



## NOTICE AND AGENDA OF THE ANNUAL MEETING OF STOCKHOLDERS

**NOTICE** is hereby given that the Annual Meeting of Stockholders of **ABOITIZ EQUITY VENTURES INC.** (the “Company”) will be held on **April 26, 2021, Monday, 4:00 p.m.** (the “2021 ASM”). The meeting will be conducted virtually and will be accessible through the link that will be provided in the Company’s website at <https://aboitiz.com/2021asm> (the “ASM Portal”) on March 23, 2021.

The Agenda\* of the meeting is as follows:

1. Call to Order
2. Proof of Notice of Meeting and Determination of Quorum
3. Reading and Approval of the Minutes of the Previous Stockholders’ Meeting held on April 27, 2020
4. Presentation of the President’s Report
5. Approval of the 2020 Annual Report and Financial Statements
6. Appointment of the Company’s External Auditor for 2021
7. Election of the Members of the Board of Directors
8. Approval of the Increase in the Per Diem of the Chairman of the Board and Chairmen of the Board Committees
9. Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management from 2020 up to April 26, 2021
10. Other Business
11. Adjournment

Only stockholders of record at the close of business on March 23, 2021 are entitled to notice of and to vote at this meeting.

In light of the continuing COVID-19 global pandemic and government-imposed restrictions on mass gathering, the Company will once again conduct a virtual annual stockholders’ meeting. The annual stockholders’ meeting will be conducted through an online platform and streamed live on 4:00 pm (Philippine time) on April 26, 2021.

Stockholders may attend by registering at the ASM Portal beginning March 23, 2021 until 1:00 p.m. on April 26, 2021. Once registered, stockholders may send in their questions or remarks through the ASM Portal.

Stockholders may vote through proxy, or remotely *in absentia*.

Registered stockholders may cast their votes by remote communication or *in absentia* using the online voting platform available at the ASM Portal, which will be activated on March 23, 2021. Votes cast by registered stockholders until 3:00 pm of April 26, 2021, will be tabulated and presented during the 2021 ASM. Stockholders may still vote after the cut-off time, and the final votes received through proxy and through the ASM Portal after the adjournment of the meeting will be included in the minutes of the 2021 ASM. The procedures for attendance and voting during the 2021 ASM will be included in the Information Statement to be distributed to the stockholders and will be published in the Company’s website at [www.aboitiz.com](http://www.aboitiz.com).

Stockholders may send their duly accomplished proxies on or before the close of business hours on April 19, 2021 to the Corporate Secretary through email at [aboitizboardsecretariat@aboitiz.com](mailto:aboitizboardsecretariat@aboitiz.com) and hard copies at the 18th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City. Validation of proxies will be on April 22, 2021 at the Office of the Corporate Secretary. **WE ARE NOT SOLICITING PROXIES.**

For the Board of Directors,

**MANUEL ALBERTO R. COLAYCO**  
Corporate Secretary

\*The rationale for each Agenda item is explained in the attached Annex “A” and may also be viewed at AEV’s website at [www.aboitiz.com](http://www.aboitiz.com) under Annual Stockholders’ Meeting in the Investor Relations Page.

**ANNEX "A"**  
**EXPLANATION OF AGENDA ITEMS**  
*(including Agenda items requiring Stockholders' Approval)*

**ITEM NO. 1:** The Chairman will formally open the meeting at approximately 4:00 P.M.

**ITEM NO. 2: Proof of Notice of Meeting and Determination of Quorum**

**RATIONALE:** *To inform the stockholders that notice requirements for the 2021 Annual Stockholders' Meeting (ASM) have been complied with in accordance with the Company's By-Laws and the Revised Corporation Code of the Philippines, and that quorum exists for the transaction of business.*

The Corporate Secretary will certify the date when notices for the 2021 ASM were sent out to the stockholders of record, including the dates of publication and the newspapers where the notice was published. The Corporate Secretary will also certify to the existence of a quorum, as verified and confirmed by the Board of Election Inspectors. Stockholders representing at least a majority of the outstanding capital stock, present in person or by proxy, shall constitute a quorum for the transaction of business.

Voting shall be through proxy or remote communication or *in absentia*. Pursuant to Section 4, 5 and 6 of the Company's Amended By-Laws and Sections 23 and 57 of the Revised Corporation Code which allow voting through remote communication or *in absentia*, stockholders may access the link: <http://www.aboitiz.com/2021asm> (the "ASM Portal"), to register and vote on the matters at the meeting beginning on March 23, 2021. A stockholder voting in absentia shall be deemed present for the purpose of quorum.

Votes may be cast by registered stockholders until 3:00 pm of April 26, 2021, which will be tabulated and presented during the 2021 ASM. Stockholders may still vote after the cut-off, and the final total votes received through proxy and through the ASM Portal will be included in the minutes of the 2021 ASM.

The following are the rules of conduct and procedures for voting and participation in the meeting through remote communication:

1. Stockholders may register and vote at the Company's ASM Portal beginning on March 23, 2021 until 1:00 p.m. on April 26, 2021. Only stockholders who registered before the cut-off time will be counted for quorum purposes.
2. Votes cast by registered stockholders until 3:00 pm of April 26, 2021, will be tabulated and presented during the 2021 ASM. Stockholders may still vote after the cut-off, and the final total votes received through proxy and through the ASM Portal will be included in the minutes of the 2021 ASM.
3. The conduct of the 2021 ASM will be livestreamed and registered stockholders may participate through the Company's ASM Portal.
4. Stockholders may send in their remarks or questions in advance, or during the meeting, through the ASM Portal. The moderator shall read out the remarks or questions, and direct them to the relevant director or officer.
5. Each of the proposed resolutions for approval will be shown on screen at the time they are being taken up at the meeting.
6. All votes received within the cut-off shall be tabulated by the Office of the Corporate Secretary and the results shall be validated by Luis Cañete & Company, an independent auditing firm which has been appointed as the Board of Election Inspectors.
7. The Corporate Secretary shall report the votes received and inform the stockholders if the particular agenda item is carried or disapproved. The total number of votes cast for all items for approval, as of the cut-off time, will be flashed on the screen.

**ITEM NO. 3: Reading and Approval of the Minutes of the Previous Stockholders' Meeting held on April 27, 2020**

*RATIONALE: To allow the stockholders to confirm that the proceedings during the ASM were recorded accurately and truthfully.*

The minutes of the meeting held on April 27, 2020 was posted at AEV's website, [www.aboitiz.com](http://www.aboitiz.com), on April 28, 2020. Copies of the 2020 ASM minutes will also be part of the Information Statement provided to the stockholders.

A resolution approving the minutes of the April 27, 2020 ASM will be presented to the stockholders for approval.

**ITEM NO. 4: Presentation of the President's Report**

*RATIONALE: To apprise the stockholders of the Company's operating performance, financial condition and outlook.*

The President and Chief Executive Officer, Mr. Sabin M. Aboitiz, shall deliver a report to the stockholders on the 2020 operating and financial performance of the Company, as well as its outlook for 2021.

**ITEM NO. 5: Approval of the 2020 Annual Report and Financial Statements**

*RATIONALE: To present to the stockholders the results of the Company's operations in 2020, in accordance with Section 74 of the Revised Corporation Code.*

The Company's audited financial statements as of December 31, 2020 will be integrated and made part of the Company's Information Statement that will be sent to the stockholders at least 15 business days prior to the 2021 ASM. The Information Statement and the Company's 2020 Annual report will be posted on the Company's website at [www.aboitiz.com](http://www.aboitiz.com).

A resolution approving the 2020 Annual Report and Audited Financial Statements shall be presented to the stockholders for approval.

**ITEM NO. 6: Appointment of the Company's External Auditor for 2021**

*RATIONALE: To appoint an auditing firm which can best provide assurance to the directors and stockholders on the integrity of the Company's financial statements and adequacy of its internal controls. The Board Audit Committee and the Board of Directors will endorse an external auditor for 2021 for the shareholders to appoint.*

The Company's Board Audit Committee endorsed, and the Board of Directors approved for the stockholders' consideration the election of Sycip Gorres Velayo & Co. (SGV) as the Company's external auditor for 2021.

SGV has been AEV's Independent Public Accountant for more than 26 years. Ms. Maria Veronica Andresa R. Pore has been AEV's audit partner since audit year 2017. AEV complies with the requirement of Sec 3(b)(ix) of SRC Rule 68 on the rotation of external auditors or signing partners and the two-year cooling-off period.

There was no event in the past 26 years wherein AEV and SGV or its handling partner had any disagreement regarding any matter relating to accounting principles or practices, financial statement disclosures or auditing scope or procedures.

A resolution for the appointment of the Company's external auditor for 2021, and ratifying the fees shall be presented to the stockholders for approval.

**ITEM NO. 7: Election of the Members of the Board of Directors**

**RATIONALE:** *To allow stockholders to elect the Company's Board of Directors in accordance with Section 24 of the Revised Corporation Code and the Company's By-Laws.*

A stockholder may submit his or her nominee to the Company's Board of Directors in accordance with the deadlines set forth in the Company's Amended By-Laws. Under the Amended Guidelines for the Nomination and Election of Independent Directors, the period for nominations for Independent Directors started on January 1, 2021 and the table of nominations closed on February 15, 2021, unless the Board Environment, Sustainability, and Corporate Governance (ESCG) Committee, acting as the Nominations Committee, unanimously agrees to extend the deadline for meritorious reasons. The stockholders who nominated the Independent and other directors are disclosed in the Company's Information Statements. The Board ESCG Committee assesses and evaluates the nominees before submitting the final list of qualified nominees to the stockholders for approval. The profiles of all the nominees are (i) disclosed to the Securities and Exchange Commission, the Philippine Stock Exchange, and the Philippine Dealing Exchange, (ii) included in the Company's Information Statements, and (iii) uploaded in the Company's website for examination by the stockholders.

A stockholder may distribute his shares for as many nominees as there are directors to be elected, or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected, provided that the total number of votes cast does not exceed his shares in the Company. The nine nominees receiving the highest number of votes will be declared elected as directors of the Company.

**ITEM NO. 8: Approval of the Increase in the Per Diem of the Chairmen of the Board and Board Committees**

**RATIONALE:** *To approve the increase in the per diem of the Board and Board Committees*

During its February 16, 2021 meeting, the ESCG Committee, which performs the function of the Nomination and Compensation Committee, received a proposal from management to increase the per diem of Board and Board Committee Chairmen for every meeting as follows:

PER DIEM PER BOARD MEETING	DIRECTORS		CHAIRMAN OF THE BOARD	
	From	To	From	To
	₱150,000.00	No change	₱200,000.00	<b>₱225,000.00</b>

PER DIEM PER COMMITTEE MEETING (OTHER THAN AUDIT COMMITTEE)	DIRECTORS		CHAIRMAN OF THE BOARD	
	From	To	From	To
	₱100,000.00	No change	₱130,000.00	<b>₱150,000.00</b>

  

PER DIEM PER AUDIT COMMITTEE MEETING	DIRECTORS		CHAIRMAN OF THE BOARD	
	From	To	From	To
	₱100,000.00	No change	₱130,000.00	<b>₱200,000.00</b>

The per diems for the Board and Committee chairpersons were last increased in 2019. As noted by management, since then the Company's businesses have expanded in scope and became more complicated in nature, particularly taking into account the challenges caused by the COVID-19 pandemic. As a matter of effective corporate governance, these challenges have led to a corresponding increase in the responsibilities of the Board and Committee chairpersons. The proposal by management to increase the per diems of the Board and Board Committee Chairmen was made after a review of the Board compensation structures of comparable companies with the same Board size, revenue, assets, and market capitalization.

During its Board Meeting dated March 5, 2021, the Board of Directors reviewed the proposed increases in the per diems for the Board and Committee chairpersons, and, having considered the rationale provided for the proposed increases and greater responsibilities of the chairpersons, endorsed the same for stockholders' approval.

There are no proposed changes to the monthly allowance and per diem of other members of the Board.

A resolution approving the proposed increase in per diem of the Board and Committee chairpersons shall be presented to the stockholders for approval.

**ITEM NO. 9: Ratification of the Acts, Resolutions and Proceedings of the Board of Directors, Corporate Officers and Management in 2020 up to April 26, 2021**

*RATIONALE:* The acts and resolutions of the Board of Directors, Corporate Officers and Management were those adopted since the 2020 ASM last April 27, 2020 until April 26, 2021. These included the approval of contracts and agreements and other transactions in the ordinary course of business. A summary of these acts and resolutions are enumerated in the Information Statement. The Company also regularly discloses material transactions approved by the Board of Directors. These disclosures are available for viewing and download at the Company's website at [www.aboitiz.com](http://www.aboitiz.com).

A resolution ratifying the acts and proceedings of the Board of Directors, Corporate Officers and Management will be presented to the stockholders for approval.

**ITEM NO. 10: Other Business**

The Chairman will open the floor for comments or queries by the stockholders. Stockholders are given the opportunity to address the members of the Board, ask questions, and raise matters which may be properly taken up during the 2021 ASM.

---end---