

EAGLE CEMENT CORPORATION
Minutes of the Annual Meeting of the Stockholders
19 July 2023; Wednesday; 2:45 PM
via Videoconference

STOCKHOLDERS PRESENT:	TYPE OF SHARES	NO. OF SHARES
In Person:		
Ramon S. Ang	Common	1
John Paul L. Ang	Common	1
Manny C. Teng	Common	1
Monica L. Ang-Mercado	Common	1
Mario K. Surio	Common	1
Manuel P. Daway	Common	1
Luis A. Vera Cruz, Jr.	Common	1
Melinda Gonzales-Manto	Common	1
Ricardo C. Marquez	Common	1
Martin S. Villarama, Jr.	Common	1
By Proxy:		
San Miguel Equity Investments Inc. Represented by: Ramon S. Ang	Common	4,997,903,671
Total No. of Shares Present or Represented at the Meeting	Common	4,997,903,681
Total No. of Shares Issued and Outstanding	Common	5,000,000,005
Percentage of Shares of Stock Present	Common	99.96%

DIRECTORS PRESENT:

RAMON S. ANG
JOHN PAUL L. ANG
MANNY C. TENG
MONICA L. ANG-MERCADO
MARIO K. SURIO
MANUEL P. DAWAY
LUIS A. VERA CRUZ, JR.
MELINDA GONZALES-MANTO (ID)
RICARDO C. MARQUEZ (ID)
MARTIN S. VILLARAMA, JR. (ID)

ALSO PRESENT:

FABIOLA B. VILLA
MARLON P. JAVARRO
MARIA FARAH Z.G. NICOLAS-SUCHIANCO
CHERYL S. SALDAÑA-DE LEON
JULIAN ELIZAR D. TORCUATOR
MA. CRISTINA M. LLEVA

I. NATIONAL ANTHEM AND INVOCATION

The Philippine national anthem was played via livestream. Afterwards, Director Manny C. Teng led the invocation.

II. CALL TO ORDER

The President and CEO, Mr. John Paul L. Ang, was appointed as Chairman of the Meeting. Mr. Ang called the meeting to order and presided over the same. The Corporate Secretary, Atty. Maria Farah Z.G. Nicolas-Suchianco, recorded the minutes of the meeting.

III. CERTIFICATION OF NOTICE AND QUORUM

The Board of Directors approved a resolution dated 15 May 2023 authorizing the holding of the meeting by remote communication pursuant to Section 57 of the Revised Corporation Code, and the Securities and Exchange Commission (SEC) Memorandum Circular No. 06, Series of 2020. The Corporate Secretary advised the stockholders that, in compliance with the requirements of the SEC for meetings held through remote communication, the meeting was being recorded, which recording would form part of the records of the Corporation. The Corporate Secretary likewise ensured that the proceedings were effectively livestreamed, and that all registered participants could see and hear the livestream from their individual devices.

The Corporate Secretary certified that the notice of annual meeting of the stockholders, along with the procedure for participation and casting of votes through remote communication, was published in the business section of two (2) newspapers of general circulation, in print and online format, for two (2) consecutive days, or on 27 and 28 June 2023. The Corporate Secretary noted that copies of the Information Statement, Management Report, Minutes of the 2022 Annual Stockholders' Meeting, and Annual Report were available and could be accessed through the Corporation's website and the PSE Edge.

As confirmed by the Corporation's Stock Transfer Agent, Rizal Commercial Banking Corporation, the Corporate Secretary certified that out of 5,000,000,005 issued and outstanding common shares, stockholders owning a total of 4,997,903,681 common shares, representing 99.96% of the total issued and outstanding common shares of the Corporation, were present through remote communication and by proxy. Proxies and the votes on each agenda item were tabulated by the office of the Corporate Secretary. There was, therefore, a quorum present for the transaction of business.

IV. APPROVAL OF THE PREVIOUS STOCKHOLDERS' MEETING MINUTES

The Chairman of the Meeting presented the minutes of the previous stockholders' meeting held on 23 June 2022 for ratification by the stockholders. Upon motion duly made and seconded, the stockholders passed and approved the following resolution:

"RESOLVED, that the minutes of the Annual Meeting of Stockholders held on 23 June 2022 be approved and ratified."

V. PRESENTATION OF THE ANNUAL REPORT

The Chairman of the Meeting called the Chief Finance Officer, Director Monica L. Ang-Mercado, to deliver the Annual Report to the stockholders.

A. 2022 Financial Performance and 2023 Latest Interim Financial Performance

Ms. Ang-Mercado announced that the Corporation recorded a 23% increase in net sales at the end of 2022. Gross profit margin registered at 31%. Sales of Bagged Cement remains the biggest contributor accounting for 83% of the total sales, Bulk Cement represents 17%. EBITDA decreased by 46% with a compressed margin of 27%. Net Income ended lower by 22%, with margin at 18%.

The Corporation maintained its strong performance despite market contraction with net sales for the first quarter of 2023 increasing by 3%. Inflationary cost pressure pulled down EBITDA by 12% and net income by 18%.

The Corporation's total asset value grew to PhP55.5Billion, total liabilities decreased by 4% from end-2022 level, and shareholders' equity improved by 3%. The Corporation also has a strong cash flow generation that helped maintain its very healthy debt profile.

B. Business Highlights

Ms. Ang-Mercado reported that the acquisition of the Corporation by San Miguel Equity Investments Inc. (SMEII) was completed on 14 December 2022. The acquisition strengthens the Corporation's ability to tap opportunities within the San Miguel group to grow its business and will strongly benefit from the backing of a large conglomerate like San Miguel Corporation.

She also reported that in order to mitigate inflationary pressures, the Corporation has implemented cost-efficiency measures in its operations. In 2022, the Corporation commissioned the installation of hot gas duct from Pyro Line 3 to Finish Mill 5. This has reduced diesel consumption and subsequently CO2 emission in the plant.

C. Sustainable Development and Corporate Social Responsibility

Ms. Ang-Mercado reported that the Corporation continues to undertake its Social and Development Management Program and Corporate Social Responsibility activities as follows:

1. *Family and Community* – The Corporation continues its feeding program for the children from low-income families to promote health and nutrition. The Corporation also donated relief goods, consisting of rice, canned good, biscuits and drinks, among others, to 150 families of Barangay Anyatam affected by Super Typhoon Karding on 30 September 2022. In December, the Corporation held its 7th Krismasaya Outreach Program in partnership with SNMC and SDMP Scholars. Each of the 500 children from Barangays Akle, Talbak, Alagao, Gabihan, and Camachin received a bag of Christmas goodies, meals, and toys.
2. *Heath and Emergency Response* – The Corporation continues to provide various healthcare services, supplies, and equipment to various communities. Among these programs, the Corporation conducts a weekly community clinic to provide free treatment and medication to community residents. On 24 June 2022, the Corporation partnered with Medicard Foundation to conduct a medical mission at Barangay Talbak. A total of 401 patients were attended to for medical, optical, and dental services.
3. *Scholarship Program and Support to Public Schools* – The Corporation has granted a total of 800 scholarships to high school and college students. In December 2022, the Corporation turned over 1 unit each of motorcycle with side car to DepEd Narra Elementary School and Alternative Learning System of Barangay Doña Remedios Trinidad to cater to the transport requirements of the school, teachers, and students.
4. *Environment-related Programs* – As part of the National Greening Program and Mining Forest Program, the Corporation planted 9,642 trees over 15.43 hectares of land. In June 2022, the Corporation also launched Bambusetum, a garden with a collection of bamboo trees, as part of its commitment to conservation and rehabilitation. On the same month, the Corporation also signed a Memorandum of Agreement with Region 3's DENR and MGB for the National Greening Program. This involved the adoption of 50 hectares of forest land located in DRT, Bulacan.
5. *Awards and Recognitions* – The Corporation defines excellence by embedding every aspect of sustainability into our business. For the ninth consecutive year, the Company won the Presidential Mineral Industry Environmental Award (PMIEA) and bagged its first Best Mining Forest Award, third-runner up, in the Non-Metallic Category in 2022. These awards demonstrate the Corporation's continuing commitment to environmental stewardship and responsibility.

The Corporation also received the highest score for Tenement, Safety, Health, Environment and Social Development (TSHES) for 2021 and 2022 in Region 3. The award shows the strong commitment and advocacy for safety, health, environment and social development of the Corporation. The Corporation also received the Best Poster Award in the said event.

In January 2023, the Institute of Corporate Directors awarded the Corporation a 2-Golden Arrow Recognition for its 2021 ASEAN Corporate Governance Scorecard. The Corporation will also be awarded its first 3-Golden Arrow Recognition in September 2023 for the 2022 ASEAN Corporate Governance Scorecard.

The Chairman of the Meeting thanked Director Ang-Mercado for the Report and opened the floor for questions from the audience.

There being no questions, and upon motion duly made and seconded, the stockholders passed and approved the following resolution:

“RESOLVED, that the Annual Report of the Corporation as presented be approved.”

VI. APPROVAL AND RATIFICATION OF ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Chairman of the Meeting requested the Corporate Secretary to present a summary of all acts of the Board of Directors and Management, embodied in the resolutions issued from 23 June 2022 up to the date of this meeting. The summary of all acts was thereafter flashed on the screen. The stockholders thereafter approved and ratified the acts as presented to them.

Upon motion duly made and seconded, the following resolution was passed and approved:

“RESOLVED, that the acts of the Corporation’s Officers and Board of Directors embodied in the resolutions that have been issued in accordance with the procedures provided in the Corporation’s By-Laws from 23 June 2022, up to 19 July 2023, be approved, confirmed and ratified.”

VII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman of the Meeting requested Director Melinda Gonzales-Manto, the Chairperson of the Audit and Risk Committee, to make a recommendation on the appointment of an external auditor. Director Gonzales-Manto recommended the re-appointment of the professional services firm of Reyes Tacandong & Co., CPAs, as the Corporation’s external auditor for the year 2023.

Upon motion duly made and seconded, the stockholders passed and approved the following resolutions:

“RESOLVED, that the professional services firm of Reyes Tacandong & Co., CPAs, is hereby appointed as the Corporation’s external auditor for the year 2023.”

VIII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Corporate Secretary presented the list of nominees for Independent Directors as pre-qualified by the Corporate Governance Committee, and the list of other nominees for the election to the Board of Directors. All the following nominees have all the qualifications and none of the disqualifications to be a director under the law, the Corporation’s By-Laws, and the Corporation’s Manual on Corporate Governance:

Nominee	Position
Ramon S. Ang	Director
John Paul L. Ang	Director
Manny C. Teng	Director
Monica L. Ang-Mercado	Director
Manuel P. Daway	Director
Mario K. Surio	Director
Luis A. Vera Cruz, Jr.	Director
Melinda Gonzales-Manto	Independent Director
Gen. Ricardo C. Marquez (Ret.)	Independent Director
Justice Martin S. Villarama, Jr. (Ret.)	Independent Director
Winston A. Chan	Independent Director

Considering that the number of directors to be elected was eleven (11) and there were only eleven (11) nominees, upon motion duly made and seconded, all eleven (11) nominees were considered unanimously elected as Directors of the Corporation for the ensuing year, until their successors are elected and qualified. The votes of the stockholders present and represented by proxies were distributed and recorded accordingly.

IX. ADJOURNMENT

There being no other matters to discuss and upon motion duly made and seconded, the meeting was adjourned.

Certified true and correct:

MARIA FARAH Z.G. NICOLAS-SUCHIANCO
Corporate Secretary

Attested:

RAMON S. ANG
Chairman

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