



33F Tower One, Ayala Triangle, Ayala Avenue  
Makati City, 1226 Philippines  
www.ayala.com.ph

March 21, 2019

**Securities and Exchange Commission**  
PICC Complex, Roxas Boulevard, Pasay City

Attention: Director Vicente Graciano P. Felizmenio, Jr.  
*Director, Markets & Securities Regulation Department*

**Philippine Stock Exchange**  
6/F, PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street,  
Bonifacio Global City, Taguig City

Attention: Ms. Janet A. Encarnacion  
*Head, Disclosure Department*

**Philippine Dealing and Exchange Corporation**  
37/F Tower 1, The Enterprise Center  
6766 Ayala Ave cor. Paseo de Roxas, Makati City

Attention: Mr. Joseph B. Evangelista  
*Head, Issuer Compliance and Disclosure Department*

Gentlemen:

Please see attached updated notice and agenda of our annual stockholders' meeting which is set for April 26, 2019.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Solomon M. Hermosura'.

SOLOMON M. HERMOSURA  
Corporate Secretary and Chief Legal Officer

## NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **AYALA CORPORATION** will be held at the Ballroom 2 of the Fairmont Makati, 1 Raffles Drive, Makati Ave., Makati City, on **Friday, April 26, 2019** at **9:00 o'clock in the morning** with the following

### A G E N D A<sup>1</sup>

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of Previous Meeting
4. Annual Report
5. Ratification of the Acts of the Board of Directors and Officers
6. Amendment to the Second Article of the Articles of Incorporation to Expressly Include in the Primary Purpose the Power to Act as Guarantor or Surety for the Loans and Obligations of its Affiliates or Associates
7. Election of Directors (Including the Independent Directors)
8. Election of External Auditor and Fixing of its Remuneration
9. Consideration of Such Other Business as May Properly Come Before the Meeting
10. Adjournment

Only stockholders of record as of March 12, 2019 are entitled to notice of, and to vote at, this meeting.

Stockholders may attend in person or by proxy. Duly accomplished proxies shall be submitted on or before April 15, 2019 to the Office of the Corporate Secretary at 3/F Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City. Validation of proxies is set for April 17, 2019 at 9:00 a.m. at the Office of the Corporate Secretary.

This notice supersedes the notice filed on February 26, 2019 with the Securities and Exchange Commission and the Philippine Stock Exchange.

Makati City, March 21, 2019.

A handwritten signature in black ink, appearing to read 'Solomon M. Hermosura', written in a cursive style.

**SOLOMON M. HERMOSURA**

Corporate Secretary and  
Chief Legal Officer

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<sup>1</sup> See next page for the explanation for each agenda item.

## **EXPLANATION OF AGENDA ITEMS**

### Call to order

The Chairman will formally open the meeting at approximately 9:00 o' clock in the morning.

### Certification of notice and quorum (and rules of conduct and procedures)

The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

Pursuant to Sections 57 and 23 of the Revised Corporation Code which allow voting through remote communication or *in absentia* by the stockholders, the Corporation has set up an online web address (URL) which may be accessed by the stockholders to register and vote on the matters at the meeting through remote communication or *in absentia*.<sup>2</sup> A stockholder who votes through remote communication or *in absentia* shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for the meeting:

- (i) Anyone who wishes to make a remark shall identify himself after being acknowledged by the Chairman and shall limit his remarks to the item in the Agenda under consideration.
- (ii) On voting procedures, stockholders present at the meeting may opt for manual or electronic voting. For manual voting, each stockholder will be given, upon registration, a ballot where he can write his vote on every item in the Agenda or proposed resolution. For electronic voting, there will be computer stations outside the Ballroom where stockholders may cast their votes electronically, using a digital version of the ballot. Stockholders voting *in absentia*, who have previously registered through the online web address (URL) provided, may cast their votes electronically at any time using such online web address prior to or during the meeting. Each of the proposed resolutions will be shown on the screen as the same is taken up at the meeting.
- (iii) All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting, except for the amendment to the Second Article of the Articles of Incorporation which will require the affirmative vote of stockholders representing not less than two-thirds of the outstanding capital stock.
- (iv) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes.
- (v) The Office of the Corporate Secretary will tabulate all votes received and an independent third party will validate the results. The Corporate Secretary shall report the results of voting during the meeting.

### Approval of minutes of previous meeting

The minutes of the meeting held on April 20, 2018 are available at the Company's website, [www.ayala.com.ph](http://www.ayala.com.ph). Copies of the minutes will also be distributed to the stockholders upon their registration for the meeting.

### Annual report

The Chairman and Chief Executive Officer, Mr. Jaime Augusto Zobel de Ayala, and the President and Chief Operating Officer, Mr. Fernando Zobel de Ayala, will report on the performance of the Company in 2018 and the outlook for 2019.

A printed version of the Company's Integrated Report will contain the Message from the Chairman and the Report of the President. Copies of the Integrated Report will be distributed to the stockholders and posted on the Company's website, [www.ayala.com.ph](http://www.ayala.com.ph).

The Audited Financial Statements as of December 31, 2018 (AFS), as approved by the Board upon the recommendation of the Audit Committee, will be embodied in the Information Statement to be sent to the stockholders at least 15 business days prior to the meeting.

### Ratification of the acts of the Board of Directors and Officers

The acts and resolutions of the Board and its committees were those adopted since the annual stockholders' meeting on April 20, 2018 until April 26, 2019. They include the approval of the amendments to the By-Laws, contracts and agreements, projects and investments, treasury-related matters and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange. The acts of

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<sup>2</sup> The detailed instructions pertaining to the URL and the use thereof will be provided in the Information Statement.

management were those taken to implement the resolutions of the Board or its committees or made in the general conduct of business.

Amendment to the Second Article of the Articles of Incorporation to Expressly Include in the Primary Purpose the Power to Act as Guarantor or Surety for the Loans and Obligations of its Affiliates or Associates

Approval by the stockholders representing at least two-thirds of the outstanding capital stock will be sought to amend the Second Article of the Articles of Incorporation to expressly include as part of the acts that the Company may perform for the furtherance of its primary purpose, its acting as guarantor and surety for the loans and obligations of its affiliates or associates. The Board approved this proposed amendment during its meeting on March 12, 2019.

Election of directors (including the independent directors)

The Corporate Governance and Nomination Committee of the Board evaluated and determined that the seven (7) nominees for directors, including the nominees for independent directors, have all the qualifications and competence necessary for the effective performance of the Board's roles and responsibilities, and none of the disqualifications to serve as members of the Board.

The profiles of the nominees to the Board will be provided in the Information Statement.

Election of external auditor and fixing of its remuneration

The Audit Committee of the Board will endorse to the stockholders the appointment of SGV & Co. as the external auditor for the ensuing fiscal year as well as its proposed remuneration.

The profile of SGV & Co. will be provided in the Information Statement.

Consideration of such other business as may properly come before the meeting

The Chairman will open the floor for comments and questions by the stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting.