

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders’ Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders’ Meeting as set forth in its By-laws.

Quorum Required	Per Amended By-Laws, at any meeting of stockholders, the holders of record for the time being of a majority of the stock of the company then issued and outstanding and entitled to vote, represented in person or by proxy, shall constitute a quorum for the transaction of business.
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Ratification of approved corporate acts.
Description	Corporate acts approved by the Board are ratified by the stockholders during the Annual Stockholders’ Meeting.

(c) Stockholders’ Rights

List any Stockholders’ Rights concerning Annual/Special Stockholders’ Meeting that differ from those laid down in the Corporation Code.

Stockholders’ Rights under The Corporation Code	Stockholders’ Rights <u>not</u> in The Corporation Code
Voting Right	None
Pre-emptive Right	None
Power of Inspection	None
Right to Information	None
Right to Dividends	None
Appraisal Rights	None

Dividends

Declaration Date	Record Date	Payment Date
July 22, 2014	August 14, 2014	September 10, 2014
October 25, 2013	November 19, 2013	December 12, 2013
June 28, 2013	July 17, 2013	August 8, 2013

November 23, 2012	December 17, 2012	January 15, 2013
December 16, 2011	January 2, 2012	January 25, 2012
September 30, 2011	October 14, 2011	November 10, 2011
May 27, 2011	June 10, 2011	July 7, 2011

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

Measures Adopted	Communication Procedure
Sending of Notice of Annual Stockholders' Meeting, together with the Agenda, Annual Report and Proxy.	Per Amended By-Laws, notice of the time and place of holding any annual meeting, or any special meeting of the stockholders, shall be given either by posting the same enclosed in a postage prepaid envelope, addressed to each stockholder of record entitled to vote, or by delivering the same to him in person. The Company observes a minimum of 15 business days for giving out of notices to the Annual; Stockholders' Meeting
Agenda for the Annual Stockholders' Meeting allots a period for stockholders' questions and suggestions.	During the Annual Stockholders' Meeting, questions and/or suggestions from the floor for the continuing improvement of operations of the Company may be given by the stockholders, and these are noted by the management.

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - a. Amendments to the company's constitution
 - b. Authorization of additional shares
 - c. Transfer of all or substantially all assets, which in effect results in the sale of the company

It is the policy of the company to encourage stockholders to participate in the discussions of the above corporate acts during the annual stockholders' meeting when the Presiding Officer opens the floor for discussions of other matters.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?

Yes, the company observes a minimum of 15 business days for giving out notices to the Annual Stockholders' Meeting.

- a. Date of sending out notices: July 1, 2014 (Preliminary Information Statement to PSE/SEC.)
- b. Date of the Annual/Special Stockholders' Meeting: July 22, 2014

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Cash Dividend Declaration	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting	None	None
Appointment of External Auditor	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting	None	None
Ratification of Approved Corporate Acts	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting	None	None
Amendment of Article third of the Articles of Incorporation changing the principal place of office pursuant to SEC Memorandum Circular No. 6, Series of 2014.	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting	None	None

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:

Disclosures with SEC on the same date.

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

Modifications	Reason for Modification
None (No modifications were made in the regulations for the July 22, 2014 Annual Stockholders' Meeting)	N/A (No modifications were made)

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
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Annual	Dr. Ma. Cristina D. Padolina Basilio C. Yap Dr. Angel C. Alcala Dr. Alejandro C. Dizon Dr. Johnny C. Yap Ms. Corazon M. Tiongco	July 22, 2014			313,134,437	84.08
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(ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs?

The stockholders entitled to voter may, at any stockholders' meeting, appoint one person (who need not be stockholders) to act as inspector of election at all meetings of the stockholders until the close of the next annual meeting. If any inspector shall refuse to serve, or neglect to attend, at any meeting of the stockholders, or his office shall become vacant, the meeting may appoint an inspector in his place.

(iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares.

Yes, at every meeting of the stockholders of the Corporation, every stockholder entitled to vote shall be entitled to one vote for each share of stock standing in his name on the books of the Corporation; provided, however, that in case of the election of the nine (9) members of the Board of Directors, every stockholder entitled to vote shall be entitled to accumulate his votes in accordance with the provision of law in such case made and provided.

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	The proxy shall have been appointed in writing by the stockholder himself, or by his duly authorized attorney.
Notary	The Company does not require notarization of the proxies.
Submission of Proxy	The instrument authorizing the proxy to act shall be exhibited to the Secretary and to the inspectors of election, and shall be lodged with the Secretary if he shall so request.
Several Proxies	The company allows one (1) proxy per shareholder.
Validity of Proxy	The proxies are valid only for the annual Stockholders' Meeting for which it was issued by the stockholders.
Proxies executed abroad	No proxies executed abroad were received during the Annual Stockholders' Meeting
Invalidated Proxy	No proxies were invalidated during the Annual Stockholders' Meeting
Validation of Proxy	Proxies are validated by comparing the same with the Master List of Stockholders.
Violation of Proxy	No proxy violation has been recorded.

(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
To send notices of annual/special stockholder's meetings according to the by-laws and other applicable rules and regulations.	Notices are given at least 15 business days before the date set for such meeting. Notices of Annual/Special Meeting are electronically filed with PSE and posted in their website.

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	1,069 shareholders
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	July 1, 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	July 1, 2014
State whether CD format or hard copies were distributed	Hard copies were distributed
If yes, indicate whether requesting stockholders were provided hard copies	Yes, all stockholders were provided with hard copies

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	Yes
Documents required for proxy vote.	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

Policies	Implementation
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<p>The Board should be transparent and fair in the conduct of the annual and special stockholders' meetings of the corporation.</p>	<p>The stockholders are encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the by-laws, the exercise of that right is not unduly restricted and any doubt about the validity of a proxy is resolved in the stockholders favor.</p>
<p>It is the duty of the Board to promote the rights of stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights.</p>	<p>The Board takes the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy.</p>
<p>Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.</p>	<p>Although all stockholders are treated equally or without discrimination, the Board gives minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation.</p>

(b) Do minority stockholders have a right to nominate candidates for board of directors?

Yes, minority stockholders have a right to nominate candidates for board of directors.