

**MINUTES OF THE ANNUAL MEETING  
OF THE STOCKHOLDERS**

**OF**

**ENERGY DEVELOPMENT CORPORATION**

Held on May 11, 2021 at 10:00 A.M.

Via remote communication at [https://conveneagm.com/ph/edc\\_asm2021](https://conveneagm.com/ph/edc_asm2021)

The 2021 annual stockholders' meeting ("ASM") of Energy Development Corporation ("EDC" or the "Company") was conducted via live webcast at [https://conveneagm.com/ph/edc\\_asm2021](https://conveneagm.com/ph/edc_asm2021). Prior to the start of the meeting proper, a short corporate video was shown, after which it was announced that the meeting would be recorded in compliance with Securities and Exchange Commission ("SEC") Memorandum Circular No. 6, Series of 2020. The Philippine National Anthem was then played, following which, the Chairman and Chief Executive Officer, Mr. Federico R. Lopez<sup>1</sup>, with the Co-Chairman for the meeting, Director Francis Giles B. Puno, started the meeting proper.

**CALL TO ORDER**

The Co-Chairman, presiding from Makati City, called the meeting to order. The Chairman announced that to ensure everyone's safety at this time when the COVID-19 pandemic continues, the annual stockholders' meeting was being conducted via remote communication. He welcomed all stockholders joining the live webcast and those who participated in the meeting by voting *in absentia* or appointing the Chairman as proxy.

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<sup>1</sup> Federico R. Lopez is also the Chairman of the Nominations and Compensation Committee, Chairman of the Operations Committee, and Chairman of the Corporate Social Responsibility Committee.

The Chairman then acknowledged the presence of the following members of the Board of Directors and management, and nominee directors at the meeting:

RICHARD B. TANTOCO<sup>2</sup>

FRANCIS GILES B. PUNO<sup>3</sup>

JONATHAN C. RUSSELL<sup>4</sup>

JOAQUIN E. QUINTOS IV<sup>5</sup>

DAVID ANDREW BALDWIN<sup>6</sup>

ANG ENG SENG<sup>7</sup>

CHRISTOPHER LOW EU SUN<sup>8</sup>

MANUEL I. AYALA<sup>9</sup>

EDGAR O. CHUA<sup>10</sup>

FRANCISCO ED. LIM<sup>11</sup>

SEBASTIAN C. QUINIONES, JR.<sup>12</sup>

TERESA GRACE SOCORRO G. LARA<sup>13</sup>

BERNADETTE ANN V. POLICARPIO<sup>14</sup>

ANA MARIA A. KATIGBAK-LIM<sup>15</sup>

ERWIN O. AVANTE<sup>16</sup>

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<sup>2</sup> Richard B. Tantoco is a Director and the President and COO.

<sup>3</sup> Francis Giles B. Puno is a Director and the Chairman of the Risk Management Committee.

<sup>4</sup> Jonathan C. Russell is a Director.

<sup>5</sup> Joaquin E. Quintos IV is a Director.

<sup>6</sup> David Andrew Baldwin is a Director.

<sup>7</sup> Ang Eng Seng is a Director.

<sup>8</sup> Christopher Low Eu Sun is a Director.

<sup>9</sup> Manuel I. Ayala is an Independent Director and Chairman of the Related Party Transactions Committee.

<sup>10</sup> Edgar O. Chua is an Independent Director.

<sup>11</sup> Francisco Ed. Lim is an Independent Director.

<sup>12</sup> Sebastian C. Quiniones, Jr. is a nominee for Independent Director.

<sup>13</sup> Teresa Grace Socorro G. Lara is a nominee for Independent Director.

<sup>14</sup> Bernadette Ann V. Policarpio is the Corporate Secretary.

<sup>15</sup> Ana Maria A. Katigbak-Lim is the Assistant Corporate Secretary.

## PROOF OF NOTICE AND CERTIFICATION OF QUORUM

The Corporate Secretary reported that pursuant to SEC Notice dated 16 March 2021, the notice of the meeting was published in print and online format in the business section of the Philippine Star and Business Mirror, both newspapers of general circulation, on April 19 and 20, 2021. An updated notice of the meeting was likewise published in the same formats in the business section of the same newspapers on May 3 and 4, 2021. A copy of the notice, Definitive Information Statement, minutes of the previous meeting, and other documents related to the meeting were also made accessible through EDC's website.

As set out in the Requirements and Procedure for Participation and Voting, which was attached to the Company's Definitive Information Statement, qualified stockholders who successfully registered within the prescribed period were included in the determination of quorum. By voting *in absentia* or by proxy or by participating remotely in the meeting, a stockholder was deemed present for purposes of determining quorum.

Based on this, the Corporate Secretary certified that there were present at the meeting stockholders owning at least 26,398,485,088 shares representing at least 99.90% of the outstanding capital stock of the Company. Therefore, there was a quorum for the transaction of business.

The Chairman stated that while the Company was holding the meeting virtually, the Company had taken steps to ensure that the stockholders would

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<sup>16</sup> Erwin O. Avante is the Chief Financial Officer, Treasurer and SEC Compliance Officer.

have an opportunity to participate in the meeting to the same extent as possible as they would have had the meeting been done in person.

In this regard, the Corporate Secretary explained the participation and voting procedures adopted for the meeting. She said that under the Company's Articles of Incorporation, all common shares and voting preferred shares had full voting rights. Except for delinquent stock, all stockholders of record as of March 1, 2021 were entitled to register and vote the number of shares in their name as of the record date. For the election of directors, each stockholder may cumulate his votes.

Qualified stockholders who successfully registered for the meeting were given the opportunity to cast their votes by voting *in absentia* (or electronic voting) or by proxy in favor of the Chairman, through a secure online voting platform, until May 6, 2021. This online voting platform contained the items for approval as indicated in the agenda set out in the notice. The proposed resolutions for these were flashed on the screen during the meeting as each item on the agenda was presented.

For all items in the agenda to be approved in the meeting other than the election of directors, the stockholders had the option to either vote in favor of or against a matter for approval, or to abstain. For the election of directors, the stockholders had the option to vote their shares for each of the nominees, not vote for any nominee, or vote for one or some nominees only, in such number of shares as the stockholders prefer; provided that the total number of votes cast did not exceed the number of shares owned by them multiplied by the number of directors to be elected.

Votes received through electronic voting or voting *in absentia* and votes cast through proxies were validated by BDO Unibank, Inc. – Securities Operations, the Company's Stock and Transfer Agent. The results of the voting, with full details of the affirmative and negative votes, as well as abstentions, are set out in Annex "A" of these Minutes.

For all items in the agenda to be approved at the meeting, other than the election of directors and the approval of the change in the principal office of the Company and amendment of the Third Article of the Articles of Incorporation, as necessary, and the investment in securities, the vote of the stockholders representing at least a majority of the outstanding capital stock would be sufficient to approve the matter.

For the election of directors, the eleven (11) nominees receiving the highest number of votes would be declared the duly elected members of the Board of Directors for the current term.

For the approval of the change in the principal office of the Company and the amendment of the Third Article of the Articles of Incorporation, as necessary, and the investment in securities, the affirmative vote of stockholders representing at least 2/3 of the outstanding capital stock would be sufficient to approve the matter.

Finally, the Corporate Secretary explained that stockholders, once successfully registered, were also given an opportunity to raise questions or express comments limited to the agenda items by submitting the same through the Company's ASM portal. Stockholders participating in the

meeting could also raise questions through the Company's email address flashed on the screen during the meeting. She stated that management would endeavor to reply to these questions or address these comments during this meeting while questions not answered would be addressed via email.

She added that these participation and voting procedures were also contained in the Definitive Information Statement, accessible to all stockholders through the Company's website and ASM portal.

#### **APPROVAL OF THE MINUTES OF THE PREVIOUS STOCKHOLDERS' MEETING**

The next item of business was the approval of the minutes of the annual meeting of the stockholders held on July 28, 2020, an electronic copy of which was made available in the Company's website.

The Corporate Secretary presented management's proposal to adopt Resolution No. 1, Series of 2021, approving the minutes of the annual stockholders' meeting held last July 28, 2020.

Thereafter, she announced that stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted in favor of approving the minutes. The following resolution was therefore approved:

#### **Resolution No. 1, Series of 2021**

**"RESOLVED**, that the minutes of the Annual Stockholders' Meeting of Energy Development Corporation held on July 28, 2020 be, as it is hereby, approved."

## **MANAGEMENT REPORT AND AUDITED FINANCIAL STATEMENTS**

The next matter on the agenda was the approval of the management report and audited financial statements. The Chairman first delivered his message to the stockholders. This was followed by the report of the President and Chief Operating Officer, Mr. Richard B. Tantoco, on the Company's operational highlights and financial results, and the consolidated audited financial statements for the year ended December 31, 2020.

The Corporate Secretary then presented management's proposal to adopt Resolution No. 2, Series of 2021, noting the annual report of management as presented by the Chairman and the President, and approving the consolidated audited financial statements for the year ended December 31, 2020.

Thereafter, she announced that stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted in favor of the proposed resolution, as follows:

### **Resolution No. 2, Series of 2021**

**"RESOLVED**, that the stockholders of Energy Development Corporation (the "Company") hereby note the annual report of management as presented by the Chairman and the President and Chief Operating Officer, and approve the Company's audited financial statements for the year ended December 31, 2020."

## **RATIFICATION OF ACTS OF MANAGEMENT AND THE BOARD OF DIRECTORS**

The next item was the ratification and approval of corporate acts. The Chairman stated that a summary of the acts of management and the Board for

ratification was included in the Definitive Information Statement. It was also noted that such acts for ratification were flashed on the screen for the stockholders' reference as the matter was being discussed.

The Corporate Secretary then presented management's proposal to adopt Resolution No. 3, Series of 2021, ratifying all acts, contracts, resolutions, and deeds authorized and entered into by the management and the Board of Directors from the last annual stockholders' meeting up to the present.

Thereafter, she announced that stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted in favor of the proposal. The following resolution was therefore approved:

**Resolution No. 3, Series of 2021**

**"RESOLVED**, that all acts, contracts, resolutions, and deeds, authorized and entered into by the Board of Directors and the management of the Company from the date of the last annual stockholders' meeting up to the present be, as these are hereby, approved, ratified, and confirmed."

**CHANGE IN THE PRINCIPAL OFFICE OF THE COMPANY AND AMENDMENT OF THE THIRD ARTICLE OF THE ARTICLES OF INCORPORATION, AS NECESSARY**

The next item was the proposal to change the principal office of the Company and, for this purpose, to amend the Third Article of the Company's Articles of Incorporation, as necessary.

The Corporate Secretary presented management's proposal to adopt Resolution No. 4, Series of 2021, approving the change in the principal office of the Company from One Corporate Centre to Rockwell Business Center, still in Ortigas, Pasig City and the amendment of the Third Article of the Articles



of Incorporation, as necessary. She said that the move is part of the Company's initiative to optimize office space use, and leverages the reduced on-premise work seen post-COVID-19.

Thereafter, she announced that the stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted in favor of the proposal. The following resolution was therefore approved:

**Resolution No. 4, Series of 2021**

**"RESOLVED**, that the stockholders of Energy Development Corporation (the "Company") authorize, as it hereby authorizes, the change in the principal office of the Company from 'One Corporate Centre, Julia Vargas corner Meralco Avenues, Ortigas Center, Pasig City, Philippines' to 'Rockwell Business Center Tower 3, Ortigas Avenue, Pasig City, Philippines', and the amendment of the Third Article of the Company's Articles of Incorporation, as necessary;

**"RESOLVED, FURTHER**, that the directors and officers of the Company, acting singly or jointly, be, as they are hereby empowered, authorized, and directed to sign, execute, deliver, and file the necessary certifications, documents, and papers with the Securities and Exchange Commission and other government agencies, and to perform any and all acts necessary or appropriate to implement the foregoing resolution."

**APPROVAL OF THE COMPANY'S REGISTRATION AS A QUALIFIED INSTITUTIONAL BUYER AND INVESTMENT IN SECURITIES**

The next item was the proposal to register the Company as a Qualified Institutional Buyer ("QIB") and to invest in unregistered securities not exceeding 20% of the Company's investments per counterparty.

Mr. Erwin O. Avante, Vice President & Chief Financial Officer/Treasurer and Compliance Officer for SEC, presented management's

proposal to adopt Resolution No. 5, Series of 2021, approving the Company's registration as a QIB pursuant to SEC Memorandum Circular No. 6, Series of 2009 and the Securities Regulations Code, and the authority to invest in unregistered securities (including but not limited to shares of stocks, bonds, short-term commercial papers, promissory notes, private placements, and certificates of deposit) not exceeding 20% (or such other percentage as the Board may deem appropriate) of the Company's investment per counterparty. Approval was also sought to authorize the directors and officers of the Company, acting singly or jointly, to sign, execute and deliver and file the necessary certifications, documents, and papers with the SEC, other government agencies, and third parties and to perform all acts necessary or appropriate to implement the foregoing resolution.

Mr. Avante explained that as a QIB, the Company would have wider access and could invest in unregistered securities such as promissory notes and private placements. Generally, these securities provided better rates than time deposits, bonds, and other securities for the same tenor. Currently, more than 95% of the Company's investments were placed in short-term time deposits yielding a weighted average interest rate of 0.785%. With a QIB license, the Company could invest in promissory notes for at least 2.25% gross or 1.675% net interest for the same tenor. As a QIB, the Company would be expected to be more financially sophisticated and to have conducted a more thorough due diligence of the issuer and the security, hence requiring less regulatory protection than non-QIBs. To mitigate this risk, he said that the Company would be more prudent in selecting the securities to invest in.

Thereafter, the Corporate Secretary announced that stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted in favor of approving the proposal. The following resolution was therefore approved:

**Resolution No. 5, Series of 2021**

**“RESOLVED**, that the stockholders of Energy Development Corporation (the “Company”) hereby approve and authorize the registration of the Company as a Qualified Institutional Buyer and the investment in unregistered securities (including but not limited to shares of stocks, bonds, short-term commercial papers, promissory notes, private placements, and certificates of deposit) not exceeding 20% (or such other percentage as the Board may deem appropriate) of the Company’s investments per counterparty;

**RESOLVED, FURTHER**, that the directors and officers of the Company, acting singly or jointly, be, as they are hereby empowered, authorized, and directed to sign, execute, deliver, and file the necessary certifications, documents, and papers, with the Securities and Exchange Commission, other government agencies, and third parties, and to perform any and all acts necessary or appropriate to implement the foregoing resolution.”

**ELECTION OF DIRECTORS**

The next matter on the agenda was the election of the members of the Board of Directors of the Company.

The Corporate Secretary explained that under the SEC rules, the Company’s Manual on Corporate Governance, and relevant Committee Charter, only nominees whose names have been submitted to and evaluated by the Nomination and Compensation Committee, and whose names appear in the Final List of Candidates set forth in the Definitive Information Statement, shall be eligible for election as regular and independent directors. The background and qualifications of the nominees were provided in the same Definitive Information Statement.

She also stated that under Section 23 of the Revised Corporation Code, every stockholder present at the meeting was entitled to vote the number of shares in his name as of the record date, March 1, 2021. Each stockholder may vote such number of shares for as many persons as there were directors to be elected, which was 11; or he may cumulate said shares and give one candidate votes equal to the number of his shares multiplied by 11; or he may distribute his votes among as many candidates as he shall see fit. However, the total number of votes cast by the stockholder shall not exceed the number of shares owned by him multiplied by 11.

The Corporate Secretary then announced that there were only eight (8) candidates for the eight (8) available seats for regular director, and three (3) candidates for three (3) seats for independent director. She said that the candidates receiving the highest number of votes for the eight (8) available seats for regular director and for the three (3) available seats for independent director shall be declared as the duly elected members of the Board of Directors for 2021-2022.

The Chairman, in his concurrent capacity as Chairman of the Nomination and Compensation Committee, then announced the names of the nominees for regular and independent directors whose qualifications were screened and nominations duly approved in accordance with pertinent laws and regulations and the Company's By-laws and Manual on Corporate Governance:

For Regular Directors

1. FEDERICO R. LOPEZ
2. RICHARD B. TANTOCO
3. FRANCIS GILES B. PUNO
4. JONATHAN C. RUSSELL

5. JOAQUIN E. QUINTOS IV
6. DAVID ANDREW BALDWIN
7. CHRISTOPHER LOW EU SUN
8. ANG ENG SENG

For Independent Directors

9. MANUEL I. AYALA
10. SEBASTIAN C. QUINIONES, JR.
11. TERESA GRACE SOCORRO G. LARA

Full details of the background and qualifications of the nominees were disclosed in the Company's Definitive Information Statement.

At the Chairman's request, the Corporate Secretary announced that based on the tabulation and validation by the Stock and Transfer Agent, stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, voted to elect all the eleven (11) candidates to the Board of Directors. The summary of the votes received by each candidate was flashed on the screen (this can also be found in Annex "A" of these minutes).

The eleven (11) candidates were therefore declared as the duly elected members of the Board of Directors of the Company for the term 2021-2022.

**ACKNOWLEDGMENT OF OUTGOING INDEPENDENT DIRECTORS**

The Chairman acknowledged outgoing Independent Directors Edgar O. Chua and Francisco Ed. Lim, both of whom had provided invaluable guidance to the Company.

He said that both Independent Directors Chua and Lim had been instrumental in ensuring the integrity of the Company's financial reporting and

internal control systems, as chairman and member of the Audit and Governance Committee, respectively. They had likewise contributed significantly to the improvement of the corporate governance framework and practices, which had garnered several noteworthy awards for the Company, including the Gold Rank Award in 2010 and 2011, Asia's most promising company, and one of the top 50 publicly listed companies on corporate governance in 2013 and 2014, and finally, the Institutional Investors' Governance Award in 2016. These recognitions were a testament to the Company's good corporate governance.

In the same manner that the Company strives for continuous improvement, Independent Director Chua initiated the creation of the Related Party Transactions Committee in 2015 to further enhance corporate governance practices. Independent Directors Chua and Lim became the committee's pillars as members who actively participated in the review, endorsement, and approval of the Company's policies, guidelines, and actual related party transactions, ranging from Php50 Million to Php250 Million.

As Chairman of the newly formed Health, Safety, and Environment ("HSE") Committee of the Board, Independent Director Chua steered the Company towards the transformation and embedding of the Company's HSE culture by emphasizing the need to go beyond statistics, which was done by personalizing safety-related incidents and their impact on the workers and their families, and by constantly reminding the team on the need to come up with grounded solutions to the Company's safety challenges rather than academic ones.

Independent Director Chua, as Chairman of the Philippine Eagle Foundation, was instrumental in the Company's continuing partnership with the foundation for the preservation of Philippine Eagles in Mount Apo. This

initiative that continues to elevate our environment was definitely a step in the right direction of the Company's regenerative mission.

On behalf of the Company, the Chairman thanked Independent Directors Chua and Lim for helping the Company become a more robust and better-governed organization, and wished them all the best as they move on to other roles beyond the Company.

#### **APPOINTMENT OF EXTERNAL AUDITOR**

The next item was the appointment of the Company's external auditor. The Corporate Secretary informed the stockholders that the Audit and Governance Committee reviewed the qualifications and performance of the Company's current external auditor, Sycip Gorres Velayo & Company ("SGV & Co."), and endorsed its reappointment for the current year. In this regard, she then presented management's proposal to adopt Resolution No. 6, Series of 2021, reappointing SGV & Co. as the Company's external auditor for the current year.

Thereafter, she announced that stockholders owning at least 26,398,253,288 shares, representing at least 99.90% of the outstanding capital stock, approved the following resolution:

#### **Resolution No. 6, Series of 2021**

**"RESOLVED**, that the auditing firm SGV & Co. be, as it is hereby, reappointed as the Company's external auditor for the current year 2021-2022."

## **OTHER MATTERS**

The Chairman inquired whether there were any questions raised or comments made on the agenda submitted through the ASM portal.

The Corporate Secretary replied that no questions or comments were received through the portal, and that any questions that may have been raised through email during the meeting would be replied to by email as well. Upon verification, no questions were raised through email during the meeting.

## **ADJOURNMENT**

There being no other item in the agenda, the meeting was adjourned. The Chairman advised the stockholders that a copy of the recorded proceedings would be made available to them upon request while the minutes of this meeting would be made available at the Company's website. He then conveyed his wishes for the safety and good health of the stockholders and their families.

**BERNADETTE ANN V. POLICARPIO**  
Corporate Secretary

**A T T E S T E D B Y:**

**FEDERICO R. LOPEZ**  
Chairman and Chief Executive Officer

**RICHARD B. TANTOCO**  
President and Chief Operating Officer



**ANNEX "A"  
(VOTING RESULTS)**

AGENDA ITEMS	ACTION			
Item 1. Call to Order	No action necessary.			
Item 2. Proof of Notice and Certification of Quorum	No action necessary.			
	<b>FOR</b>	<b>%</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Item 3. Approval of the Minutes of the Previous Stockholders' Meeting	26,398,253,288	99.90%	0	231,800
Item 4. Approval of the Management Report and Audited Financial Statements for the year ended December 31, 2020	26,398,253,288	99.90%	0	231,800
Item 5. Ratification of Acts of Management and the Board of Directors	26,398,253,288	99.90%	0	231,800
Item 6. Change in the Principal Office of the Company and the Amendment of Third Article of the Articles of Incorporation, as necessary	26,398,253,288	99.90%	0	231,800
Item 7. Approval of the Company's Registration as Qualified Institutional Buyer and Investment in Securities	26,398,253,288	99.90%	0	231,800
Item 8. Election of Directors	Votes per nominee shown below			
<b>For Regular Director:</b>	Votes per nominee shown below			
Federico R. Lopez	26,398,253,288	99.90%	0	231,800
Richard B. Tantoco	26,398,253,288	99.90%	0	231,800
Francis Giles B. Puno	26,398,253,288	99.90%	0	231,800
Jonathan C. Russell	26,398,253,288	99.90%	0	231,800
Joaquin E. Quintos IV	26,398,253,288	99.90%	0	231,800
David Andrew Baldwin	26,398,253,288	99.90%	0	231,800
Christopher Low Eu Sun	26,398,253,288	99.90%	0	231,800
Ang Eng Seng	26,398,253,288	99.90%	0	231,800
<b>For Independent Director:</b>	Votes per nominee shown below			
Manuel I. Ayala	26,398,253,288	99.90%	0	231,800

Sebastian C. Quiniones, Jr.	26,398,253,288	99.90%	0	231,800
Teresa Grace Socorro G. Lara	26,398,253,288	99.90%	0	231,800
Item 9. Approval of appointment of SGV & Co. as the Company's external auditor	26,398,253,288	99.90%	0	231,800
Item 10. Adjournment	No action necessary.			

\* Percentage is based on total outstanding voting shares of EDC at **26,423,626,071**.

ATTENDANCE	No. of Shares	Percentage
<b>Outstanding</b>	<b>26,423,626,071</b>	<b>100.00%</b>
<b>In Absentia</b>	<b>1</b>	<b>0%</b>
<b>Proxy</b>	<b>26,398,485,087</b>	<b>99.90%</b>
<b>Total</b>	<b>26,398,485,088</b>	<b>99.90%</b>