of electrical steering columns.

With respect to experience, IMI strives to live what it calls Collaborative Coordinated Effort, or CCE, aiming to elevate the ethical foundation of the company. Living the CCE entails constant support and collaboration among different teams—from operations to support groups, from top management to the last employee hired.

The President recognized that IMI's greatest asset is its fully integrated multicultural teams in all its plants across the globe and declared that IMI will continue to develop its existing strengths: efficiency, flexibility, accountability, respect for people, practicing the concept of *gemba*, the ability to analyze risks, and take action.

The President then shared his vision of IMI as a leading global electronics solutions provider, which can be achieved by continuously focusing on high-margin, non-traditional industry segments; providing global scale for global customers; employing lean manufacturing and best practices to continue to boost efficiency and lower costs; enhancing supply chain management capabilities; and strengthening the organization to continuously reinforce its ability to venture into new growth areas.

The President concluded his report by inviting IMI's shareholders, the IMI global workforce and management, and its partner communities, to share this exciting journey with IMI.

Audio-visual presentations were shown to the stockholders before and during the message of the Chief Executive Officer and after the President rendered his report.

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

After first commending the Board and Management for the presentation, Mr. Norman Paca asked for more information about the expansion in Serbia and what the plant would bring to the existing plants of IMI. Upon the Chairman's request, Mr. Gilles Bernard, President of the Corporation, explained that IMI will be employing 1,200 employees over 10 years and purchasing 50,000 square meters of land. Construction will begin in July 2017 and is expected to be ready by mid-2018 under a worst-case scenario. The location is perfect logistically and will serve both automotive and industrial segments. As a cost efficiency measure, the facility in Serbia will be under the Bulgarian Management Team's control.

Mr. Arthur Tan, Chief Operating Officer, added that the other strategic reason for the Serbian facility is its access to Russia, Turkey and Middle East, with Serbia having a free trade agreement with Russia. With this, the Corporation's footprint will extend to Russia, Turkey and Middle East.

Ms. Joy Bondoc asked about the implications of the transfer of ownership of the Corporation to AC Industrials and if there is a plan to list AC Industrials. The Chairman responded that since AC Industrials is 100% owned by Ayala Corporation, there was simply a change of vehicle. Bringing the Corporation under the AC Industrials allows the Ayala group to make investments that are complementary to the Corporation's interests while taking advantage of the other relationships within the Ayala Group, particularly the Automotive division. The Chairman added that the Ayala is expanding its industrial base and is hoping to create a portfolio that is conducive to future growth for the Corporation. Presently, there is no plan for the listing of AC Industrials.

Mr. Ronald Hilaria noted the exciting audio visual presentation of the automotive industry. He then asked how the Management perceives people's reliance on the self-driving technology in the Philippines. The CEO, Mr. Tan, stated that they are seeing the transition of the entire market on a global basis, with the transition first taking place in developed markets which have the proper infrastructure. Technology is now being driven to the point that the limitation that dependence on infrastructure poses is becoming less significant. The next generation of sensors, radars, infrared being employed for self-driving technology

will allow the car to be able to move without lane markings, among others; thus, bringing the possibility of having driverless cars in the Philippines nearer in the future.

There being no other questions and comments from the stockholders, Ms. Jenny A. De Dios, seconded by Ms. Florelyn Mendoza, moved for the noting of the annual report and the approval of the 2016 audited financial statements, and the adoption of the following Resolution No. S-02-17, which was shown on the screen:

**Resolution No. S-02-17**

**RESOLVED**, to note the Corporation's Annual Report, which consists of the Chairman's Message, the Message of the Chief Executive Officer, the Report of the President, and the audio-visual presentations to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2016, 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 2016 audited financial statements, and the adoption of Resolution No. S-02-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	1,434,818,969	0	0
% of Shares Voted	100%	0%	0%

**7. Approval of the Decrease of Authorized Capital Stock and the corresponding Amendment of the Seventh Article of the Articles of Incorporation**

At the request of the Chairman, the Secretary explained that because of the Corporation's redemption of 1.3 Billion of its preferred shares at the par value of one peso per share back in 2015 and the silence of the Articles of Incorporation on the re-issuable nature of the preferred shares, such preferred shares are already considered retired and no longer issuable under the Securities and Exchange Commission's Rules Governing Redeemable and Treasury Shares. The Board of Directors thus approved on February 15, 2017 through Resolution No. B-05-17 the decrease of the Corporation's authorized capital stock to reflect its remaining preferred shares, together with the corresponding amendment of the Seventh Article of its Articles of Incorporation.

The Chairman asked the stockholders if they have any questions or comments.

There being no questions and comments from the stockholders, Mr. Ruel S. Ardeña moved for the approval of Resolution No. S-03-17, which was shown on the screen, for the decrease of the authorized capital stock of the Corporation from Three Billion Seven Hundred Fifty Million Pesos to Two Billion Four Hundred Fifty Million Pesos, and for the corresponding amendment of the Seventh Article of the Articles of Incorporation and Ms. Honelyn D. Garcia seconded the motion:

**Resolution No. S-03-17**

**“RESOLVED**, as recommended by the Board of Directors in Resolution No. B-05-17, to approve the decrease of authorized capital stock of the Corporation from Three Billion Four Hundred Seventy Five Million Pesos (PhP3,750,000,000.00) to Two Billion Four Hundred Fifty Million Pesos (PhP2,450,000,000.00) and the corresponding amendment of

the Seventh Article of the Articles of Incorporation which as amended, shall henceforth read as follows:

**SEVENTH:** That the capital stock of said Corporation is Two Billion Four Hundred Fifty Million Pesos (P2,450,000,000.00), Philippine Currency, consisting of Two Billion Two Hundred Fifty Million (2,250,000,000) Common shares and Two Hundred Million (200,000,000) Preferred shares, both with par value of ONE PESO (P1.00) each. (As amended on April 7, 2017.)

xxx xxx xxx”

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the decrease of authorized capital stock and the corresponding amendment of the Seventh Article of the Articles of Incorporation and the adoption of Resolution No. S-03-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	1,434,816,869	2,100	0
% of Shares Voted	76.839%	.000%	0%

#### **8. Approval of the Amendment of the Second Article of the Articles of Incorporation**

The Secretary, upon the Chairman's request, explained that the Board of Directors approved the amendment of the Second Article of the Articles of Incorporation to include in the primary purpose the production, assembly, or manufacture of non-electronic products (including among others automobiles, motorcycles, solar panels) or parts, components or materials of non-electronic products, by way of Resolution No. B-05-17 which was passed on February 15, 2017.

The Chairman asked the stockholders if they have any questions or comments.

There being no questions and comments from the stockholders, Ms. Maritz M. Garcia moved for the approval of the amendment of the Second Article of the Articles of Incorporation and for the adoption of Resolution No. S-04-17, which was shown on the screen. Ms. Kathleen N. Mendoza seconded the motion:

#### **Resolution No. S-04-17**

“**RESOLVED**, as recommended by the Board of Directors in Resolution No. B-06-17, to approve the amendment of the Second Article of the Articles of Incorporation to expand the primary purpose of the Corporation, so that, as amended the Second Article shall henceforth read as follows:

**SECOND:** The purposes for which this Corporation is formed are:

#### **PRIMARY PURPOSE**

To undertake the production, assembly or manufacture of any and all types of electronic and non-electronic products (including among others, automobiles, motorcycles, solar panels) or parts, components or materials of non-electronic products, and in providing services related thereto and to the extent permitted by law, may either directly or indirectly, through its subsidiaries, affiliate

organizations or through correspondent enterprises, engage and/or undertake the following and other activities related thereto: (As amended on April 7, 2017)

xxx xxx xxx”

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the amendment of the Second Article of the Articles of Incorporation and the adoption of Resolution No. S-04-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	1,434,818,969	0	0
% of Shares Voted	76.840%	0%	0%

### 9. Approval of the Amendment of the Seventh Article of the Articles of Incorporation

The Chairman mentioned that stockholders' approval is also being sought for the further amendment of the Seventh Article of the Articles of Incorporation and requested the Secretary to further expound on this matter. The Secretary reported that for the purpose of giving the Corporation flexibility in raising funds through the issuance of the preferred shares, the Board of Directors approved Resolution No. B-07-17 to allow the Corporation to reissue redeemed preferred shares so that they will not be deemed retired upon redemption, which is permitted under the Rules of the Securities and Exchange of Commission.

The Chairman asked the stockholders if they have any questions or comments.

There being no questions and comments from the stockholders, Ms. Jocelyn D. Guillena moved for the approval of the amendment of the Second Article of the Articles of Incorporation and for the adoption of Resolution No. S-05-17, which was shown on the screen. Ms. Mary Grace S. Ibanez seconded the motion:

#### Resolution No. S-05-17

“**RESOLVED**, as recommended by the Board of Directors in Resolution No. B-07-11 to approve the amendment of the Seventh Article of the Articles of Incorporation to add re-issuability to the features of the preferred shares, so that, as amended the Seventh Article shall henceforth read as follows:

#### SEVENTH:

xxx xxx xxx

The preferred shares shall have the following features, rights and privileges:

xxx xxx xxx

- i. Redeemable at the option of the Corporation at issue value after the 5-year issue anniversary of the shares and under such terms that the Board of Directors may determine, in any case subject to the payment of all accrued and unpaid dividends due on the shares, and once redeemed, may be re-issued for a price fixed by the Board of Directors. (As amended on 7 April 2017).

xxx xxx xxx”

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the votes on the amendment of the Second Article of the Articles of Incorporation and the adoption of Resolution No. S-05-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	1,429,547,469	5,271,500	0
% of Shares Voted	76.55%	0.282%	0%

## 10. Election of Directors

The next item in the agenda was the election of eleven (11) members of the Board of Directors for the ensuing year. The Chairman requested Ms. Alelie Funcell, Chairman of the Nomination Committee, to explain this item.

Ms. Funcell explained that, in accordance with the requirements of the Corporation's By-laws, the Manual of Corporate Governance and the SEC Rules, the names of the following nominees to the Board of Directors had been submitted to the Nomination Committee who had endorsed their nomination, and each one has accepted the nomination in writing:

Jaime Augusto Zobel de Ayala  
Fernando Zobel de Ayala  
Arthur R. Tan  
Gilles Bernard  
Jose Ignacio A. Carlos  
Edgar O. Chua  
Alelie T. Funcell  
Delfin L. Lazaro  
Jose Teodoro K. Limcaoco  
Hiroshi Nishimura  
Rafael Ma. C. Romualdez

Messrs. Chua and Nishimura, and Ms. Funcell had been nominated as independent directors.

Ms. Funcell 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 directors of the Corporation.

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

The Corporate Secretary reported that based on the partial tabulation of votes, each of the eleven nominees has garnered at least 1,228,671,837 votes, which represents 65.80% of the total outstanding voting 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 for approval.

On motion of Ms. Janice M. Arsenio, seconded by Mr. Renato B. Fajardo, the stockholders elected the eleven (11) nominees as directors of the Corporation for the ensuing year to serve as such until their successors are elected and qualified, and adopted Resolution No. S-06-17. The text of the following Resolution No. S-06-17 was shown on the screen.

**Resolution No. S-06-17**

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

Jaime Augusto Zobel de Ayala  
Fernando Zobel de Ayala  
Arthur R. Tan  
Gilles Bernard  
Jose Ignacio A. Carlos  
Edgar O. Chua  
Alelie T. Funcell  
Delfin L. Lazaro  
Jose Teodoro K. Limcaoco  
Hiroshi Nishimura  
Rafael Ma. C. Romualdez

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

Director	For	Against	Abstain
Jaime Augusto Zobel de Ayala	1,784,179,502	533,700	0
% of Shares Voted	95.549%	0.029%	0%
Fernando Zobel de Ayala	1,779,056,102	5,657,100	0
% of Shares Voted	92.275%	0.303%	0%
Arthur R. Tan	1,784,565,102	148,100	0
% of Shares Voted	95.570%	0.008%	0%
Jose Ignacio A. Carlos	1,234,560,802	148,100	0
% of Shares Voted	66.115%	0.008%	0%
Edgar O. Chua	1,234,323,302	385,600	0
% of Shares Voted	66.102%	0.021%	0%
Gilles Bernard	1,784,565,102	148,100	0
% of Shares Voted	95.570%	0.008%	0%
Alelie T. Funcell	1,234,708,902	0	0
% of Shares Voted	66.123%	0%	0%
Jose Teodoro K. Limcaoco	1,234,560,802	148,100	0
% of Shares Voted	66.115%	0.008%	0%
Delfin L. Lazaro	1,229,051,802	5,657,100	0
% of Shares Voted	65.820%	0.303%	0%
Hiroshi Nishimura	1,234,708,902	0	0
% of Shares Voted	66.123%	0%	0%
Rafael Ma. C. Romualdez	1,234,560,702	148,100	0
% of Shares Voted	66.115%	0.008%	0%

**11. Election of External Auditor and Fixing of its Remuneration**

At the request of the Chairman, Mr. Edgar O. Chua, Chairman of the Audit Committee, informed the stockholders that the Committee evaluated and was satisfied with the performance of the Corporation's external auditor, SGV. Thus, the Committee and the Board agreed to endorse the re-election of SGV as the

external auditor of the Corporation for the current fiscal year for an audit fee of Pesos: Four Million (PhP4,000,000.00).

With no stockholder raising any question or comment, on motion of Ms. Mary Jane Dimatera, seconded by Ms. Vilma P. Abion, 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-07-17, which was shown on the screen:

**Resolution No. S-07-17**

**RESOLVED**, as endorsed by the Board of Directors, to approve the re-election of SyCip Gorres Velayo & Company as the external auditor of the Corporation for the year 2017 for an audit fee of Four Million Pesos (PhP4,000,000.00).

As tabulated by the Office of the Corporate Secretary and validated by SGV, the votes on the re-election of SGV as external auditor of the Corporation, the approval of its audit fee, and the adoption of Resolution No. S-07-17 are as follows:

	For	Against	Abstain
Number of Shares Voted	1,434,818,969	0	0
% of Shares Voted	100%	0%	0%

**9. 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 but none were posed or made.

**10. Adjournment**

There being no other matters to discuss, on motion of Ms. Nerissa N. Cosme, seconded by Mr. Ryan Yatco Santos, the meeting was adjourned.

  
**SOLOMON M. HERMOSURA**  
Corporate Secretary

ATTESTED BY:

**JAIME AUGUSTO ZOBEL DE AYALA**  
Chairman of the Board & of the Meeting