

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

April 20, 2020 at 9:00 AM

Conducted virtually via <https://asm.ayala.com/ACEPH2020>

		<i>Percentage of Total</i>
No. of Outstanding and Voting Shares	7,521,774,922	
Shareholders Present:	5,112,387,737	67.97%

Directors Present:

Fernando Zobel de Ayala ¹	<i>Chairman of the Board Chairman, Executive Committee</i>
Jaime Augusto Zobel de Ayala	<i>Vice Chairman of the Board Member, Executive Committee</i>
Gerardo C. Ablaza, Jr.	<i>Member, Personnel and Compensation Committee</i>
Jose Rene Gregory D. Almendras	<i>Member, Audit Committee Member, Board Risk Management and Related Party Transactions Committee</i>
John Eric T. Francia ²	<i>Member, Executive Committee</i>
John Philip S. Orbeta	<i>Chairman, Personnel and Compensation Committee</i>
Consuelo D. Garcia (independent director)	
Ma. Aurora Geotina-Garcia (independent director)	
Sherisa P. Nuesa (independent director)	
Melinda P. Ocampo (independent director)	

1. Call to Order

After the national anthem, the Chairman, Mr. Fernando Zobel de Ayala, called the meeting to order at 9:00 AM.

The Chairman noted that it was the first time in the Corporation's history to conduct the meeting in a virtual format. The Chairman then welcomed the stockholders who joined the meeting through the live webcast

¹ Mr. Zobel de Ayala presided over the meeting and presented from his residence in Makati City.

² Mr. Francia participated and presented while being physically present in the principal office of the Corporation.

and thanked the stockholders who participated in the meeting through the Corporation's voting *in absentia* system or their appointment of the Chairman as proxy.

The Chairman then introduced his co-presenters, namely: Mr. John Eric T. Francia, the President, Mr. Solomon M. Hermosura, the Corporate Secretary,³ and Mr. Dodjie D. Lagazo, the Assistant Corporate Secretary.⁴ The Chairman also noted the presence of the other members of the Board of Directors (the "**Board**"), other officers of the Corporation, and representatives of the Corporation's external auditor, SyCip Gorres Velayo & Co. ("**SGV**"), who joined the meeting through the live webcast.

2. Notice of Meeting

The Corporate Secretary certified that the Notice of the Annual Stockholders' Meeting (the "**Notice**") and the Definitive Information Statement (the "**DIS**") were sent on March 26, 2020 to the Corporation's stockholders of record as of March 20, 2020, the record date for the meeting, in three ways: first, by e-mail to stockholders who provided their e-mail addresses; second, by posting on the Corporation's website; and third, by disclosure in the Philippine Stock Exchange ("**PSE**"). In addition, the Notice was published on March 30, 2020 in the Philippine Star, a newspaper of general circulation. Accordingly, the Corporate Secretary confirmed that the stockholders were duly notified of the meeting in accordance with the Corporation's By-Laws and applicable rules, including the Corporation's Internal Guidelines on Participation in Stockholders' Meeting by Remote Communication and Voting *in Absentia* under Extraordinary Circumstances, which are embodied in the Corporation's DIS.

3. Determination of Quorum

The Corporate Secretary certified that a quorum existed for the meeting, and that based on partial tabulation, stockholders holding at least 5,112,423,733 shares representing 67.97% of the 7,521,774,922 total outstanding shares were present in the meeting.

The Corporate Secretary also reported that, as of April 15, 2020, after the proxy validation process, stockholders owning 5,112,423,733 voting shares representing 67.97% of the total outstanding shares have cast their votes on the items for consideration in the meeting. Such votes have been tabulated and all voting results reported throughout the meeting make reference to such tabulation. There were remaining votes that have yet to be counted but the results of the complete and final tabulation of votes would be reflected in the minutes.

4. Instructions on Rules of Conduct, Voting Procedures and Voting Requirements

The Chairman stated that although the meeting was held in a virtual format because of government regulations that prevented the Corporation from conducting an in-person meeting, the Corporation strived to provide the stockholders the opportunity to participate in the meeting to the same extent possible as in an in-person meeting. The Corporate Secretary explained that the rules of conduct and voting procedures were provided to the stockholders in the DIS together with the Notice.

The Corporate Secretary further explained that stockholders who registered under the Voting in Absentia & Shareholder ("**VIASH**") System or who notified the Corporation by e-mail to corpse.aceph@acenergy.com.ph by April 15, 2020 of their intention to participate in the meeting by remote communication may send their questions or comments to the same e-mail address. The Assistant Corporate Secretary will read questions or comments received before 9:30 a.m. during the Q and A period under the

³ Mr. Hermosura participated and presented from his office in Quezon City.

⁴ Mr. Lagazo participated and presented while being physically present in the principal office of the Corporation.

item “Other Matters”, while questions and comments not taken up during the meeting will be resolved by management by e-mail.

Finally, the Corporate Secretary explained that stockholders could cast their votes on the eight (8) proposed resolutions and in the election of directors beginning April 14, 2020 through the VIASH System. Polls will remain open until the end of the meeting for stockholders who had successfully registered to cast their votes electronically using the VIASH System.

5. Approval of the Minutes of the 2019 Stockholders' Meeting

The Chairman then proceeded with the approval of the minutes of the annual stockholders' meeting held on September 17, 2019. An electronic copy of the minutes was posted on the website of the Corporation and is contained in the DIS.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-001 for the approval of the minutes of the annual stockholders' meeting held on September 17, 2019. Resolution No. S-2020-001 was shown on the screen:

Resolution No. S-2020-001

RESOLVED, to approve the minutes of the annual stockholders' meeting held on September 17, 2019.

Thereafter, the Corporate Secretary reported that stockholders owning 5,112,423,733 shares, or 67.97% of the total outstanding shares, voted in favor of Resolution No. S-2020-001. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-001 as follows:

	For	Against	Abstain
Number of voted shares	5,112,297,733	0	0
% of total outstanding shares	67.97%	0%	0%

6. Annual Report of Officers

Message of the Chairman

The Chairman introduced his pre-recorded message, which started with an acknowledgement of the stockholders, colleagues from the Board and management, and guests.

A moment was also taken to honor the memory and contributions of the late Mr. Jesus “Chito” Francisco, who served as independent director of the Corporation.

The country is currently going through a very difficult period and the Ayala Group and its various businesses are working closely to help in any way it can. Various initiatives are being made across the group for the workforce (both formal and informal), small and medium enterprises, and healthcare frontliners. At the same time, the group has ensured the continued delivery of basic services such as healthcare, banking, telecommunications, water, and power.

The Ayala Group remains strongly committed to invest in much needed energy investments in the Philippines as access to stable power is critical to supporting all the services needed to address the health crisis. Through AC Energy, the group has been able to do its part in ensuring uninterrupted power in medical facilities, production of essential goods, and in every home during this difficult period.

The Corporation went through a major transformation in 2019 with the acquisition by AC Energy of PHINMA Energy Corporation. The Corporation has achieved positive momentum since AC Energy took over in October 2019. Management is encouraged by the government's push for more renewable energy generation and reduction in the dependence on traditional energy sources. From 416 MW, management has increased the Corporation's portfolio to over 1,100 MW. To sustain this growth, management has transformed the Corporation as AC Energy's growth platform in the Philippines.

With the said strong growth momentum, the Corporation accelerated the expansion of its power generation portfolio in the Philippines through greenfield projects and acquisitions. The Corporation continued to invest in strategic assets, consolidated key operating assets, and bolstered its renewable energy pipeline in line with this year's goal to achieve an attributable capacity of 1,500 MW, half of which will come from renewable sources.

Together with the Ayala Group, the Corporation is leveraging digital technology to enhance operational efficiency and energy solution services. Some of the initiatives that the Corporation has started to work on are:

- Renewable plant performance will be monitored to predict intermittency, ensure efficiency in power generation, and help guide decisions on preventive maintenance to increase reliability;
- Consumers will be provided with near real time energy data to offer them the opportunity to improve their operational consumption and environmental footprint; and
- Prediction capabilities through weather forecasts, load forecasts, and tuned plant models will be used to respond to price signals in the market.

In addition, as part of the Ayala Group's overall sustainability agenda, the Corporation has aligned its business objectives with the UN Sustainable Development Goals ("SDGs"). Integrating the UN SDGs into all aspects of the Corporation's processes allows it to expand its renewable energy capacity, support host communities, protect the environment, and contribute to sustainable development for the benefit of present and future generations.

To support this agenda, parent AC Energy has launched an Environment and Social Policy, anchored on three pillars where it believes it can have the greatest impact: excellence in environmental management, commitment to the community, and transitioning to a low carbon portfolio by 2030.

The Corporation remains committed to provide reliable, affordable, and sustainable energy. Management also committed to transition to a lower carbon portfolio by rebalancing the Corporation's generation portfolio to grow its renewable energy assets.

The Corporation's achievements have been made possible by the guidance of its Board, the commitment and dedication of its employees and the support of its business partners and host communities. The Chairman thanked its stockholders and many stakeholders for their continued trust and support as the Corporation moves towards its aspiration of becoming a leader in sustainable energy in the Philippines.

The Chairman then invited the stockholders to watch the corporate video, which touches on the Corporation's commitment to sustainable development. By continuing to build trust with communities and

helping protect the environment, the Corporation is said to be able to ensure the progressive development of the markets that it serves.

An audio-visual presentation on corporate sustainability was then shown to the stockholders, focusing on the Corporation's flagship sustainability program in 2017, which involved a Conservation Estate in a community within one of its wind farms. Said sustainability program spans multiple years with livelihood, environmental, and biodiversity protection components.

Report of the President

The President acknowledged the stockholders, colleagues from the Board and management, and guests and reported as follows:

While it has only been under a year since the new Board and management assumed leadership roles in the Corporation, no time was spared to transform the Corporation with significant corporate decisions and swift outcomes in relation to development, commercial, and operational matters. The rapid pace of progress has strengthened the Corporation's fundamentals, allowing it to be more resilient amidst the current global health and socio-economic crisis.

There are no known COVID cases among the Corporation's 700 employees. The Corporation is fully supportive of the government efforts to address the challenges by ensuring the health and safety of its employees and their families, providing support to immediate communities where the Corporation operates, and supporting broader efforts such as feeding programs *via* Project Ugnayan, creation of additional health facilities such as the WTC We Heal as One Center, and the provision of medical supplies and PPEs.

While customer demand has seen a drop by over 30%, all of the Corporation's power plants continue to operate on skeletal crew.

Notwithstanding the current challenges, the Corporation continues to execute against its turnaround plan and establish a sustainable growth path. The following significant progress were made across three (3) important areas:

- Strengthening the Corporation's balance sheet
- Expanding generation capacity
- Increasing long term customer relationships

The Corporation has also shored up its balance sheet through a series of actions:

- As part of its entry in June 2019, AC Energy infused 2.6 billion pesos of cash in the Corporation through a subscription of primary shares.
- Soon thereafter, AC Energy infused power generation assets valued at more than 14 billion pesos, through an asset for share swap. Said transaction is currently awaiting regulatory approval.
- The Board also approved the issuance of stock rights, wherein the Corporation targets to raise over 5 billion pesos in cash from the offering.

Upon completion of all the foregoing initiatives, the Corporation would have increased its balance sheet by well over 20 billion pesos, which represents a tripling of the Corporation's balance sheet.

Expanding generation capacity

With a bigger balance sheet, the Corporation expanded its generation capacity from 416 MW to well over 1100 MW. Around 700 MW of new capacity has been added to the Corporation's portfolio, of which 60% was from renewable sources. The 700 MW of additional capacity came from a combination of:

- (1) infusion of generation assets from AC Energy parent (176 MW)
- (2) acquisition of brownfield power generation assets (196 MW), and
- (3) starting the construction of new power projects (330 MW)

Increasing long term customer relationships

With an expanded generation capacity and diversified portfolio, the Corporation is able to provide compelling offers and build a strong customer base.

Increasing long term customer relationships

In September 2019, the Corporation won two (2) Meralco contracts worth 310 MW through a competitive selection process ("CSP"). The contracts were based on a five (5)-year and ten (10)-year tenor, providing steady and predictable cash flows to the Corporation. The groundbreaking CSP also required suppliers to offer fixed pricing and 100% guaranteed availability — making such a highly customer-centric approach. The innovative structure was made possible by allowing generators to supply from multiple power plants and the electricity spot market.

As a result, the Corporation was able to leverage its portfolio of power plants and deliver a compelling and winning proposition to the customer.

2019 Results

All the positive developments throughout 2019 resulted in an improvement of short-term performance, and more importantly, a positive long term outlook. From a first half loss of 550 million pesos, the Corporation improved its performance in the second half, thereby reducing the full year loss to 417 million pesos by the end of 2019. Management expects the turnaround initiative to prosper and is aiming for a positive bottom line by 2020.

Given the positive developments and outlook, the Corporation's share price has more than doubled in 2019, delivering significant value to its stockholders.

Outlook

While the Corporation faces significant challenges amidst the current crisis, it remains solid and steadfast in its commitment to a sustainable future. The President undertook the following on behalf of management:

- Continue to expand and diversify our generation capacity and target to exceed 1500 MW of capacity by 2020 and significantly increase renewables capacity;
- Enhance the operating efficiencies especially of the Corporation's thermal power plants, with an aim to improve availability by over 20%; and
- Continue to add to and nurture the customer base, and develop long term relationships

In conclusion, the President thanked the entire AC Energy Philippines team for the full dedication, hard work, and significant results delivered in such a short span of time. He also thanked the stockholders and

the Board for the continuing trust and support. The President reinforced management's commitment to work towards the aspiration of the Corporation becoming the leading renewables company in the country.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-002 to note the Corporation's Annual Report and approve the 2019 consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2019, as audited by SGV. Resolution No. S-2020-002 was shown on the screen:

Resolution No. S-2020-002

RESOLVED, to note the Corporation's Annual Report, which consists of the Chairman's Message, the President's Report, and the audio-visual presentation to the stockholders, and to approve the consolidated financial statements of the Corporation and its subsidiaries as of December 31, 2019, as audited by the Corporation's external auditor, SyCip Gorres Velayo & Co.

Thereafter, the Corporate Secretary reported that stockholders owning 5,112,423,733 shares, or 67.97% of the total outstanding shares, voted in favor of Resolution No. S-2020-002. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-002 as follows:

	For	Against	Abstain
Number of voted shares	5,112,297,733	0	0
% of total outstanding shares	67.97%	0%	0%

7. Ratification of the Acts of the Board of Directors and Officers

The Corporate Secretary announced that stockholders' ratification is being 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 September 18, 2019 until April 19, 2020, 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 its business. The acts and resolutions of the Board are reflected in the minutes of the meetings, and they include the updating of the lists of authorized representatives and bank signatories, treasury matters, budget and funding plan, investments, and matters covered by disclosures to the Securities and Exchange Commission ("SEC") and the PSE.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-003 for the ratification and approval of all the acts of the Board and officers since September 18, 2019 until April 19, 2020. Resolution No. S-2020-003 was shown on the screen:

Resolution No. S-2020-003

RESOLVED, to ratify each and every act and resolution, from September 18, 2019 to April 19, 2020 (the "Period"), 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, during the Period, of the officers of the Corporation performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation.

Thereafter, the Corporate Secretary reported that stockholders owning 5,112,423,733 shares, or 67.97% of the total outstanding shares, voted in favor of Resolution No. S-2020-003. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No.S-2020-003 as follows:

	For	Against	Abstain
Number of voted shares	5,112,297,733	0	0
% of total outstanding shares	67.97%	0%	0%

8. Approval of the Amendment of the Title and the First Article of the Articles of Incorporation to Change the Name of the Corporation to “AC Energy Corporation”

At the request of the Chairman, the President reported that the Board has agreed to endorse several amendments to the Articles of Incorporation of the Corporation, with the first proposed amendment being the change in the Corporation’s name from “AC Energy Philippines, Inc.” to “AC Energy Corporation”.

The President explained that due to the consolidation of the AC Energy Group’s international business into the Corporation as approved by the Board on March 18, 2020, the Board has deemed it appropriate to amend the name of the Corporation and remove the word “Philippines” from the corporate name, to make it clear and to emphasize that the business and operations of the Corporation are no longer limited to the Philippines but are also in other countries in the Asia Pacific region.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-004 for the change of corporate name from “AC Energy Philippines, Inc.” to “AC Energy Corporation” and the amendment of the First Article of the Articles of Incorporation for the foregoing purpose. Resolution No. S-2020-004 was shown on the screen:

Resolution No. S-2020-004

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2020-0318-11, to approve the amendment of the Title and the First Article of the Articles of Incorporation to change the name of the Corporation from “AC Energy Philippines, Inc.” to “AC Energy Corporation” such that, as amended, the amended portions of the Articles of Incorporation shall read as follows:

**AMENDED ARTICLES OF INCORPORATION
OF**

AC ENERGY CORPORATION
(formerly AC Energy Philippines, Inc.)

xxx

FIRST: That the name of said corporation shall be **AC Energy Corporation**, hereinafter called the Corporation.

xxx

Thereafter, the Corporate Secretary reported that stockholders owning 5,112,423,733 shares, or 67.97% of the total outstanding shares, voted in favor of Resolution No. S-2020-004. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-004 as follows:

	For	Against	Abstain
Number of voted shares	5,112,297,733	0	0
% of total outstanding shares	67.97%	0%	0%

9. Approval of the Amendment of the Seventh Article of the Articles of Incorporation to Increase the Authorized Capital Stock of the Corporation to PHP48.4 Billion

The President then presented the second and final proposed amendment to the Articles of Incorporation to increase the authorized capital stock from PHP24.4 billion divided into 24.4 billion shares, to PHP48.4 billion divided into 48.4 billion shares. The President explained that the Board approved the Corporation's acquisition of AC Energy's international business, currently housed under Presage Corporation ("Presage"), and the constitution of the Corporation as the single listed entity platform of the AC Energy Group. Such acquisition will be done through a tax-free exchange, with AC Energy transferring its shares of stock in Presage in consideration for additional shares in the Corporation.

The President proceeded to describe Presage as a fully owned subsidiary of AC Energy, with various investments and power projects in Indonesia, Vietnam, India, Australia, and certain other countries in the Asia Pacific region.

The issuance of additional shares to AC Energy will require an increase in the Corporation's capital stock; thus, the Board has approved the creation of additional twenty-four (24) billion shares subject to the approval of the stockholders to enable and implement the consolidation of AC Energy's international business with the Corporation.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-005 for (1) the increase of the authorized capital stock from PHP24.4 billion divided into 24.4 billion shares, to PHP48.4 billion divided into 48.4 billion shares and the amendment of the Seventh Article of the Articles of Incorporation for this purpose; and (2) the authorization of the registration under the Securities Regulation Code or listing in the Philippine Stock Exchange of the shares that will be issued out of the increase in the authorized capital stock. Resolution No. S-2020-005 was shown on the screen:

Resolution No. S-2020-005

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2020-0318-11, to increase the authorized capital stock of the Corporation from Twenty-Four Billion Four Hundred Million (24,400,000,000) Common Shares at a par value of One Peso (PHP1.00) per share to Forty-Eight Billion Four Hundred Million Pesos (PHP48,400,000,000.00) divided into Forty-Eight Billion Four Hundred Million (48,400,000,000) Shares at a par value of One Peso (PHP1.00) per share and for this purpose, to amend the Seventh Article, such that, as amended, the Seventh Article shall read as follows (xxx are ellipses to denote that portions of the provision not subject of the amendment were redacted for brevity):

SEVENTH: That the authorized capital stock of said corporation is FORTY-EIGHT BILLION FOUR HUNDRED MILLION PESOS (PHP48,400,000,000.00) Philippine Currency, and said capital stock is

divided into FORTY-EIGHT BILLION FOUR HUNDRED MILLION (48,400,000,000) shares with a par value of One Peso (PHP1.00) per share.

xxx

RESOLVED, FURTHER, to approve and authorize the registration and/or listing of the shares that will be issued out of the increase in the authorized capital stock with the Securities and Exchange Commission and/or the Philippine Stock Exchange, and to authorize any two (2) of the "Class A" Attorneys-in-Fact of the Corporation to sign and execute any and all documents, and to perform any and all acts, as may be necessary or required to implement the registration and/or listing of the shares to be issued.

Thereafter, the Corporate Secretary reported that stockholders owning 5,111,780,733 shares, or 67.96% of the total outstanding shares, voted in favor of Resolution No. S-2020-005. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-005 as follows:

	For	Against	Abstain
Number of voted shares	5,111,654,733	643,000	0
% of total outstanding shares	67.96%	0.01%	0%

10. Approval of the Amendment of the Title of the By-Laws to Change the Name of the Corporation to "AC Energy Corporation"

The Chairman proceeded with the next item on the agenda on the proposed amendment to the By-Laws of the Corporation to reflect the change in the Corporation's name to "AC Energy Corporation."

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-006 for the amendment of the Title of the By-Laws to reflect the change in the Corporation's name to "**AC Energy Corporation**". Resolution No. S-2020-006 was shown on the screen:

Resolution No. S-2020-006

RESOLVED, as recommended by the Board of Directors in Resolution No. B-2020-0318-12, to approve the amendment of the Title of the By-Laws to change the name of the Corporation from "AC Energy Philippines, Inc." to "AC Energy Corporation" as follows:

AMENDED BY-LAWS OF

AC ENERGY CORPORATION

(formerly AC Energy Philippines, Inc.)

Thereafter, the Corporate Secretary reported that stockholders owning 5,112,423,733 shares, or 67.97% of the total outstanding shares, voted in favor of Resolution No. S-2020-006. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-006 as follows:

	For	Against	Abstain
Number of voted shares	5,112,297,733	0	0
% of total outstanding shares	67.97%	0%	0%

11. Election of Directors

Mr. Hermosura explained that in accordance with the requirements of the Corporation's By-Laws, the Manual of Corporate Governance, and the Rules of the SEC, the following stockholders were duly nominated to the Board for the ensuing term: Fernando Zobel de Ayala, Jaime Augusto Zobel de Ayala, Gerardo C. Ablaza, Jr., Jose Rene Gregory D. Almendras, John Eric T. Francia, John Philip S. Orbeta, Consuelo D. Garcia, Ma. Aurora D. Geotina-Garcia, Sherisa P. Nuesa, Melinda L. Ocampo, and Mario Antonio V. Paner.

Mdmes. Garcia, Geotina-Garcia, Nuesa, and Ocampo and Mr. Paner have been nominated as Independent Directors.

The Corporate Governance and Nomination Committee of the Board ascertained that the eleven (11) nominees, including the five (5) nominees for Independent Directors, are qualified to serve as Directors of the Corporation, and that all nominees have given their consent to their nominations.

The Corporate Secretary reported that each of the eleven (11) nominees has garnered at least 5,112,058,733, which represent 67.96% of the total outstanding shares. Thus, each nominee has received sufficient number of votes for election to the Board.

With such certification, the Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-007 for the election of the eleven (11) nominees to the Board. Resolution No. S-2020-007 was shown on the screen:

Resolution No. S-2020-007

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

Fernando Zobel De Ayala
Jaime Augusto Zobel De Ayala
Gerardo C. Ablaza, Jr.
Jose Rene Gregory D. Almendras
John Eric T. Francia
John Philip S. Orbeta
Consuelo D. Garcia (*Independent Director*)
Ma. Aurora D. Geotina-Garcia (*Independent Director*)
Sherisa P. Nuesa (*Independent Director*)
Melinda L. Ocampo (*Independent Director*)
Mario Antonio V. Paner (*Independent Director*)

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the final votes received by the nominees based on the total cumulative votes received are as follows:

Director	For
1. Fernando Zobel de Ayala	5,112,297,733
2. Jaime Augusto Zobel de Ayala	5,112,297,733
3. Gerardo C. Ablaza, Jr.	5,112,297,733
4. Jose Rene Gregory D. Almendras	5,112,297,733
5. John Eric T. Francia	5,112,297,733
6. John Philip S. Orbeta	5,112,297,733
7. Consuelo D. Garcia	5,111,932,733
8. Ma. Aurora Geotina-Garcia	5,111,932,733
9. Sherisa P. Nuesa	5,112,297,733
10. Melinda L. Ocampo	5,112,297,733
11. Mario Antonio V. Paner	5,112,297,733

12. Appointment of External Auditor and Fixing of Its Remuneration

Mr. Hermosura informed the stockholders that the Audit Committee evaluated the performance during the past year of the Corporation's present auditor, the firm of SGV, and found it satisfactory. Therefore, the Committee and the Board endorsed the appointment of SGV as the Corporation's external auditor for the present fiscal year for an audit fee of Php1,325,750.00, exclusive of value-added tax and out of pocket expenses.

The Corporate Secretary, on behalf of management, proposed the adoption of Resolution No. S-2020-008 for the election of the Corporation's external auditor and fixing of its remuneration. Resolution No. S-2020-008 was shown on the screen:

Resolution No. S-2020-008

RESOLVED, as endorsed by the Board of Directors, to approve the appointment of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2020 for an audit fee of One Million Three Hundred Twenty-Five Thousand Seven Hundred Fifty Pesos (PHP 1,325,750.00), exclusive of value-added tax and out-of-pocket expenses.

Thereafter, the Corporate Secretary reported that stockholders owning 5,111,780,733 shares, or 67.96% of the total outstanding shares, voted in favor of Resolution No. S-2020-008. Therefore, the said resolution was approved.

As tabulated by the Committee of Inspectors of Proxies and Ballots and validated by SGV, the stockholders voted on Resolution No. S-2020-008 as follows:

	For	Against	Abstain
Number of Voted Shares	5,111,654,733	0	643,000
% of Shares voted	67.96%	0%	0.01%

13. Other Matters

There being no other matters for consideration by the stockholders, the Chairman opened the floor for questions or comments from the stockholders. The Assistant Corporate Secretary read the questions and comments together with the names of the stockholders who sent them.

Anabele R. Natividad (stockholder): *“What is the status of the previously announced stock rights offering?”*

President: During the annual stockholders' meeting in September 2019, the Corporation announced that it will be undertaking a stock rights offering (“SRO”) of up to 2.27 billion shares at an offer price range of PhP2.25 to 2.37 per share. The Corporation has made the necessary regulatory filings with the SEC and the PSE in November 2019 and has been in constant discussions with the regulators. Management hopes to receive regulatory approval soon so that the Corporation can complete the SRO within the second quarter of the year. The Corporation has also previously announced that AC Energy will not exercise its pre-emptive rights in the first round of the SRO to allow minority stockholders to recover from the partial dilution arising from the infusion of AC Energy's Philippine assets into the Corporation.

Jacqui E. de Jesus (stockholder): *“Will additional investment be required from minority shareholders again with the additional infusion of AC Energy, Inc.'s international assets into ACEPH?”*

President: As with the first asset-for-share swap between the Corporation and AC Energy, the minority stockholders will not be compelled to subscribe to additional shares of the Corporation after the international asset infusion by AC Energy. However, in line with the requirements of the PSE, the Corporation will need to undertake a follow-on offering (“FOO”) after this second asset-for-share swap. The FOO will be a public offering and will not be limited to existing stockholders of the Corporation. The Corporation still needs to secure regulatory approvals for the infusion of AC Energy's international assets into the Corporation, so there is no definite timeline yet for the FOO. Management will inform the stockholders and the public in due course upon the Corporation's receipt of the necessary regulatory approvals.

Louis T. Aniban (stockholder): *“How did the COVID-19 pandemic affect ACEPH's business?”*

President: The pandemic has had a significant impact on the Corporation's business environment. In Luzon, the Corporation has seen over 30% decline in the demand for power because industries and commercial businesses are on hold. The foregoing has resulted in some reduction in the Corporation's offtake volumes. Most of the Corporation's plants are under bilateral contracts or feed-in tariff arrangements, so the Commercial Operations team is working closely with customers and suppliers to ensure that a balanced portfolio is maintained in terms of energy supplied and energy delivered. For projects that are under construction, there have been some inevitable delays due to restrictions on working onsite due to the quarantine. However, the development teams continue with planning and permitting work on projects to maximize timelines. AC Energy is one with the Ayala Group's efforts to help with various COVID-19 related efforts, including significant contributions from its employees in terms of financial contributions and volunteer work.

Hannielynn F. Tucay (stockholder): *“Given low oil prices today, does this affect the development of our renewable projects and the economics of our projects?”*

President: Low oil prices bode well for renewables and for the Corporation. Renewables still require either battery storage or peaking / ancillary plants such as gas or diesel plants to make renewable energy dispatchable or reliable. Given today's low oil prices, the Corporation's peaking plants are in a very good position to provide cost efficient peaking power supply and ancillary services to the grid. At present, battery

storage is still an expensive proposition to serve the foregoing purpose. The Corporation currently has 224MW of diesel peaking plants in operations, with another 150MW under construction – all of which complement the Corporation's renewables generation.

Rodrigo M. San Pedro (stockholder): *"What is the impact of the E&S policy and coal divestment to ACEPH's existing thermal plants?"*

President: With its E&S policy, the Corporation will now focus on renewables investments and will not be making additional investments in coal plants. The Corporation, however, remains open to thermal technologies such as gas or diesel fired power plants that complement its renewables assets and developments. The Corporation will explore as whether it is feasible to transition South Luzon Thermal Energy Corporation ("SLTEC") feedstock to biomass. The Corporation is also open to considering bringing in a partner and reducing its stake in SLTEC, consistent with the Corporation's transition to a low carbon portfolio and coal divestment by 2030.

14. Adjournment

There being no other comments or questions from the stockholders, the Chairman adjourned the meeting. The Chairman announced that the Corporation will be posting a link to the recorded webcast of the meeting on its website, and that stockholders may raise issues, clarifications, and concerns on the meeting within two (2) weeks from posting of the link or by sending an e-mail to corpsec.aceph@acenergy.com.ph.

The Chairman thanked the stockholders for joining the meeting and wished everyone continued good health amidst the turbulent times.

SOLOMON M. HERMOSURA
Corporate Secretary


DODJIE D. LAGAZO
Assistant Corporate Secretary


ALAN T. ASCALON
Assistant Corporate Secretary

ATTESTED BY:

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