



33F Tower One, Ayala Triangle, Ayala Avenue
Makati City, 1226 Philippines
www.ayala.com.ph

February 24, 2020

Securities and Exchange Commission
PICC Complex, Roxas Boulevard, Pasay City

Attention: Director Vicente Graciano P. Felizmenio, Jr.
Director, Markets & Securities Regulation Department

Philippine Stock Exchange
6/F, PSE Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Philippine Dealing and Exchange Corporation
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226


Attention: Atty. Marie Rose M. Magallen-Lirio
Head, Issuer Compliance and Disclosure Department

Gentlemen:

Please see attached detailed notice and agenda of our annual stockholders' meeting which is set for April 24, 2020.

Thank you.

Very truly yours,


SOLOMON M. HERMOSURA
Corporate Secretary and Chief Legal Officer

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of **AYALA CORPORATION** will be held at Ballroom 2 of Fairmont Makati, 1 Raffles Drive, Makati Ave., Makati City, on **Friday, April 24, 2020 at 9:00 o'clock in the morning** with the following

A G E N D A¹

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of Minutes of Previous Meeting
4. Annual Report
5. Ratification of the Acts of the Board of Directors and Officers
6. Election of Directors (Including the Independent Directors)
7. Election of External Auditor and Fixing of its Remuneration
8. Consideration of Such Other Business as May Properly Come Before the Meeting
9. Adjournment

Only stockholders of record as of March 10, 2020 are entitled to notice of, and to vote at, this meeting.

Stockholders may attend in person or by proxy. Duly accomplished proxies shall be submitted on or before April 15, 2020 to the Office of the Corporate Secretary at 3/F Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City. Validation of proxies is set for April 17, 2020 at 9:00 a.m. at the Office of the Corporate Secretary.

Stockholders may vote *in absentia* in accordance with the procedures set forth in the Information Statement to be sent subsequently.

Makati City, February 24, 2020.

A handwritten signature in black ink, appearing to read 'Solomon M. Hermosura', written over a horizontal line.

SOLOMON M. HERMOSURA
Corporate Secretary and
Chief Legal Officer

¹ See next page for the explanation for each agenda item.

EXPLANATION OF AGENDA ITEMS

Call to order

The Chairman will formally open the meeting at approximately 9:00 o' clock in the morning.

Certification of notice and quorum (and rules of conduct and procedures)

The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

Pursuant to Sections 57 and 23 of the Revised Corporation Code which allow voting *in absentia* by the stockholders, the Corporation has set up a designated online web address which may be accessed by the stockholders to register and vote on the matters at the meeting *in absentia*. A stockholder who votes *in absentia* shall be deemed present for purposes of quorum.

The following are the rules of conduct and procedures for the meeting:

- (i) Anyone who wishes to make a remark shall identify himself after being acknowledged by the Chairman and shall limit his remarks to the item in the Agenda under consideration.
- (ii) Stockholders present at the meeting may opt for manual or electronic voting. For manual voting, each stockholder will be given, upon registration, a ballot where he can write his vote on every item in the Agenda or proposed resolution. For electronic voting, there will be computer stations near the registration table where stockholders may cast their votes electronically, using a digital version of the ballot. Each of the proposed resolutions will be shown on the screen as the same is taken up at the meeting.
- (iii) Stockholders voting *in absentia*, who have previously registered through the online web address (URL) provided, may cast their votes electronically at any time using such online web address prior to or during the meeting.
- (iv) All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock present at the meeting.
- (v) Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes.
- (vi) The Committee of Inspectors of Proxies and Ballots will tabulate all votes received and an independent third party will validate the results. The Corporate Secretary shall report the results of voting during the meeting.

Approval of minutes of previous meeting

The minutes of the meeting held on April 26, 2019 are available at the Company's website, www.ayala.com.ph. Copies of the minutes will also be distributed to the stockholders upon their registration for the meeting.

Annual report

The Chairman and Chief Executive Officer, Mr. Jaime Augusto Zobel de Ayala, and the President and Chief Operating Officer, Mr. Fernando Zobel de Ayala, will report on the performance of the Company in 2019 and the outlook for 2020.

The Company's annual report, titled Integrated Report, will contain the "Message from the Chairman" and the "Report of the President". Copies of the Integrated Report will be posted on the Company's website, www.ayala.com.ph.

The Audited Financial Statements as of December 31, 2019 (AFS), to be approved by the Board upon the recommendation of the Audit Committee, will be embodied in the Information Statement to be sent to the stockholders at least 15 business days prior to the meeting.

Ratification of the acts of the Board of Directors and Officers

The actions of the Board and its committees were those taken since the annual stockholders' meeting on April 26, 2019 until April 24, 2020. They include the approval of agreements, projects, investments, treasury-related matters and other matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange. The acts of the officers were those taken to implement the resolutions of the Board or its committees or made in the general conduct of business.

Election of directors (including the independent directors)

The Corporate Governance and Nomination Committee of the Board would have evaluated and determined that the seven (7) nominees for directors, including the nominees for independent directors, have all the qualifications and competence necessary for the effective performance of the Board's roles and responsibilities, and none of the disqualifications to serve as members of the Board.

The profiles of the nominees to the Board will be provided in the Information Statement.

Election of external auditor and fixing of its remuneration

The Audit Committee of the Board will endorse to the stockholders the election of the external auditor for the ensuing year as well as its proposed remuneration. The external auditor conducts an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements.

The profile of the external auditor will be provided in the Information Statement.

Consideration of such other business as may properly come before the meeting

The Chairman will open the floor for comments and questions by the stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting.