

(d) is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;

(e) has not been employed in any executive capacity by the Corporation, and any of its related companies and/or by any of its substantial shareholder within the last five (5) years;

(f) is not retained as professional adviser by the Corporation, and or/any of its related companies and/or any of its substantial shareholder within the last five (5) years;

(g) is not retained, either personally or through his firm or any similar entity, as professional adviser, by the Corporation, any of its related companies and/or any of its substantial shareholders, either personally or through his firm; or

(h) has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company which he is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial;

(i) is not otherwise disqualified as independent director by prevailing laws or the Corporation's Manual of Corporate Governance.

For purposes of the foregoing, a "related company" of the Corporation shall be any of the following: (i) its parent company, (ii) its subsidiaries, or (iii) subsidiaries of its parent company. Also, a "substantial shareholder" shall mean any person who, directly or indirectly, beneficially owns more than ten percent (10%) of any class of security issued by the Corporation.<sup>1</sup>

**E. TERM OF OFFICE** -The directors shall be elected annually in the manner provided in these By-Laws and each director shall hold office until the annual meeting held next after his election and until his successor shall have been elected and shall have qualified, or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. The directors named in the Articles of Incorporation of the Corporation and their successors in accordance with these By-Laws shall hold office until the first annual meeting of the stockholders for the election of directors and until their successors shall have been elected and shall have qualified.

Section 3. **Election of Directors.** - At each meeting of the stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote shall be the directors.

In case of any increase in the number of directors, the additional directors may be elected by the stockholders (i) at the first annual meeting held after such increase has been approved, (ii) or at a special meeting called for the purpose, or (iii) at the same meeting authorizing the increase of directors if so stated in the notice of the meeting.

Section 4. **Quorum and Manner of Acting.** - Except as otherwise provided by statute, by the Articles of Incorporation or by these By-Laws, a majority of the number of directors specified in the Articles of Incorporation shall constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which there is a quorum shall be valid as a corporate act. In the absence a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.

<sup>1</sup> As approved by the Board of Directors at the meeting held on 23 July 2004.



Section 5. **Place of Meeting.** - The Board of Directors may hold its meeting at the principal office of the Corporation or at such other places within or outside the Republic of the Philippines as the Board may from time to time determine or shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 6. **Organizational Meeting.** - The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual election of directors and on the same day, at the same place at which regular meetings of the Board of Directors are held. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the directors.

Section 7. **Regular Meetings.** - Regular meetings of the Board of Directors shall be held at such places and such time as the Board shall from time to time by resolution determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day not a legal holiday. Notice of regular meetings need not be given.

Section 8. **Special Meetings; Notice.** - Special meetings of the Board of Directors shall be held when called by the Chairman of the Board, or the President, or by the Secretary at the request of any two (2) of the directors. Notice of each such meeting shall be mailed to each director, addressed to him at his residence or usual place of business, at least ten (10) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable, or facsimile, or be delivered personally or by telephone, not later than five (5) days before the day on which the meeting is to be held. Every such notice shall state the time and place of the meeting but need not state the purpose thereof except as otherwise in these By-Laws expressly provided. Notice of any meeting of the Board need not be given to any director, if waived by him in writing or by telegraph, cable, radio or wireless whether before or after such meeting is held or if he shall be present at the meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given to any director, if all of the directors shall be present thereat.

Section 9. **Resignations.** - Any director of the Corporation may resign at any time by giving written notice to the Chairman of the Board, the President or the Secretary of the Corporation. The resignation of any director shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. **Removal of Directors.** - Any director may be removed, either with or without cause, at any time, by the affirmative vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock entitled to vote at a regular meeting or at a special meeting of the stockholders called for the purpose and held after due notice as provided in Section 28 of the Corporation Code. The vacancy in the Board caused by any such removal may be filled by the stockholders at such meeting without further notice, or at any regular or at any special meeting called for the purpose after giving notice as prescribed by the Corporation Code.

Section 11. **Vacancies.** - Any vacancy in the Board of Directors caused by death, resignation, disqualification, or any other cause, except by removal or expiration of term may be filled by the majority vote of the remaining directors then in office, constituting a quorum, upon the nomination of the Nomination Committee, provided, that specific slots for independent directors shall not be filled by unqualified nominees.<sup>2</sup> Each director so elected shall hold office for a term to expire at the next annual election of directors, and until his successor shall be duly elected and qualified, or until his death, resignation or removal in the manner herein provided.

<sup>2</sup> As approved by the Board of Directors at the meeting held on 23 July 2004.

Section 12. **Compensation.** - Except for reasonable per diems, directors, as such, shall be entitled to receive only such compensation as may be granted to them by the vote of the stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders. In no case shall the total yearly compensation of directors, as such, exceed 10% of the net income before income tax of the Corporation during the preceding year.

#### **ARTICLE V: Committees**

Section 1. **Executive Committee.** - The Board of Directors may, by resolution or resolutions passed by a majority of all its members, create an executive committee whose members shall be appointed by the Board. At least three members of the executive committee shall be members of the Board. Except as provided in Section 35 of the Corporation Code, the executive committee shall have and exercise all such powers as may be delegated to it by the Board. The executive committee shall keep regular minutes of its proceedings and report the same to the Board whenever required. The Board shall have the power to change the members of the executive committee at any time, to fill vacancies therein and to discharge or dissolve such committee either with or without cause.

Section 2. **Nomination Committee.** - The Nomination Committee shall have at least three (3) members, one of whom in an independent director. The Nomination Committee shall: (i) ensure that the Board of Directors has an appropriate balance required industry knowledge, expertise, and skills needed to govern the Corporation towards achieving its intended goals and objectives; (ii) review and evaluate all candidates nominated to Officer positions in the Corporation that require Board approval prior to effectivity of such Officer appointments or promotions; and, (iii) shortlist, assess, and evaluate all candidates nominated to become a member of the Board.

**A. NOMINATION OF DIRECTORS.** - Nomination of directors shall be conducted by the Nomination Committee prior to a stockholders' meeting.

All nominations shall be submitted to the Nomination Committee by any stockholder of record on or before January 30 of each year to allow the Nomination Committee sufficient time to assess and evaluate the qualifications of the nominees.

All recommendations for the nomination of the independent directors shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

**B. LIST OF CANDIDATES** - After the nomination, the Committee shall prepare a List of Candidates which shall contain all the information about all the nominees for election as members of the Board of Directors, which list shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports as the Corporation will be required to submit to the SEC.

The name of the person or group of persons who recommended the nomination of the independent director(s) shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the List of Candidates shall be eligible for election as directors. No other nominations for election as director shall be entertained after the List of Candidates shall be entertained or allowed on the floor during the actual annual stockholders' meeting.<sup>1</sup>

---

<sup>1</sup> As approved by the Board of Directors at the meeting held on 23 July 2004.



Section 3. **Other Committees.** - The majority of all the members of the Board of Directors may by resolutions create other committees with such powers and functions as may be delegated to them by the Board. All such committees shall keep a record of their proceedings and report the same to the Board, whenever required. The Board shall have the power to appoint and remove the members of such committees and may at any time with or without cause dissolve any of such committees.

#### **ARTICLE VI: Officers**

Section 1. **Number.** - The officers of the Corporation shall be a Chairman of the Board, one or more Vice-Chairmen<sup>1</sup>, a General Manager, a Secretary, a Treasurer and such other officers as may from time to time be elected or appointed by the Board of Directors. Any two or more positions may be held concurrently by the same person, except that no one shall act as President and Secretary or as President and Treasurer at the same time.

Section 2. **Election, Term of Office & Qualifications.** - The Chairman of the Board, one or more Vice Chairmen, the President, the Vice President(s), the General Manager, the Secretary and the Treasurer shall be elected annually by affirmative vote of a majority of all the members of the Board of Directors. Each officer shall hold office until his successor is elected and qualified in his stead, or until he shall have resigned or shall have been removed in the manner hereinafter provided. Such other officer as may from time to time be elected or appointed by the Board of Directors shall hold office for such period, have such authority and perform such duties as are provided in these By-Laws or as the Board of Directors may determine. The Chairman of the Board, one or more Vice Chairmen, and the President shall be chosen from among the directors, and the Secretary shall be a resident and a citizen of the Philippines.<sup>2</sup>

Section 3. **Removal.** - Any officer may be removed, either with or without cause, by the vote of a majority of the whole Board of Directors.

Section 4. **Resignations.** - Any officer may resign at any time by giving written notice to the Board of Directors, to the Chairman or Vice Chairman of the Board, or to the President. Any such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. **Vacancies.** - A vacancy in the office because of death, resignation, removal, disqualification or any other caused may be filled for the unexpired portion of the term by the Board of Directors.

Section 6. **Chairman of the Board.** - The Chairman of the Board of Directors shall, if present, preside at all meetings of the stockholders and of the stockholders and of the Board of Directors.<sup>3</sup> The Chairman shall also perform such others duties as shall from time to time be assigned to him by the Board of Directors.

Section 7. **Vice Chairman of the Board.** - In the absence of the Chairman, any one of the Vice Chairmen<sup>4</sup> of the Board shall preside at all meetings of the stockholders and of the Board of Directors. The Vice Chairman shall also perform such other duties as shall from time to time be assigned to him by the Board of Directors.

---

<sup>1</sup> As last amended during the Board of Directors' meeting of May 17, 2000, pursuant to the authority granted by the stockholders to the Board of Directors in a meeting held on January 23, 1993, in accordance with Section 48 of the Corporation Code.

<sup>2</sup> *Ibid.*

<sup>3</sup> As approved by the Board of Directors at the meeting held on 20 June 2017.

<sup>4</sup> As last amended during the Board of Directors' meeting of May 17, 2000, pursuant to the authority granted by the stockholders to the Board of Directors in a meeting held on January 23, 1993, in accordance with Section 48 of the Corporation Code.

Section 8. ***President.*** - The President shall be both the Chief Executive Officer<sup>5</sup> and Chief Operating Officer of the Corporation, and subject to the control of the Board of Directors, shall have general supervision of the business affairs of the Corporation. He shall, in the absence of the Chairman and the Vice Chairmen<sup>6</sup> of the Board, preside at all meetings of the stockholders and of the Board of Directors. He may sign with the Secretary any or all certificates of stock of the Corporation; provide the stockholders and the Board of Directors such reports, memoranda, accounts and data which may be required of him; and, in general, perform all duties incident to the office of the President and such other duties as may from time to time be assigned to him by the Board of Directors as prescribed by these By-Laws.

Section 9. ***Vice President.*** - At the request of the President, any Vice President who is also a director, or in the absence or disability of the President, the most senior Vice President who is also a director, shall perform all the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Any Vice President shall perform such other duties as may, from time to time, be assigned to him by the Board of Directors or the President.

Section 10. ***The General Manager.*** - The General Manager shall exercise direct and active management of the business and operations of the Corporation; execute and implement the orders, resolutions and policies of the Board of Directors; submit such reports, memoranda, accounts and data which may be required of him by the President or the Board of Directors; and, in general, exercise such powers and perform such duties as may be incidental to his office or management of the Corporation.

Section 11. ***The Secretary.*** - The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the stockholders and of the Board of Directors; shall give, or cause to be given, notice of all meetings of stockholders and directors and all other notices required laws or by these By-Laws; and in the case of his absence or refusal or neglect to do so, any such notice may be given by any person directed by the President, or by the directors or stockholders, upon whose request the meeting is called as provided in these By-Laws; shall be custodian of records and of the seal of the Corporation and see that the seal or a facsimile thereof is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws, and shall attest the same; shall keep a register of the post office address of each stockholder, and make all the proper changes in such register, retaining and filing his authority for all such entries; shall see that the books, statements, certificates and all other documents and records required by law are properly kept and filed; may sign with the President any or all certificates of stock of the Corporation; shall, unless otherwise determined by the Board of Directors, have the charge of the original stock books, transfer books and stock ledgers and act as a transfer agent in respect of the stock and securities of the Corporation; and, in general, shall perform all duties incident to the office of the Secretary, and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President.

Section 12. ***The Treasurer.*** - The Treasurer shall give such bond for the faithful performance of his duties as the Board of Directors may require. He shall have charge and duties of, and be responsible for, all funds, securities, evidences of indebtedness and other valuable documents of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust

---

<sup>5</sup> As approved by the Board of Directors at the meeting held on 20 June 2017

<sup>6</sup> As last amended during the Board of Directors' meeting of May 17, 2000, pursuant to the authority granted by the stockholders to the Board of Directors in a meeting held on January 23, 1993, in accordance with Section 48 of the Corporation Code.



companies or other depositories as shall be selected in accordance with the provisions of these By-Laws; at all reasonable times exhibit his books of account and records to any of the directors of the Corporation where such books and records are kept; when required by the President or the Board of Directors render a statement of the condition of the finances of the Corporation; receive, and give, or cause to be given, receipts for money due and payable to the Corporation from any source whatsoever, and pay out money as the business of the Corporation may require; and, general, perform all the duties incident to the office of the Treasurer, and such other duties as may, from time to time be assigned to him by the Board of Directors or by the President.

Section 13. **Compensation.** - The Board of Directors shall fix the salaries and bonuses of all officers. The fact that any officer is a director shall not preclude him from receiving a salary bonus, or from voting upon the resolution fixing the same.

Section 14. **Indemnification of Directors and Officers.** - The Corporation shall indemnify every director or officer, his heirs, executors and administrators against all costs and expenses reasonably incurred by such person in connection with any civil, criminal, administrative, or investigative action, suit or proceeding (other than an action by the Corporation) to which he may be, or is made a party by reason of his being or having been a director or officer of the corporation, except in relation to the matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct.

In the event of a settlement or compromise, indemnification shall provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified did not commit a breach of duty as such director or officer.

The amount payable by way of indemnity shall be determined and paid only pursuant to a resolution adopted by a majority of the members of the Board of Directors.

The costs and expense incurred in defending the aforementioned action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceedings as authorized in the manner provided for in the preceding paragraph upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this section.

## **ARTICLE VII: Dividends and Finance**

Section 1. **Fiscal Year.** - The fiscal year of the Corporation shall commence with the opening of business on the first day of January each calendar year and shall close on the 31st day of December of the same calendar year

Section 2. **Dividends.** - Dividends shall be declared only from the surplus profit and shall be payable at such time in such manner and in such amounts as the Board of Directors shall determine. No dividends shall be declared which would impair the capital of the Corporation.

Section 3. **Auditors.** - Auditors shall be designated by the Board of Directors prior to the close of the business in each fiscal year, who shall audit and examine the books of account of the Corporation and shall certify to the Board of Directors and the shareholders the annual balances of said books which shall be prepared at the close of the said year under the direction of the Treasurer. no director or officer of the Corporation, and no firm or corporation of which such officer or director is a member, shall be eligible to discharge duties of Auditor. The compensation of the Auditor shall be fixed by the Board of Directors.

**ARTICLE VIII: Seal**

The seal of the Corporation shall indicate the name of the Corporation and the year of incorporation, and shall be in such design and size as may be approved by the Board of Directors.

**ARTICLE IX: Amendments**

All By-Laws of the Corporation shall be subject to amendment, alteration or repeal, and new By-Laws, not consistent with any provision of law may be made by the affirmative vote of a majority of the Board of Directors and a majority of the outstanding capital stock of the Corporation entitled to vote in respect thereof, given at an annual meeting or at any special meeting, provided that notice of the proposed amendment, alteration or repeal or of the proposed new By-Laws be included in the notice of such meeting.

The Board of Directors may likewise amend, alter or repeal By-Laws or adopt a new By-Laws, at any regular or special meeting of the Board, if authorized by the stockholders as provided in Section 48 of the Corporation Code.

The foregoing By-Laws were adopted by all subscribers of the Corporation on 09 October 1992 at the principal office of the Corporation.

**IN ATESTATION OF THE ABOVE**, we, the undersigned incorporators, at said meeting and voting thereat in favor of the adoption of said By-Laws have subscribed our names this 9th day of October 1992 at Makati, Metro, Manila.

(signed)  
**DAVID C. GO**  
Incorporator

(signed)  
**GERARDO O. LANUZA, JR.**  
Incorporator

(signed)  
**WILSON L. SY**  
Incorporator

(signed)  
**VICTORIA SAY HI PEK**  
Incorporator

(signed)  
**GREGORIO T. YU**  
Incorporator

**ATTEST:**  
(signed)  
**A. BAYANI K. TAN**  
Secretary of the Stockholder's Meeting