



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

October 14, 2020

Philippine Stock Exchange, Inc.

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:

Further to our disclosures dated March 12, 2020 and September 22, 2020, please be informed that the Securities and Exchange Commission approved today the amendments to our By-Laws, as summarized in the attached Annex "A".

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Solomon M. Hermosura'.

SOLOMON M. HERMOSURA
Chief Legal Officer and Corporate Secretary

cc: **Securities and Exchange Commission**
PICC Complex, Roxas Boulevard, Pasay City

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

Copy enclosed:
SEC Certificate of Filing of Amended By-Laws

Annex "A"

AYALA CORPORATION

Amendments to the By-Laws

Article and Section Nos.	From	To
Art. III, Sec. 2	The meetings of stockholders may be regular or special, and shall be held at the offices of the Corporation or at any place in Metro Manila designated by the Board of Directors.	The meetings of stockholders may be regular or special, and shall be held at the <u>principal office</u> of the Corporation or at any place in <u>the city where the principal office of the Corporation is located.</u>
Art. III, Sec. 3	The notice shall be sent to each stockholder by personal delivery, by mail, postal or electronic, <u>or by such other manner as allowed by the Securities and Exchange Commission,</u> addressed to the physical or electronic address of the stockholder registered in the books of the Corporation. <u>For regular meetings, the notice shall be sent at least twenty-one (21) days prior to the date of the meeting, while for special meetings, at least one (1) week written notice shall be sent to all stockholders.</u> The notice shall be deemed to have been given at the time when delivered personally or deposited in the Makati Central Post Office, or sent electronically, <u>or sent by such other manner allowed by the Securities and Exchange Commission</u> and addressed as herein provided. xxx xxx xxx	Regular or special meeting of stockholders shall be called by <u>written notice. The notice shall be served to all stockholders by electronic transmission.</u> For regular meetings, the notice shall be sent at least twenty-one (21) days prior to the date of the meeting, while for special meetings, at least one (1) week written notice shall be sent to all stockholders. <u>The notice shall be deemed to have been given at the time when it has been electronically transmitted through any of the means mentioned herein.</u> xxx xxx xxx <u>The Corporation shall also provide information or documents to all stockholders by electronic transmission. The information or documents shall be deemed delivered upon the transfer or posting by electronic means.</u> <u>As used herein, electronic transmission means the delivery or transfer of documents, data or information by electronic mail to the electronic address of the stockholders registered in the books of the Corporation, posting in the Philippine Stock Exchange, posting in the Corporation's website (in the subsections for stockholders' meetings or disclosures of the Governance section), or such other recognized means of electronic transfer of data or information.</u> <u>The Corporation shall require all stockholders to provide a valid electronic address for them to receive notices and other information or documents from the Corporation.</u>

	Notice of regular or special meeting shall contain, in addition to the date, hour and place of the meeting, a statement of the matters to be transacted at the meeting, and no business other than that specified in the call shall be transacted at such meeting. The notice of the stockholders' meeting shall also set the date, time and place of the validation of proxies, which in no case, shall be less than five (5) business days prior to the stockholders' meeting.	<u>Stockholders preferring to receive physical copies of the notice, information or documents shall make a written request to the Corporation. Upon receipt of the request, the Corporation shall send the notice, information and documents by personal service.</u> XXX XXX XXX Notice of regular or special meeting shall contain, in addition to the date, hour and place of the meeting, a statement of the matters to be transacted at the meeting, and no business other than that specified in the <u>notice</u> shall be transacted at such meeting. <u>Any director or stockholder may propose any other matter for inclusion in the agenda at any regular or special stockholders meeting, subject to reasonable guidelines issued by the Board which are consistent with applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time.</u> The notice of the stockholders' meeting shall also set the date, time and place of the validation of proxies, which in no case, shall be less than five (5) business days prior to the stockholders' meeting. <u>The notice shall also contain the procedures to be followed when a stockholder elects to vote through remote communication or in absentia.</u> XXX XXX XXX <u>Notice to any meeting may be waived, expressly or impliedly, including through a stockholder's attendance at a meeting unless the stockholder's presence is for the express purpose of contending that the meeting is not lawfully convened.</u>
Art. III, Sec. 4	-	XXX XXX XXX <u>The Corporation may opt to hold fully virtual stockholders' meetings, subject to applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. The virtual meetings shall be conducted in such a way that the stockholder</u>

		<u>experience shall be, to every extent possible, similar to a physical meeting. In any such instance, if stockholders holding at least ten percent (10%) of the outstanding capital stock ask for a physical meeting, the Corporation shall conduct a physical meeting unless prevented by existing rules and regulations. The request shall be made within two (2) weeks from the announcement of the holding of a virtual meeting, which shall be made ahead of the sending out of the Notice of Meeting.</u>
Art. III, Sec. 11	The Board of Directors shall fix a record date for the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action.	The Board of Directors shall fix a record date for the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, <u>provided that the stock and transfer book shall be closed at least twenty (20) days for regular meetings and seven (7) days for special meetings, before the scheduled date of the meeting.</u>
Art. IV, Sec. 1	The Board of Directors is the supreme authority in matters of governance and in managing the regular and ordinary business of the Corporation. Within their chartered authority, the directors acting as a board have the fullest powers to regulate the concerns of the Corporation according to their best judgment. It shall be the Board's responsibility to promote and adhere to the principles and best practices of corporate governance and to foster the long-term success of the Corporation and secure its sustained competitiveness in the global environment in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders. x x x As a corporation publicly listed in the Philippine Stock Exchange (PSE), the Corporation shall conform with the requirement to have such number of independent directors as may be required by law, and with the procedures for the	x x x As a corporation publicly listed in the Philippine Stock Exchange (PSE), the Corporation shall <u>comply</u> with the requirement to have such number of independent directors as may be required by law, and with the <u>legally prescribed procedures for their nomination and election.</u>

	nomination and election of independent directors as prescribed by law or regulations.	
Art. IV, Sec. 3	No person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation. x x x For the proper implementation of this provision, all nominations for election of Directors by the stockholders shall be submitted in writing to the Board of Directors at least thirty (30) business days before the date of the regular meeting.	No person shall qualify or be eligible for nomination or election to the Board of Directors <u>if he is in possession of any of the grounds for disqualification provided in applicable laws and the rules and regulation of the Securities and Exchange Commission, as may be amended from time to time, or</u> if he is engaged in any business which competes with or is antagonistic to that of the Corporation. x x x For the proper implementation of this provision, all nominations for election of Directors by the stockholders shall be submitted in writing to the <u>Corporate Governance and Nomination Committee</u> at least thirty (30) business days before the date of the regular meeting <u>of the stockholders.</u>
Art. IV, Sec. 4	An Independent Director shall hold no interests or relationships with the Corporation that may hinder his independence from the Corporation or Management which would materially interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. An Independent Director shall submit to the Corporate Secretary a letter of confirmation stating that he holds no interests affiliated with the Corporation, Management or controlling shareholder at the time of his election or appointment and/or re-election as a Director.	-
Art. IV, Sec. 5	In case any vacancy or vacancies should occur on the Board of Directors during the period between two stockholders' meetings due to death, resignation or other causes, the remaining Directors, if still constituting a quorum, may fill said vacancies by election from among the stockholders, and the stockholders so elected shall act as members of said Board until the new Board of Directors is elected.	<u>Section 4 – Any vacancy due to expiration of term shall be filled no later than the day of such expiration at the annual stockholders' meeting. For any vacancy arising from removal by the stockholders, the election shall be held on the same meeting if so stated in the agenda and notice of meeting. In all other cases, the vacancy may be filled by at least a majority vote of the remaining directors, if still constituting a quorum; otherwise, the vacancy shall be filled in a special stockholders' meeting called for that purpose, in any instance no later than forty-five (45) days from the time the vacancy occurred. The director so elected shall be referred to as replacement</u>

		<u>director and act as a member of the said Board only for the unexpired term of his predecessor.</u> <u>However, when the remaining directors cannot constitute a quorum and emergency action is required to prevent grave, substantial or irreparable loss or damage to the Corporation, the vacancy may be temporarily filled from among the officers of the Corporation by the unanimous vote of the remaining directors. The designated director's actions shall be limited to any necessary emergency action and his term shall cease within a reasonable time from the termination of the emergency or upon election of the replacement director, whichever comes first.</u>
Art. IV, Sec. 6	The Board of Directors shall designate the days when it shall meet in regular session, but it shall meet at least six (6) times a year. It may be convened in special session by the Chairman or at the request of three (3) Directors.	Section 5 – The Board of Directors shall designate the days when it shall meet in regular session, but it shall meet at least six (6) times a year. It may be convened in special session by the Chairman or at the request of three (3) Directors. <u>(Two-thirds (2/3) of the number of directors as fixed in the articles of incorporation shall constitute a quorum for the transaction of corporate business, except for the election of officers, which shall require the presence of all directors.</u> <u>Participation of directors, including voting, at board meetings can be in person, through remote communication, such as videoconferencing, teleconferencing or other alternative modes of communication allowed by the Securities and Exchange Commission. Participation and voting cannot be done by proxy.</u>
Art. IV, Sec. 7	The Board of Directors shall have the following duties, powers and attributes, in addition to those assigned to it by the Corporation Code and other sections of these By-Laws: - Determine the period, manner and conditions under which the Corporation shall engage in the kinds of businesses comprised in Article II of the Articles of Incorporation; - Determine the manner in which the corporate capital shall be invested, subject	Section 6 - The Board of Directors shall have the duties, powers and attributes, assigned to it by the Corporation Code, <u>as may be amended from time to time, other sections of these By-Laws, the Board Charter and the Corporate Governance Manual.</u>

	to the provisions of Article II of these By-Laws; c. Make rules for the internal regulation of the company; d. Create committees and other bodies it may deem advantageous and necessary in running the affairs of the Corporation, as well as appoint advisory Directors who can participate in board deliberations but whose functions shall be strictly advisory and non-voting; and appoint officers as the Board may deem necessary, and fix their duties and powers; (As Amended on 4 December 2014). e. Determine the creation of branches, agencies, office departments of any class, under the conditions it may deem convenient; f. Decide as to the safekeeping of the funds of the Corporation, open current accounts, fixed deposit accounts and savings accounts with any bank authorized to operate in the Philippines and/or abroad; g. Approve the budgets and general expense accounts of the Corporation; h. Fix annually the percentage to be written off on all capital expenditures of the Corporation such as buildings, furniture and fixtures, etc. and determine the distribution of profits and dividends. i. Submit annually to the annual meeting of stockholders the Balance Sheet, Profit and Loss Statement and Annual Report on the condition of the Corporation; j. Call special meetings of stockholders; k. Authorize any other person or persons it may deem fit, aside from the Chairman of the Executive Committee, to purchase, sell, or mortgage the real or personal properties of the Corporation; l. Authorize any other person or persons it may deem fit, aside from the Chairman of the Executive Committee, to cancel mortgages or pledges executed as securities for loans and bonds when the mortgages have been repaid to the	
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	Corporation and when the bonds have been cancelled; m. Determine the time and manner of issuance of unissued stocks and treasury shares of the Corporation (As amended on 4 December 2014); n. Fix, upon the recommendation of the Chairman of the Executive Committee, the budget of administration expenses; o. Determine the manner and conditions under which employees of the Corporation shall be granted pensions, retirement gratuity or life insurance protection; p. Institute, maintain, defend, compromise or drop any litigation in which the Corporation or its officers may be interested in as plaintiff or defendant in connection with the business of the Corporation and grant extension of time for the payment or settlement of any indebtedness in favor of the Corporation; q. Settle any doubts that may arise relative to the interpretation of these By-Laws and supply any omissions, reporting thereon to the stockholders' General Meeting for such action as it may see fit to take.	
-	-	<u>Section 7 – Directors with interest, potential or otherwise, in any related party transaction shall timely and fully disclose any and all material facts and abstain from deliberations on and approval of the same without prejudice to compliance with the requirements of the law and the rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. Material related party contracts, as defined in applicable laws, rules and regulations of the Securities and Exchange Commission, shall be approved by at least two-thirds (2/3) of all the directors, including at least a majority of the independent directors.</u>
Art. IV, Sec. 8	Directors and officers may borrow money from the Corporation subject to review and approval to ensure that they are at arm's length, the terms are fair, and they will inure to the best interest of the Corporation and its shareholders, in accordance with the Corporation's Policy on Related Party Transactions.	-
Art. IV, Sec. 9	The corporate signature required for contracts, powers of attorney, etc., of all kinds shall be that	-

	of the Chairman of the Executive Committee alone, or that of any other person or persons that the Board may designate. Checks and orders of payment shall be signed by the Chairman of the Executive Committee, or by the President, or by the Chief Finance Officer or Treasurer, or by the persons or persons that the Board may designate.	
Art. IV, Sec. 10	The Chairman of the Board of Directors shall have the following powers: - To preside at all of stockholders' meetings and meetings of the Board of Directors; and - To exercise such other powers which are given him by these By-Laws.	Section 8 - The Chairman of the Board of Directors shall have the following powers: - To preside at all of stockholders' meetings and meetings of the Board of Directors; <u>To cast the deciding vote in case of a tie in the stockholders' meetings or in the Board meetings; and</u> - To exercise such other powers which are given him by these By-Laws.
Art. IV, Sec. 11	Likewise, the Chairman of the Executive Committee shall manage the business of the Corporation and shall have the following additional powers and duties: - Prepare semi-annually the budget of administration expenses; - Appoint and discharge the employees occupying the positions authorized by the Board of Directors or by the Executive Committee; - Supervise the accounting and cash and sign, with the President and the Chief Finance Officer or Treasurer, the Balance Sheet, Profit and Loss Statement and Annual Reports. - Attend to the correspondence and sign receipts for incoming monies. With the consent of the Board of Directors, the Chairman of the Executive Committee may delegate to any of the officers of the Corporation any and all powers granted him under this section, provided, however, that such delegation shall not divest the Chairman of the authority to exercise the same powers. Any delegation of powers made by the Chairman of the Executive Committee pursuant	Section 10 – With the consent of the Board of Directors, the Chairman of the Executive Committee may delegate to any of the officers of the Corporation any and all powers granted him under this section, provided, however, that such delegation shall not divest the Chairman of the authority to exercise the same powers. Any delegation of powers made by the Chairman of the Executive Committee pursuant to the provisions of the next preceding paragraph should likewise be submitted for ratification and confirmation at the next annual meeting of stockholders.

	to the provisions of the next preceding paragraph should likewise be submitted for ratification and confirmation at the next annual meeting of stockholders.	
Art. IV, Sec. 20	Each Director shall be entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for his services as Director. The Board of Directors shall have the sole authority to determine the amount, form and structure of the fees and other compensation of the Directors. In no case shall the total yearly compensation of Directors exceed one percent (1%) of the net income before income tax of the Corporation during the preceding year. The compensation and remuneration committee of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope.	Section 14 – Directors shall be entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed one percent (1%) of the net income before income tax of the Corporation during the preceding year. The <u>Personnel and Compensation Committee</u> of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope. <u>No Director shall be involved in deciding his own remuneration during his incumbent term.</u>
Art. V	OF MANAGEMENT	OF MANAGEMENT AND OFFICERS
Art. V, Sec. 1	Management stands as the locus of decision-making for the day-to-day affairs of the Corporation.	Management stands as the locus of decision-making for the day-to-day affairs of the Corporation <u>and is primarily accountable to the Board of Directors for the operations of the Corporation.</u>
Art. V, Sec. 2	Management is primarily accountable to the Board of Directors for the operations of the Corporation. As part of its accountability, it is also obligated to provide the Board with complete, adequate information on the operations and affairs of the Corporation in a timely manner. It shall inform the Board regularly, promptly and comprehensively about any issues concerning the Corporation's strategy, risk management and compliance.	-
-	-	<u>Section 2 – The Chief Executive Officer shall determine the Corporation's strategic direction and formulate and implement its strategic plan on the direction of the business, oversee the operations of the Corporation and manage human and financial resources in accordance with the strategic plan , and such other powers which may be assigned to him by the Board.</u>

		<u>Section 3 – The President shall have exercise general supervision of the business, affairs and property of the Corporation, and over its officers and employees and such other the powers which may be delegated to him by the Chairman of the Executive Committee, with the consent of the Executive Committee.</u> <u>Any delegation of powers by the Chairman of the Executive Committee to the President shall be submitted for ratification and confirmation by the stockholders pursuant to the provisions of the last paragraph of Section 10 of Article IV.</u> <u>In the absence of the President, the Acting President, shall be, in this order of precedence, (a) The Chief Executive Officer; (b) the Chairman of the Executive Committee; and (c) any Senior Officer, as may be determined by the Board of Directors.</u> <u>Section 4 – The Treasurer or a Vice President (or Managing Director) so appointed by the Board of Directors shall have custody of the funds, credit instruments and documents of the Corporation and shall furnish a bond, conditioned on the faithful performance of this duties, in a sum to be fixed by the Board of Directors.</u> <u>Section 5 – The Secretary shall prepare and keep the minutes of all meetings of the Board of Directors and stockholders and attend to the correspondence and files of the Corporation, sign, jointly with the President, all stock certificates, keep and affix the Corporate seal, record all transfers of stock and cancellations and keep all stock certificates transferred, likewise, keep a list in alphabetical order of all stockholders of the Corporation and of their residences and the shares owned by each, and perform all other duties which may be assigned to him by the Board of Directors.</u> <u>Section 6 – The Compliance Officer shall ensure compliance by the Corporation, its directors and officers with applicable</u>
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		<u>laws, rules and regulations, and governance issuances of regulatory agencies, proper onboarding of new directors, identification and appropriate resolution of any compliance issues, and the integrity and accuracy of all documentary submissions to regulators, and perform all other duties which may be assigned to him by the Board of Directors.</u> <u>Section 7 – In case of illness or absence of any officer of the Company, he shall be temporarily replaced by any other officer that the Chairman of the Executive Committee may designate.</u>
Art. VII, Sec. 1	-	XXX XXX XXX <u>Cash dividend payouts shall be done through electronic means such as direct bank transfer and the like, as may be decided by the Board of Directors. The Corporation shall request stockholders to provide account details or other reference number/s needed for the transfer. Stockholders who fail to provide account details or other reference number/s shall receive their dividend payout by check, which will be available for pick-up at a designated office as announced in the Corporation's website and in regulatory disclosures.</u>
-	-	ARTICLE VIII <u>ARBITRATION</u> <u>Section 1 – Any dispute, controversy or claim between the Corporation and its stockholders arising from, relating to, or in connection with the implementation of the articles of incorporation or by-laws, or from intra-corporate relations, except those involving criminal offenses and interests of third parties, may be referred to and resolved by arbitration in accordance with prevailing Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules and Securities and Exchange Commission Rules and Regulations.</u> <u>Section 2 – The number of arbitrators shall be three (3) appointed by the Philippine Dispute Resolution Center, Inc.</u>

		<u>(PDRCI) and the place of arbitration shall be in Metro Manila, Philippines. The language to be used for the arbitral proceedings shall be English.</u> <u>Section 3 – The parties shall be bound by the award rendered by the Arbitral Tribunal and confirmed by the appropriate Regional Trial Court. Arbitration shall not be available for disputes involving claims in excess of One Million Pesos (Php1,000,000.00) or involving the determination of the fair valuation of shares in appraisal proceedings.</u>
Art. VIII	MISCELLANEOUS AND TRANSITORY PROVISIONS	<u>ARTICLE IX</u> MISCELLANEOUS AND TRANSITORY PROVISIONS



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Ground Floor, Secretariat Building, PICC
City Of Pasay, Metro Manila

COMPANY REG. NO. 34218

CERTIFICATE OF FILING OF AMENDED BY-LAWS

KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended By-Laws of

AYALA CORPORATION

copy annexed, adopted on March 12, 2020 and September 22, 2020 by majority vote of the Board of Directors pursuant to the authority duly delegated to it by the stockholders owning at least two thirds (2/3) of the outstanding capital stock on May 18, 1989 and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 47 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 14th day of October, Twenty Twenty.


DANIEL P. GABUYO
Assistant Director
SO Order 1188 Series of 2018

SJ/qba

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COVER SHEET
for Applications at
COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application

AMENDMENT OF BY LAWS

SEC Registration Number

3 4 2 1 8

Company Name

A Y A L A C O R P O R A T I O N

Principal Office (No./Street/Barangay/City/Town/Province)

3 2 F T O 3 5 F T O W E R O N E A N D
E X C H A N G E P L A Z A A Y A L A T R I A N G L E
A Y A L A A V E N U E M A K A T I C I T Y

Company's Telephone Number/s

9083000

Contact Person

Atty. Joanne M. Lim

Contact Person's Telephone Number

908-3959

Contact Person's Address

3F Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City

To be accomplished by CRMD Personnel

Date

Signature

Assigned Processor

Document I.D.

Recived by Corporate Filing and Records Division (CFRD)

Forwarded to:

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Corporate and Partnership Registration Division
Green Lane Unit
Financial Analysis and Audit Divison
Licensing Unit
Compliance Monitoring Division

AMENDED BY-LAWS
OF
AYALA CORPORATION
(SEC Reg. No. 34218)

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ARTICLE I
CORPORATE CAPITAL AND SHARES

Section 1 – The authorized capital of the Corporation shall be as provided in the Articles of Incorporation.¹ (As amended on 07 May 1976)

The stockholders of the Corporation shall have preferred right to subscribe to all new issues of its stocks in the event of issue of additional shares of stock or of any increase in capital.

Section 2 – Each stockholder who has fully paid his subscription shall be entitled to a certificate or certificates setting forth the number of shares of stock in the Corporation registered in his name in the books thereof.² Each stock certificate shall be numbered, shall bear the signatures of the President and the Secretary and the seal of the Corporation, and shall be issued in numerical order from the stock certificate book. No certificate shall be issued for fractional shares.

Section 3 – Shares of stock may be transferred, sold, assigned or pledged by written endorsement of the stock certificate on the back and the delivery thereof by the transferor to the transferee, but the Corporation shall continue to consider as the stockholder the person in whose name the certificate was issued until such certificate shall have been surrendered to the Secretary for cancellation and replaced by a new certificate in the name of the transferee.³ (As amended on 4 December 2014)

Section 4 - All certificates so surrendered to the Secretary shall be marked by him with the word "CANCELLED" and the date of cancellation, and shall forthwith be attached to the corresponding stub of the stock certificate book.

Section 5 – Duplicate of lost or destroyed certificates, or new certificates to replace said lost or destroyed certificates, may be issued in accordance with the requirements of existing laws. (As amended on 4 December 2014)

ARTICLE II
INVESTMENT OF CORPORATE CAPITAL

¹ All references to "Articles of Incorporation" in these By-Laws refer to the Articles of Incorporation of Ayala Corporation.

² Revised Corporation Code, Section 63. (As amended on 12 March 2020)

³ Revised Corporation Code, Section 62. (As amended on 12 March 2020)

Section 1 – The funds of the Corporation other than the sums necessary for current expenses shall be invested as may be directed by the Board of Directors in accordance with the Articles of Incorporation and subject to the limitations provided by existing laws.

Section 2 – All cash of the Corporation shall be deposited in its name in such banks and credit institutions as the Board of Directors may designate.

ARTICLE III OF THE STOCKHOLDERS

Section 1 – A meeting of the stockholders, duly constituted, represents the entire body of stockholders and its decisions in matters **for its proper deliberation** are binding upon absenting or dissenting stockholders. *(As amended on 12 March 2020)*

Section 2 – The meetings of stockholders may be regular or special, and shall be held at the **principal office** of the Corporation or at any place in **the city where the principal office of the Corporation is located.**⁴ Regular meetings, also referred to as annual or general meetings, shall be held annually on any date in April of each year as may be determined by the Board of Directors. Special meetings may be held at any time by resolution of the Board of Directors or at the request of stockholders representing at least one-third of the subscribed and outstanding capital, setting forth the purpose of such meeting in the notice. *(As amended on 12 March 2020)*

Section 3 - Regular or special meeting of stockholders shall be called by **written notice. The notice shall be served to all stockholders by electronic transmission.** For regular meetings, the notice shall be sent at least twenty-one (21) days prior to the date of the meeting, while for special meetings, at least one (1) week written notice shall be sent to all stockholders.⁵ **The notice shall be deemed to have been given at the time when it has been electronically transmitted through any of the means mentioned herein.** *(As amended on 22 September 2020)*

Notice of regular or special meeting shall contain, in addition to the date, hour and place of the meeting, a statement of the matters to be transacted at the meeting, and no business other than that specified in the notice shall be transacted at such meeting. **Any director or stockholder may propose any other matter for inclusion in the agenda at any regular or special stockholders meeting, subject to reasonable guidelines issued by the Board which are consistent with applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time.**⁶ *(As amended on 12 March 2020)* The notice of the stockholders' meeting shall also set the date, time and place of the validation of proxies, which in no case, shall be less than five (5) business days prior to the stockholders' meeting. *(As amended on 18 April 2011.)* **The notice shall also contain the procedures to be followed when a stockholder elects to participate and vote through remote communication or in absentia.**⁷ *(As amended on 12 March 2020 and 22 September 2020)*

The Corporation shall also provide information or documents to all stockholders by electronic transmission. The information or documents shall be deemed delivered upon the transfer or posting by electronic means. *(As amended on 22 September 2020)*

⁴ Revised Corporation Code, Section 50.

⁵ Revised Corporation Code, Section 49.

⁶ Revised Corporation Code, Section 49.

⁷ Revised Corporation Code, Section 50.

As used herein, electronic transmission means the delivery or transfer of documents, data or information by electronic mail to the electronic address of the stockholders registered in the books of the Corporation, posting in the Philippine Stock Exchange, posting in the Corporation's website (in the subsections for stockholders' meetings or disclosures of the Governance section), or such other recognized means of electronic transfer of data or information. (As amended on 22 September 2020)

The Corporation shall require all stockholders to provide a valid electronic address for them to receive notices and other information or documents from the Corporation. (As amended on 22 September 2020)

Stockholders preferring to receive physical copies of the notice, information or documents shall make a written request to the Corporation. Upon receipt of the request, the Corporation shall send the notice, information and documents by personal service. (As amended on 22 September 2020)

Notice to any meeting may be waived, expressly or impliedly, including through a stockholder's attendance at a meeting unless the stockholder's presence is for the express purpose of contending that the meeting is not lawfully convened.⁸ (As amended on 12 March 2020)

Section 4 – Regular meetings and duly called special meetings shall be constituted to pass resolutions provided over one-half of the stock is present or represented except in cases where the **applicable law** requires a greater number. (As amended on 12 March 2020)

The Corporation may opt to hold fully virtual stockholders' meetings, subject to applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. The virtual meetings shall be conducted in such a way that the stockholder experience shall be, to every extent possible, similar to a physical meeting. In any such instance, if stockholders holding at least ten percent (10%) of the outstanding capital stock ask for a physical meeting, the Corporation shall conduct a physical meeting unless prevented by existing rules and regulations. The request shall be made within two (2) weeks from the announcement of the holding of a virtual meeting, which shall be made ahead of the sending out of the Notice of Meeting. (As amended on 22 September 2020)

Section 5 – For the election of directors, it is necessary that the majority of the outstanding capital stock be present or represented. (As amended on 4 December 2014). Stockholders casting votes through remote communication or in absentia, electronically or otherwise, shall be deemed present for purposes of determining the existence of a quorum. (As amended on 12 March 2019)

Section 6 – Any stockholder entitled to vote may vote in person, through remote communication, in absentia, or be represented by proxy at any regular or special stockholders' meetings, subject to compliance with rules and regulations as may be issued by the Securities and Exchange Commission from time to time. (As amended on 12 March 2019) Proxies shall be in writing and signed and in accordance with the existing laws, rules and regulations of the Securities and Exchange Commission. Duly accomplished proxies must be submitted to the office of the Corporate Secretary not later than seven (7) business days prior to the date of the stockholders' meeting. Validation of proxies shall be conducted at least five (5) business days prior to the date of the stockholders' meeting. (As amended on 18 April 1997)

⁸ Revised Corporation Code, Section 49.

Section 7 – Each share of stock entitles the person in whose name it is registered in the books of the Corporation to one vote, provided the share has not been declared delinquent. (As amended on 4 December 2014)

Section 8 – The election of Directors shall be by ballot and each stockholder entitled to vote may cast the vote in person, by proxy, through remote communication, or in absentia, electronically or otherwise (As amended on 12 March 2019), to which the number of shares he owns entitles him, (As amended on 12 March 2020) for as many persons as are Directors to be elected, or he may give to one candidate as many votes as the number of Directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of Directors to be elected. (As amended on 4 December 2014)

Section 9 – At the regular meetings, the Board of seven (7) Directors shall be elected who shall hold office for the term of one (1) year or until their successors shall have been elected and qualified.

Section 10 – All stockholders' meetings shall be presided by the Chairman of the Board, or in his absence, by the Chairman of the Executive Committee, or in his absence, by the President, and in case the latter is also absent, by the senior Director, or by the oldest if several became Directors on the same date.

The minutes of the stockholders' meetings shall be signed by the Secretary, with the approval of the Chairman of the meeting.

Section 11 – The Board of Directors shall fix a record date for the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, **provided that the stock and transfer book shall be closed at least twenty (20) days for regular meetings and seven (7) days for special meetings, before the scheduled date of the meeting.**⁹ (As amended on 12 March 2020)

ARTICLE IV

OF THE BOARD OF DIRECTORS

Section 1 – The Board of Directors shall have seven (7) members who shall be elected individually by the Corporation's stockholders entitled to vote at the annual meeting, and shall hold office for one year and until their successors are elected and qualified in accordance with these By-Laws. (As amended on 4 December 2014)

As a corporation publicly listed in the Philippine Stock Exchange (PSE), the Corporation shall **comply** with the requirement to have such number of independent directors as may be required by law, and with the **legally prescribed procedures for their nomination and election.** (Old first paragraph deleted, as amended on 12 March 2020).

Section 2 – No person shall be elected nor be competent to hold the office of Director of this Corporation unless at least one (1) share of stock of the Corporation shall stand in his name in the books of the Corporation at the time of his election.

⁹ Revised Corporation Code, Section 49.

Section 3 – No person shall qualify or be eligible for nomination or election to the Board of Directors if he is in possession of any of the grounds for disqualification provided in applicable laws and the rules and regulation of the Securities and Exchange Commission, as may be amended from time to time¹⁰, or if he is engaged in any business which competes with or is antagonistic to that of the Corporation. (As amended on 12 March 2020) Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:

- a. If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any corporation (other than one in which the Corporation owns at least 30% of the capital stock) engaged in a business which the Board, by at least three-fourths (3/4) vote, determines to be competitive or antagonistic to that of the Corporation, or
- b. If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any other corporation or entity engaged in any line of business of the Corporation, when in the judgment of the Board, by at least three-fourths (3/4) vote, the laws against combinations in restraint of trade shall be violated by such persons membership in the Board of Directors; or
- c. If the Board, in the exercise of its judgment in good faith, determines by at least three-fourths (3/4) vote that he is the nominee of any person set forth in (a) or (b).

In determining whether or not a person is a controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business and family relations.

For the proper implementation of this provision, all nominations for election of Directors by the stockholders shall be submitted in writing to the **Corporate Governance and Nomination Committee** at least thirty (30) business days before the date of the regular meeting **of the stockholders**.¹¹ (As amended on 12 March 2020).

Section 4 – Any vacancy due to expiration of term shall be filled no later than the day of such expiration at the annual stockholders' meeting. For any vacancy arising from removal by the stockholders, the election shall be held on the same meeting if so stated in the agenda and notice of meeting. In all other cases, the vacancy may be filled by at least a majority vote of the remaining directors, if still constituting a quorum; otherwise, the vacancy shall be filled in a special stockholders' meeting called for that purpose, in any instance no later than forty-five (45) days from the time the vacancy occurred. The director so elected shall be referred to as replacement director and act as a member of the said Board only for the unexpired term of his predecessor.¹² (Old Section 4 deleted; Old Section 5 renumbered as Section 4, as amended on 12 March 2020)

However, when the remaining directors cannot constitute a quorum and emergency action is required to prevent grave, substantial or irreparable loss or damage to the Corporation, the vacancy may be temporarily filled from among the officers of the Corporation by the unanimous vote of the remaining directors. The designated director's actions shall be limited to any necessary emergency action and his term shall

¹⁰ Revised Corporation Code, Section 26.

¹¹ Charter of the Board of Directors (Board Charter), Section 4.1

¹² Revised Corporation Code, Section 28.

cease within a reasonable time from the termination of the emergency or upon election of the replacement director, whichever comes first.¹³ (As amended on 12 March 2020)

Section 5 – The Board of Directors shall designate the days when it shall meet in regular session, but it shall meet at least six (6) times a year.¹⁴ It may be convened in special session by the Chairman or at the request of three (3) Directors. (As amended on 4 December 2014). **Two-thirds (2/3) of the number of directors as fixed in the articles of incorporation shall constitute a quorum for the transaction of corporate business, except for the election of officers, which shall require the presence of all directors.**¹⁵

Participation of directors, including voting, at board meetings can be in person, through remote communication, such as videoconferencing, teleconferencing or other alternative modes of communication allowed by the Securities and Exchange Commission. Participation and voting cannot be done by proxy.¹⁶ (Old Section 6 renumbered as Section 5, amended on 12 March 2020)

Section 6 - The Board of Directors shall have the duties, powers and attributes, assigned to it by the Corporation Code, **as may be amended from time to time, other sections of these By-Laws, the Board Charter and the Corporate Governance Manual.** (Old Section 7 renumbered as Section 6, as amended on 12 March 2020)

Section 7 – **Directors with interest, potential or otherwise, in any related party transaction shall timely and fully disclose any and all material facts and abstain from deliberations on and approval of the same without prejudice to compliance with the requirements of the law and the rules and regulations of the Securities and Exchange Commission, as may be amended from time to time.**¹⁷ **Material related party contracts, as defined in applicable laws, rules and regulations of the Securities and Exchange Commission, shall be approved by at least two-thirds (2/3) of all the directors, including at least a majority of the independent directors.**¹⁸ (As amended 12 March 2020)

Section 8 - The Chairman of the Board of Directors shall have the following powers:

- a. To preside at all of stockholders' meetings and meetings of the Board of Directors;
- b. **To cast the deciding vote in case of a tie in the stockholders' meetings or in the Board meetings; and** (As amended on 12 March 2020)
- c. To exercise such other powers which are given him by these By-Laws. (As amended on 4 December 2014)

In the absence of the Chairman, the Vice Chairman shall automatically take his place as Acting Chairman of the Board of Directors. (Old Section 8 deleted, old Section 10 renumbered as Section 8, as amended on 12 March 2020)

Section 9 – The Executive Committee, composed of not less than three (3) but not more than five (5) members elected and appointed to the same by the Board, shall exercise any of the powers and attributes, allowable by law, of the Board of Directors during the intervening period between the Board's meetings, and shall report all resolutions adopted by it to the Board of

¹³ Revised Corporation Code, Section 28.

¹⁴ Board Charter, Section 5.1

¹⁵ Revised Corporation Code, Section 52.

¹⁶ Revised Corporation Code, Section 52.

¹⁷ Revised Corporation Code, Section 52.

¹⁸ Revised Corporation Code, Section 31.

Directors at the first meeting that the latter may subsequently hold. *(As amended on 4 December 2014; Old Section 12 renumbered as Section 9, as amended on 12 March 2020)*

Section 10 – The Chairman of the Executive Committee is the legal representative of the Corporation and has powers:

- a. To execute the resolutions of the stockholders' meetings, of the Board of Directors and of the Executive Committee;
- b. To sign, in accordance with said resolutions, such contracts, instruments and powers of attorney as may be necessary;
- c. To represent the Corporation and vote at the stockholders' meetings all stocks owned by the Corporation in other corporations or companies.

With the consent of the Board of Directors, the Chairman of the Executive Committee may delegate to any of the officers of the Corporation any and all powers granted him under this section, provided, however, that such delegation shall not divest the Chairman of the authority to exercise the same powers.¹⁹

Any delegation of powers made by the Chairman of the Executive Committee pursuant to the provisions of the next preceding paragraph should likewise be submitted for ratification and confirmation at the next annual meeting of stockholders.²⁰ *(Old Section 11 renumbered as Section 10, as amended on 12 March 2020)*

Section 11 – The corporate signature required for contracts, powers of attorney, etc., of all kinds shall be that of the Chairman of the Executive Committee alone, or that of any other person or persons that the Board may designate.

Checks and orders of payment shall be signed by the Chairman of the Executive Committee, or by the President, or by the Chief Finance Officer or Treasurer, or by the persons or persons that the Board may designate. *(Old Section 9 renumbered as Section 11, as amended on 12 March 2020)*

Section 12 – During the absence or illness of the Chairman of the Executive Committee, the Vice Chairman shall automatically assume his place as Acting Chairman of the Executive Committee and, in the absence of both, the Board of Directors shall designate, who, among its members, shall act as Acting Chairman of the Executive Committee. *(Old Section 13 deleted, old Section 14 renumbered as Section 12, as amended on 12 March 2020)*

Section 13 – Directors sanctioning transactions not authorized in these By-Laws or by statute shall be held personally and jointly liable therefor. *(Old Sections 15 to 18 transferred to Article V; Old Section 19 renumbered as Section 13, as amended on 12 March 2020)*

Section 14 – Directors shall be entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed one percent (1%) of the net income before income tax of the Corporation during the preceding year. *(As amended on 12 March 2020)*

¹⁹ Charter of the Executive Committee, Section 3.

²⁰ Charter of the Executive Committee, Section 3.

The **Personnel and Compensation Committee** of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope. **No Director shall be involved in deciding his own remuneration during his incumbent term**²¹. (As amended on 18 April 2011; Old Section 20 renumbered as Section 14, as amended on 12 March 2020)

ARTICLE V

OF MANAGEMENT AND OFFICERS

(As amended on 12 March 2020)

Section 1 – Management stands as the locus of decision-making for the day-to-day affairs of the Corporation and is primarily accountable to the Board of Directors for the operations of the Corporation. (As amended on 12 March 2020) It determines the Corporation's activities by putting the Corporation's targets in concrete terms and by formulating the basic strategies for achieving these targets.

Section 2 – The Chief Executive Officer shall determine the Corporation's strategic direction and formulate and implement its strategic plan on the direction of the business, oversee the operations of the Corporation and manage human and financial resources in accordance with the strategic plan, and such other powers which may be assigned to him by the Board. (Old Section 2 deleted, as amended on 12 March 2020)

Section 3 – The President shall have exercise general supervision of the business, affairs and property of the Corporation, and over its officers and employees and such other the powers which may be delegated to him by the Chairman of the Executive Committee, with the consent of the Executive Committee.

Any delegation of powers by the Chairman of the Executive Committee to the President shall be submitted for ratification and confirmation by the stockholders pursuant to the provisions of the last paragraph of Section 10 of Article IV.

In the absence of the President, the Acting President, shall be, in this order of precedence, (a) The Chief Executive Officer; (b) the Chairman of the Executive Committee; and (c) any Senior Officer, as may be determined by the Board of Directors. (Old Section 2 deleted, New Section 3 transferred from Article IV, as amended on 12 March 2020)

Section 4 – The Treasurer or a Vice President (or Managing Director) so appointed by the Board of Directors shall have custody of the funds, credit instruments and documents of the Corporation and shall furnish a bond, conditioned on the faithful performance of this duties, in a sum to be fixed by the Board of Directors. (As amended on 4 December 2014; new Section 4 transferred from Article IV, as amended on 12 March 2020)

Section 5 – The Secretary shall prepare and keep the minutes of all meetings of the Board of Directors and stockholders and attend to the correspondence and files of the Corporation, sign, jointly with the President, all stock certificates, keep and affix the Corporate seal, record all transfers of stock and cancellations and keep all stock certificates transferred, likewise, keep a list in alphabetical order of all stockholders of the Corporation and of their residences and the shares owned by each, and perform all

²¹ Revised Corporation Code, Section 29.

other duties which may be assigned to him by the Board of Directors. (New Section 5 transferred from Article IV, as amended on 12 March 2020).

Section 6 – The Compliance Officer shall ensure compliance by the Corporation, its directors and officers with applicable laws, rules and regulations, and governance issuances of regulatory agencies, proper onboarding of new directors, identification and appropriate resolution of any compliance issues, and the integrity and accuracy of all documentary submissions to regulators, and perform all other duties which may be assigned to him by the Board of Directors.²² (New Section 6, as amended on 12 March 2020)

Section 7 – In case of illness or absence of any officer of the Company, he shall be temporarily replaced by any other officer that the Chairman of the Executive Committee may designate. (New Section 7 transferred from Article IV, as amended on 12 March 2020).

ARTICLE VI

OF THE AUDITS

Section 1 – At each general meeting held, the stockholders shall elect the person or persons who are to audit the accounts of the Corporation until the next annual meeting.

Section 2 – No person shall be deemed ineligible to the office of the auditor because he is a stockholder of the Corporation, but said office is incompatible with the office of the Director of the Corporation.

Section 3 – It shall be the duty of the Auditor to audit the books of account of the Corporation whenever he shall see fit, and to report on the annual balance sheet, which later shall be published jointly with his report and for this purpose, all books of accounts, vouchers and other documents of the Corporation relating to its financial administration shall be placed at his disposal when he requests it.

Section 4 – A copy of the balance sheet and the report shall be filed in the offices of the Corporation ten (10) days in advance of the date on which the general meeting is held and shall be open for inspection by the stockholders.

Section 5 – The auditor shall receive such remuneration as the general meeting electing him may determine.

ARTICLE VII

OF THE PROFITS AND LIQUIDATION OF THE CORPORATION

Section 1 – The net profits before taxes shall be distributed as follows:

- a. An amount for management bonus to be recommended by the compensation committee of the Board of Directors and approved by the Board of Directors, and
- b. The balance shall be made available for distribution as dividends to stockholders. (As amended on 4 December 2014).

²² Revised Corporation Code, Section 24.

Cash dividend payouts shall be done through electronic means such as direct bank transfer and the like, as may be decided by the Board of Directors. The Corporation shall request stockholders to provide account details or other reference number/s needed for the transfer. Stockholders who fail to provide account details or other reference number/s shall receive their dividend payout by check, which will be available for pick-up at a designated office as announced in the Corporation's website and in regulatory disclosures. (As amended on 22 September 2020)

Section 2 – The Board of Directors may deduct from the annual profits any amount which it may see fit to create reserves for any purpose when, in its judgment, said action may be deemed necessary and convenient for the business of the Corporation or to meet contingencies that might arise in the course of business of the Corporation.

Section 3 – At the end of the life of the Corporation, or if it has to liquidate for any reason, the Board of Directors shall exercise the functions of liquidators and the applicable portions of these By-Laws shall continue in force.

Section 4 – The products that may be obtained from the liquidation of the Corporation, after liquidating all of its obligations, shall first be applied to the return of the shares of the stockholders, and the remainder, should there be any, shall be distributed in accordance with the rule established in these By-Laws for distribution of annual profits.

ARTICLE VIII

ARBITRATION

Section 1 – Any dispute, controversy or claim between the Corporation and its stockholders arising from, relating to, or in connection with the implementation of the articles of incorporation or by-laws, or from intra-corporate relations, except those involving criminal offenses and interests of third parties, may be referred to and resolved by arbitration in accordance with prevailing Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules and Securities and Exchange Commission Rules and Regulations.

Section 2 – The number of arbitrators shall be three (3) appointed by the Philippine Dispute Resolution Center, Inc. (PDRCI) and the place of arbitration shall be in Metro Manila, Philippines. The language to be used for the arbitral proceedings shall be English.²³

Section 3 – The parties shall be bound by the award rendered by the Arbitral Tribunal and confirmed by the appropriate Regional Trial Court. Arbitration shall not be available for disputes involving claims in excess of One Million Pesos (Php1,000,000.00) or involving the determination of the fair valuation of shares in appraisal proceedings. (New Article, As amended on 12 March 2020)

ARTICLE IX

(Renumbered on 12 March 2020)

MISCELLANEOUS AND TRANSITORY PROVISIONS

²³ Revised Corporation Code, Section 181.

Section 1 – The seal of the Corporation shall contain the name, principal place of business of the Corporation, and the words “ESTABLISHED” in 1834 and “INCORPORATED IN 1968” and said seal is hereby adopted as corporate seal.

Section 2 – To aid the Board of Directors in the promotion of and adherence to the principles and best practices of good corporate governance, the Manual of Corporate Governance adopted by the Board of Directors on August 26, 2002, and any amendments thereto, and the Charters of the Board of Directors and of the Board Committees shall be supplementary to these By-Laws. (As amended on 4 December 2014).

Section 3 – These By-Laws may be amended, repealed or modified by the affirmative vote of the stockholders owning or representing a majority of the outstanding capital stock and majority of the Directors, at any regular or special meeting duly called for the purpose; Provided, however, that by the affirmative vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock, the power and authority to amend or repeal these By-Laws or adopt new By-Laws may be delegated to the Board of Directors; Provided, finally, that the delegation of such powers and authority to the Board shall be considered as revoked whenever stockholders owning or representing a majority of the outstanding capital stock shall so vote at a regular or special meeting called for the purpose. (As amended by the stockholders on 18 May 1989, and further amended on 4 December 2014).

Section 4 – The fiscal year and closing of the books of the Corporation shall be on the 31st day of December of each year. (As amended on 14 March 1983).

ADOPTED this 26th day of January 1968 at Makati, Rizal.

(s/t) **J.R. MCMICKING**

(s/t) **ENRIQUE ZOBEL**

(s/t) **JAIME ZOBEL DE AYALA**

(s/t) **SALVADOR J. LORAYES**

(s/t) **JAVIER J. NEPOMUCENO**

**MERCEDES Z. MCMICKING
CONSUELO ZOBEL ALGER
GLORIA ZOBEL DE PADILLA
FERNANDO ZOBEL DE AYALA
MA. VICTORIA Z. DE VALLEJO-NAGERA
ALFONSO ZOBEL DE AYALA PFITZ
By: AYALA SECURITIES CORPORATION
(Attorney-in-Fact)**

By: ENRIQUE ZOBEL
Chairman, Executive Committee