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## MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF

### **HOLCIM PHILIPPINES, INC.**

Conducted via Remote Communication  
July 22, 2020 at 10:00 a.m.

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#### **I. CALL TO ORDER**

The President and CEO, Mr. John William Stull, acted as chairman, called the meeting to order and presided over the same. He informed the stockholders that the Chairman, Mr. Tomas I. Alcantara, will not be able to attend the meeting due to technical difficulties.

He acknowledged the presence of the other members of the Board of Directors (Mr. Martin Kriegner, Ms. Rajani Kesari, Mr. Leandro Javier and Sr. Thomas Aquino), the Chief Financial Officer, Ms. Jesusa Natividad L. Rojas, and the other members of the Company's Executive Committee.

The Chairman informed the stockholders that 2019 is the final term of Mr. Yasuo Kitamoto as the Company's Independent Director. He thanked Mr. Kitamoto for his service to the Company and his valuable insights throughout the years that have been instrumental in shaping Holcim Philippines, Inc. into the strong company that it is today.

#### **II. PROOF OF NOTICE OF MEETING AND PRESENCE OF A QUORUM**

Proof of notice was certified by the Corporate Secretary, Ms. Belinda E. Dugan. She further certified the following:

1. The Notice and Agenda of the meeting together with the Definitive Information statement which also contains the "Requirements and Procedure for Registration, Participation and Voting in Absentia were posted on the Company's website [www.holcim.ph](http://www.holcim.ph) and disclosed in the PSE Edge.
2. The Notice and Agenda were published in Manila Times and Business Mirror on June 30 and July 1, 2020, both in print and online formats.
3. There exists a quorum for the meeting being represented in person or by proxy, stockholders owning 6,143,164,292 shares representing 95.21% of the total issued and outstanding shares of the Company.
4. The Chairman of the Meeting is holding votes for 1,174,946,826 shares representing 18.21 % of the total issued and outstanding shares of the Company.

The Corporate Secretary explained that the rules of conduct and voting procedures are set forth in the published Definitive Information Statement. She reminded the stockholders of the following:

- Shareholders who registered and signified their intention to vote in absentia may vote by proxy - by sending the signed copy of the proxy form not later than July 17, 2020 to [HPI-Investor-Relations@lafargeholcim.com](mailto:HPI-Investor-Relations@lafargeholcim.com) or (ii) in absentia by filling in the online voting form sent to the shareholders' email upon confirmation of valid registration.
- Shareholders present at this meeting may cast their votes by filling in the online

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voting form sent to their e-mail addresses or by sending their votes to [HPI-Investor-Relations@lafargeholcim.com](mailto:HPI-Investor-Relations@lafargeholcim.com). The voting poll will be open until the adjournment of this meeting.

- The votes received as of the last day of receiving the proxies or on July 17, 2020, after the proxy validation process have been tabulated. The preliminary tabulation will be referred to when votes are reported during the meeting and that the results of the final tabulation will be reflected in the minutes of the meeting.
- Everyone was encouraged to send their questions to [HPI-Investor-relations@lafargeholcim.com](mailto:HPI-Investor-relations@lafargeholcim.com). These questions will be read by the Vice President, Head of Communications, Ms. Ann Claire Ramirez, during the Q&A. Shareholders attending this meeting may still send their questions by sending an e-mail to [HPI-Investor-Relations@lafargeholcim.com](mailto:HPI-Investor-Relations@lafargeholcim.com). However, due to time and technological challenges, not all questions may be read aloud during the meeting. Management will endeavour to reply to all questions via e-mail.

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

The Chairman of the Meeting proceeded with the next item on the agenda which is the approval of the minutes of the Annual Stockholders' Meeting held on May 24, 2019, a copy of which was posted in the Company's website.

The Corporate Secretary reported that shareholders owning 6,131,180,017 shares or 99.805% of total number of shares represented in the meeting have voted in favor of the approval of the said Minutes. Thus, the minutes of the Annual Stockholders' Meeting held on May 24, 2019 has been approved.

### **IV. APPROVAL OF ANNUAL REPORT AND THE AUDITED FINANCIAL STATEMENTS OF THE CORPORATION AS OF DECEMBER 31, 2019**

#### MESSAGE OF THE CHAIRMAN

The pre-recorded message of the Company's Chairman, Mr. Tomas I. Alcantara, was played.

Mr. Alcantara reported that in 2019, the Company grew Operating EBITDA year-on-year by 36.7% to Php 6.7 billion on higher efficiencies and improved costs across all areas of the business which helped the Company grow its full-year net income by 41.0% to Php 3.6 billion. He also reported the completion of capacity expansion projects across sites to raise annual production to 10 million metric tons and the efficiency of industrial and logistics operations.

In closing, the Chairman assured the shareholders that the Company's Board of Directors, Executive Committee and Leadership Team along with the more than a thousand-strong workforce are ready to double their efforts and work with the Company's various stakeholders to overcome the current crisis and ensure the Company's success in the years ahead.

#### MESSAGE OF THE PRESIDENT AND THE CEO

The President and CEO, Mr. John William Stull, expressed his confidence that the Company will overcome the unprecedented challenges brought about by the COVID-19 Pandemic.

He reported the Company's key actions to help the Company's business

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partners manage the disruption caused by the pandemic as well as the Company's available solutions in support of the government's goal of reviving the economy. The President affirmed the Company's commitment to grow while being respectful of the environment and supportive of communities and people.

He acknowledged that being a member of the LafargeHolcim Group (the "Group") is a source of strength for Holcim Philippines, Inc. and will help the Company in its mission to help build a healthier and better Philippines.

## VOTING RESULTS

The chairman informed the shareholders that copies of the Company's 2019 Audited Financial Statements may be viewed and downloaded from the Company's website and PSE Edge.

Upon the request of the Chairman of the Meeting, the Corporate Secretary reported that shareholders owning 6,129,604,627 shares or 99.779 % of total number of shares represented in this meeting have voted for the approval of the annual report and the Audited Financial Statements for the period ended December 31, 2019. Thus, the 2019 Annual Report and Audited Financial Statements have been approved.

## **V. APPROVAL AND RATIFICATION OF ALL ACTS, CONTRACTS, INVESTMENTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT**

The Chairman of the meeting proceeded to the next item in the agenda which is the approval and ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management.

The Corporate Secretary reported that shareholders owning 6,141,493,896 shares or 99.973 % of the total number of shares represented in this meeting have voted for the approval and ratification of all the acts, contracts, investments, and resolutions of the Board of Directors, the Board Committees, and Management since the last annual stockholders' meeting.

Based on the votes received, the Chairman of the meeting declared the approval and ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the last annual stockholders' meeting.

## **VI. ELECTION OF DIRECTORS**

The Chairman asked the Corporate Secretary to read the names of the persons nominated as directors of the Company. The Corporate Secretary then proceeded to read the names of the following persons who were nominated in accordance with the provisions of the By-Laws:

1. Tomas I. Alcantara
2. Martin Kriegner
3. Rajani Kesari
4. John William Stull

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5. Leandro David Javier – Independent Director
6. Thomas Aquino - Independent Director

The Corporate Secretary confirmed that the Corporate Governance Committee has duly ascertained that the six nominees are qualified to serve as Directors of the Company and that all the nominees have given their consent to their respective nominations.

Upon the request of the Chairman, the Corporate Secretary certified that based on the preliminary tabulation of votes, each of the nominees have received at least 6,131,355,633 votes. Based on such certification, the Chairman of the Meeting declared all the nominees as duly elected members of the Board of Directors for the ensuing year.

## VII. APPOINTMENT OF EXTERNAL AUDITOR

The next item on the agenda was the appointment of the Company's external Auditor. It was explained that the Audit Committee recommends the appointment of Navarro Amper & Co. as the External Auditor of the Company for the year 2020.

On the voting results, the Corporate Secretary reported that shareholders owning 6,143,069,286 shares or 99.998 % of total number of shares represented in this meeting have voted in favor of the appointment of Navarro Amper & Co. as the Company's external auditor for the year 2020. Having received sufficient number of votes, the auditing firm of Navarro Amper & Co. was appointed the as the Company's external auditor of year 2020.

## VIII. OTHER MATTERS

The Chairman of the meeting requested the Company's Vice-President, Head of Communications, Ms. Ann Claire Ramirez, to read aloud the questions received via email.

Below are the questions read and the corresponding response of the Company's President and CEO:

1. Does the LafargeHolcim Group still intend to divest its stake in Holcim Philippines?

The President and CEO explained that with the lapse of the agreement in May 2020 between the Company's shareholders and First Stronghold Cement Industries, Inc. without obtaining the approval of the Philippine Competition Commission, Holcim Philippines, Inc. is no longer in the sale process and will remain a part of the LafargeHolcim Group.

2. May we know your actions to strengthen the Holcim business despite the COVID-19 crisis?

In reply, Mr. John Stull explained that Health and Safety being an important part of the Holcim culture even prior to the pandemic was an advantage for the Company. When the crisis arose, the Company immediately complied with the requirements concerning its operations. He explained that the Company drew from experiences of members of the LafargeHolcim Group from around the world and are currently working closely with local communities and customers in order to comply with all the rules and keep everyone healthy and safe. He assured the

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shareholders that so far, the Company is operating effectively and is able to serve its customers through the pandemic.

3. How has Holcim helped communities during this crisis?

“Holcim Helps”, which is the Company’s community relations campaign, was used as a vehicle to provide help to communities. The Company was able to help around 80,000 families by providing food, personal protective equipment and disinfecting materials. He also thanked the Holcim employees who participated in the *Holcim Helps* campaign.

4. What digital innovations have Holcim implemented in response to the current business challenges?

It was explained that the Company has been accelerating its digital initiatives to keep everyone safe as part of the new normal. As part of its digital initiatives, the Company launched EasyBuild where the customers can place their orders, check their accounts and pay bills. The Chairman of the Meeting noted that currently, 91% of all its transactions are being done through EasyBuild. Another digital initiative is Pinoy Builders which is a digital information platform where people in the building materials sector and construction industry can exchange information and ideas.

5. What product and material innovations have the company introduced to the market to help builders amid the pandemic?

The Chairman of the meeting replied that in 2019, the Company launched Solido which now comprises a major part of its product portfolio. He explained that Solido is a more environmentally responsible product than the OPC as it uses less clinker. Also, the company launched SFCrete which is being used in a lot of road construction projects in Greater Metro Manila. He expressed the Company’s hopes to expand SFCrete to support the DPWH in order to ensure that the government stays on schedule and meet their requirements during this pandemic.

6. Are you still considering possible capacity investments to grow the business?

It was explained that the Company is working on projects in its La Union plant and Geocycle. It was mentioned that the Company is studying projects for the longer term to increase capacity for its Luzon and Mindanao plants.

## IX. ADJOURNMENT

Upon confirmation by the Corporate Secretary that there were no other items in the agenda for the consideration of the stockholders, the meeting was adjourned.

**BELINDA E. DUGAN**  
Corporate Secretary

ATTEST:

**JOHN WILLIAM STULL**  
Chairman of the Meeting

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