

**BENGUET CORPORATION**

**MINUTES**

**OF THE ANNUAL STOCKHOLDERS' MEETING**

**20 December 2024**

The annual stockholders' meeting of Benguet Corporation (the "Company") was held virtually via Zoom Conference Meeting on Friday, 20 December 2024.

**I. Call to Order**

The meeting was called to order at 3:00 in the afternoon. The Chairman, Dr. Bernardo M. Villegas, welcomed all the stockholders to the 2024 Regular Annual Stockholders' Meeting (ASM), and mentioned that the ASM will be conducted online and recorded through video-streaming proceeding as approved by the Board of Directors in its regular meeting held on August 29, 2024 in compliance with Securities and Exchange Commission Memorandum Circular No. 6, Series of 2020.

Dr. Villegas also mentioned that the procedures for the ASM were embodied in the Company's Definitive Information Statement duly approved by the Securities and Exchange Commission (SEC) which was disclosed in PSE Edge Portal and posted in the Company's website. He added that the stockholders were advised to register online to give them the opportunity to participate in the ASM and that only questions and concerns submitted online prior to the given deadline of November 13, 2024 will be addressed during the ASM and that those brought up during the ASM will be addressed through email after the ASM and will be included in the minutes accordingly.

The incumbent members of the Board of Directors of the Company who were present, were thereafter introduced, including those attending online, as follows:

<b>Attended in person at the BC Board Room</b>	
BERNARDO M. VILLEGAS	Independent Director/Chairman of the Board/Chairman of Nomination and Elections Committee, Corporate Governance and Related Party Transactions Committee and Member of Audit Committee
RHODORA L. DAPULA	Independent Director, Chairman of Audit Committee and Member of Corporate Governance Committee
LINA G. FERNANDEZ	Director and President, Member of Executive Committee and Related Party Transactions Committee
<b>Attended online:</b>	
ANTHONY M. TE	Director, Chairman of Executive Committee and Salary and Stock Option Committee, and Member of Nomination and Elections Committee
ANDREW PATRICK R. CASIÑO	Independent Director, Member of Audit Committee

KWOK YAM IAN CHAN	Director, Member of Executive Committee
CARLOS ALFONSO T. OCAMPO	Director, Member of Board Risk Oversight Committee and Related Party Transaction Committee
MARIA REMEDIOS PAZ R. POMPIDOU	Director
ANDREW JULIAN K. ROMUALDEZ	Director, Member of Executive Committee, Salary and Stock Option committee and Nomination and Elections Committee
LUIS JUAN L. VIRATA	Director

Also introduced were the following officers:

REYNALDO P. MENDOZA	Executive Vice President and Asst. Corporate Secretary
MAX D. ARCEÑO	Senior Vice President-Finance & Treasurer
VALERIANO B. BONGALOS, JR.	Vice President/Resident Manager-Benguet District Operations
PAMELA M. GENDRANO	Asst. Vice President-Environmental Compliance and Chief Risk Officer
EMMANUEL M. PUSPOS	Asst. Vice President-Mining and Business Development
DEOGRACIAS P. HALOG	Asst. Vice President-Technical Operations
HERMOGENE H. REAL	Corporate Secretary

Dr. Villegas likewise acknowledged the presence of the Company's external auditors, Sycip Gorres Velayo & Company represented by Mr. Jerome O. Afable and Ms. Jenny Orlanda, and the Company's transfer agent, Stock Transfer and Service, Inc. representatives, Ms. Marites Yumol and Mr. Paulo Herrera.

## **II. Proof of Notice of the Meeting and Certification of Quorum**

The Corporate Secretary, Atty. Hermogene H. Real, was asked to submit proof of the notice of meeting. The Corporate Secretary certified that, pursuant to the alternative mode for distributing and providing the notice of meeting in connection with the holding of the Annual Stockholders' Meeting (ASM) for 2024, notices of the meeting were sent to all stockholders of record as of November 14, 2024 in four (4) ways to reach as many stockholders as possible.

First, through publication in print and online format of the Notice of the ASM, including the agenda, for two (2) consecutive days on November 27 and 28, 2024 in both Manila Standard business section and in People's Journal, as evidenced by the Affidavits of Publications executed by the respective representatives of said publishers (Annex "A")<sup>1</sup>. Second, by disclosure of Information Statement through the Philippine Stock Exchange (PSE) Edge Portal. Third, by posting on the Company's website. Finally, through email for those who have successfully registered online, consistent with applicable SEC Rules and the Company's internal guidelines on participation by electronic means of communication or in absentia.

<sup>1</sup>Annex "A" – Manila Standard and People's Journal Affidavits of Publication

### **Certification of Quorum:**

The Corporate Secretary certified that there was a quorum for the transaction of any business that may be properly brought before the body, with attendance of shareholders comprising a total of 524,231,578 shares of stock represented remotely and by proxy representing 73.29% of the outstanding shares and constitute more than 2/3 of the outstanding capital stock. [Appended to original copy of the Minutes is the report dated December 20, 2024 of SGV & Co., the Company's external auditors, showing the results of tabulation of the number of shares present at the meeting.<sup>2</sup> ]

On the basis of the Corporate Secretary's certification, there being a quorum present, the Chairman called the meeting to order.

The Chairman assured the stockholders that while the Company is holding the meeting virtually, steps were taken to ensure that they were given opportunity to participate in the meeting to the same extent had the meeting been done in person.

The Corporate Secretary explained the participation and voting procedures adopted for the meeting which were also contained in the Definitive Information Statement, and is accessible to all stockholders through the Company's website, PSE Edge and the meeting portal.

### **III. Approval of the Minutes of the Annual Stockholders' Meeting held on November 8, 2023**

The Chairman stated that the minutes of the last Regular Annual Stockholders' Meeting held on November 8, 2023 (Annex "C") was made available in the Company's website.<sup>3</sup>

The Corporate Secretary reported that stockholders owning a total of 524,231,572 shares representing 73.29% of the total outstanding shares of stock have voted in favor of the following resolution:

*"RESOLVED, that the Minutes of the Annual Stockholders' Meeting of the Corporation held on November 8, 2023 be, as it is hereby, approved."*

### **IV. Approval of Management Report and Audited Financial Statements for the year ended December 31, 2023**

The Chairman announced that the next order of business was the Management Report including the Company's Audited Financial Statements for the year ended December 31, 2023. He then requested the President, Ms. Lina G. Fernandez, to deliver the Management Report on the Company's business plans and financial results, as follows:

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<sup>2</sup>Annex "B" - Quorum Tabulation

<sup>3</sup>Annex "C" – Minutes of the Annual Stockholders Meeting held on November 8, 2023

“We are glad to report that in 2023, your Company sustained its remarkable operating performance. Despite the drop in nickel prices, your Company reported consolidated revenue of ₱2.53 billion and net income of ₱554 million in 2023.

Total Consolidated Assets grew to ₱10.34 billion from ₱9.91 billion a year ago, while total liabilities dropped by 7.6% from ₱2.13 billion in 2022 to ₱1.97 billion in 2023. As a result, equity increased to ₱8.37 billion from ₱7.78 billion in 2022.

Earnings per share in 2023 was ₱0.89, compared to ₱2.14 in 2022. Book value per share improved to ₱13.42 from ₱12.48 in the previous year.

The year 2024 marked a new beginning for your Company after the settlement of its old debt which impaired the Company’s growth for over 30 years. Last October 29, 2024, your Company declared cash dividends for the first time after 35 years. This was made possible by the successful rescission of the 1993 loan agreements which negated the restriction on dividend payments, and the robust performance of your Company.

#### EXPLORATION, RESEARCH AND DEVELOPMENT

With the soaring price of gold, your Company’s focus is now on its gold prospects. Your Company started the exploration of its gold property situated in Zamboanga Sibugay. The Company also continued to implement its drilling program in the Pantingan gold prospect in Bataan. The main purpose of the drilling program is to determine the possible extensions of the identified gold veining systems. To support the exploration, your Company approved the Phase 2 drilling and exploration budget of ₱50.0 million.

The Mines and Geosciences Bureau recently approved the renewal of the Pantingan MPSA to Balanga Bataan Mineral Corporation, as claim owner, with your Company as operator, for another 25 years commencing on March 25, 2025.

Your Company is likewise studying a new technology that will yield higher recovery of its Gold Tailings Project in Itogon and is looking at other copper-gold prospects.

Aside from Mining, your Company is expanding its portfolio to include real estate, water, construction and agribusiness and renewable energy.

In the area of energy, we incorporated Benguetcorp Renewable Energy Corporation (BREC). BREC will take the lead in our solar project activities in Zambales.

On Land Development, we acquired a six hectare property in Naguilian, La Union for the second phase of Woodspark Subdivision. The prospect of developing a medium rise condominium in the Company’s Irisan Property in Baguio City is within reach. Social preparation for the development of other land areas of your Company is being undertaken.

#### ENVIRONMENTAL PROTECTION AND COMMUNITY RELATIONS

Your Company is committed to the protection and enhancement of our environment by ensuring that its mining operations are compliant with the

strict regulations of the DENR-MGB and other government agencies. To meet the environmental obligation of its mining operations in Itogon, Baguio and Zambales, your Company spent P36.5 million in 2023 for the maintenance and structural rehabilitation of tailings disposal systems, drainage, tunnels, mine waste dump, other mining infrastructures, and, for continuous reforestation activities. The activities are based on the approved Annual Environmental Protection and Management Programs and are closely coordinated with and monitored by the Mine Monitoring Teams, the Mine Rehabilitation Fund Committees, the MGB, the Local Government Units and the Environmental Management Bureau.

Your Company continues to fulfill its social obligations through implementation of various Social Development and Management Programs or SDMP for BGO, Irisan and BRMC, in coordination with Local Government Units and government agencies. The SDMP has directly benefited residents within your Company's areas of operations as well as neighboring communities. Your Company also regularly undertakes other community development programs such as health and medical care, infrastructure and environmental protection activities, Child Development and Family Welfare Programs, livelihood, capacity building for its community workers and local government officials, as well as education and scholarship programs. Scholarships were granted to 624 beneficiaries this year. 540 high school and college students in Sta. Cruz and Candelaria, Zambales, 57 high school and college students in Itogon, Province, 1 college student in Irisan, Baguio City and 26 high school students in Pantingan, Bataan Province were benefited. Total expenditures to implement these activities in 2023 stood at P15.54 million.

## OUTLOOK

As gold price remains strong, your Company will work to achieve higher gold production in Acupan Gold Operations and move quickly towards the development of gold prospects in Zamboanga and Pantingan, Bataan.

In the area of diversification, we are looking to start our real estate and construction projects in Northern Luzon in 2025. Your Company is targeting the development of Woodspark Subdivision Phase 2 in Naguilian, La Union, the development of Kias property located in Itogon, Benguet, and hopefully the development of a medium rise condominium in the Irisan Property in Baguio City.

With the plan of establishing Metro Baguio in BLISST area, there is now a better chance for the Company's Bulk Water Supply Project.

## ACKNOWLEDGEMENT

We thank the Company's capable management team, its dedicated and hardworking employees and the Board of Directors for their perseverance, patient understanding and guidance. We also thank you, our stockholders, for your trust and unwavering support."

After the presentation by the President, the Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of the following resolution:

***RESOLVED***, that the Management Report as presented by the President, Atty. Lina G. Fernandez, and the Corporation's audited

*financial statements for year ended December 31, 2023 be, as they are hereby, approved.”*

**V. Approval of the extension of term/retention of Mr. Bernardo M. Villegas as Independent Director**

The Corporate Secretary informed the body that the Company’s Chairman of the Board, Mr. Bernardo M. Villegas, is an Independent Director and his term as such, has reached the nine (9) years maximum term limit in 2021 with 2012 as reckoning year. During the regular meeting of the Board of Directors held on August 29, 2024, he was approved for extension and for retention as Independent Director. As stated in the Company’s Manual on Corporate Governance, pursuant to Securities and Exchange Commission Memorandum Circular No. 19, Series of 2016, such term limit may be extended upon meritorious justification/s and Stockholders’ approval. The justification for said extension/retention has been provided to the Stockholders in advance through the Information Statement disclosed in the PSE Edge Portal and posted in the Company’s website.

The Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of the following resolution:

*“RESOLVED, that the extension/retention of Mr. Bernardo M. Villegas as Independent Director despite having reached the cumulative maximum term of nine (9) years and three year extension under the SEC Memorandum Circular No. 4, series 2017, for reasons that Dr. Villegas has contributed, and will continue to contribute significantly to the success of the Company, be, as it is hereby, approved.”*

**VI. Approval of the amendment of Stock Option Plan paragraph 3 – Eligibility, to clarify the definition of Consultants**

The Chairman stated that the “consultants” being referred to in the Stock Option Plan are natural persons that provide services relevant to the Company or to its subsidiaries’ operations such as but not limited to technical services (mining, electrical, civil, etc.) and project management. They are retired employees of the Company that were engaged as consultants. The services provided by these consultants are not in connection with the offer or sale of securities in a capital raising transaction, and do not directly or indirectly promote or maintain a market for the Company’s securities.

The Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of approving the amendment of Stock Option Plan paragraph 3 entitled “Eligibility”, to wit:

*“RESOLVED, that the amendment to the Stock Option Plan paragraph 3 entitled “Eligibility” clarifying the definition of consultants in the Plan be, as it is hereby, approved.”*

**VII. Approval of the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the Amended Articles of Incorporation and Article 1 Section 1 of the Amended By-Laws**

The Chairman stated that management proposed to increase the Authorized Capital Stock from SEVEN HUNDRED EIGHTY FOUR MILLION EIGHT HUNDRED THOUSAND PESOS (Php 784,800,000.00) to THREE BILLION ONE HUNDRED EIGHTY FOUR MILLION EIGHT HUNDRED THOUSAND PESOS (Php3,184,800,000.00) and corresponding amendment of the Amended Articles of Incorporation and Amended By-Laws as approved by the Board of Directors in its regular meeting held on August 29, 2024.

The Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of the resolution on the increase in the Authorized Capital Stock and corresponding amendments to Article Seventh of the Amended Articles of Incorporation and Article 1 Section 1 of the Amended By-Laws, to wit:

***“RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be authorized and empowered, as it is hereby authorized and empowered, to amend the Articles of Incorporation to increase the authorized capital stock of the Corporation;***

***RESOLVED, FURTHER, pursuant to the foregoing, that the SEVENTH ARTICLE of the Amended Articles of Incorporation and Article 1, Section 1 of the Amended By-Laws be amended as follows:***

***“That the capital stock of the Corporation is THREE BILLION ONE HUNDRED EIGHTY FOUR MILLION EIGHT HUNDRED THOUSAND PESOS (Php3,184,800,000.00) and said capital stock is divided into three classes consisting of (a) ONE BILLION EIGHT HUNDRED SEVENTY MILLION THREE HUNDRED EIGHTY THOUSAND (1,870,380,000) shares of Common Class A Stock of the par value of One Peso (P1.00) each; (b) ONE BILLION TWO HUNDRED FORTY SIX MILLION NINE HUNDRED TWENTY THOUSAND (1,246,920,000) shares of Common Class B Stock of the par value of One peso (P1.00) each; and (c) such number of shares of Convertible Preferred Class A Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders’ Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Class A Stock to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and***

*shall be such number as shall be equal to the quotient obtained by dividing SIXTY SEVEN MILLION FIVE HUNDRED THOUSAND Pesos (P67,500,000.00) by the number of the shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors.”*

**VIII. Approval/ratification of the Private Placement transaction and Waiver of the requirement to conduct rights or public offering for listing purposes**

The Chairman stated that the Executive Committee endorsed the proposal for a Private Placement by Red Earth Mineral Resources Corporation up to the total of 110 million common shares, and waiver of the requirement to conduct rights or public offering for listing purposes which was approved by the Board during its special meeting held on October 29, 2024.

The Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,72 shares have voted in favor of the following resolutions, to wit:

*“RESOLVED, AS IT IS HEREBY RESOLVED, that the private placement agreement between Benguet Corporation and Red Earth Mineral Resources Corporation for the Company’s common shares up to the total of 110 million shares, be, as it is hereby approved.*

*RESOLVED, FURTHER, That pursuant to the foregoing, that the private placement transaction and waiver to conduct a rights or public offering as requirement for listing purposes, be, as it is hereby approved and ratified.”*

**IX. Approval of the Re-appointment of SyCip Gorres Velayo and Company(SGV) as the independent external auditor of the Company**

The Chairman stated that the Audit Committee recommended the re-appointment of the firm SyCip Gorres Velayo & Company (SGV) as the Company’s external auditor for the years 2024-2025 up to the next Annual Stockholders’ Meeting.

The Corporate Secretary reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of the resolution re-appointing SGV as external auditor for the years 2024-2025, to wit:

*“RESOLVED, that the accounting firm of Sycip Gorres Velayo & Co. be re-appointed external auditors of the Corporation for the years 2024-2025 up to the next Annual Stockholders’ Meeting.”*

**X. Confirmation and Ratification of all acts, resolutions, contracts, investments and proceedings made and entered into by Management and/or the Board of Directors since November 8, 2023, until the date of 2024 Annual Stockholders’ Meeting (ASM)**



The Chairman stated that a summary of the acts of management and directors of the Corporation was disclosed in the Definitive Information Statement in the PSE Edge Portal and posted in the Company's website.

The Corporate Secretary reported that reported that Stockholders owning 73.29% of the outstanding shares or a total of 524,231,572 shares have voted in favor of the resolution, to wit:

***RESOLVED**, that all acts, proceedings, transactions, investments, contracts, agreements, resolutions and deeds, authorized, undertaken and entered into by the Board of Directors, Management and/or Officers of Benguet Corporation from the date of the last annual stockholders' meeting of November 8, 2023 up to the present, be, as they are hereby, ratified, confirmed and approved."*

**XI. Election of Eleven (11) Directors (including Independent Directors) for the ensuing year - (subject to the lifting of the Temporary Restraining Order issued by the Supreme Court)**

The Chairman then proceeded to the election of the members of the Board of Directors. He asked the Corporate Secretary if she has the list of nominees to the Board of Directors. The Corporate Secretary replied in the affirmative, and that the Company received a total of eight (8) nominations for Regular Directors, and three (3) nominations for Independent Directors. Full details of the backgrounds and qualifications of the nominees have been disclosed in the Company's Definitive Information Statement.

The Corporate Secretary stated that as disclosed in the Company's Definitive Information Statement, the election of directors is still enjoined under the Temporary Restraining Order (TRO) issued by the Philippine Supreme Court as of November 20, 2024, the date of the statement. She informed the stockholders that as of the date and time of the meeting, no order lifting the TRO has been received by the Company, hence, no election of directors could be held.

Thus, the present set of incumbent directors and independent directors of the Company shall continue to remain in office on holdover capacity until their successors are elected and qualified, namely:

For Regular and Independent Directors representing Common Class A and Convertible Preferred Class A Stocks:

1. Andrew Patrick R. Casiño
2. Carlos Alfonso T. Ocampo
3. Maria Remedios Paz R. Pompidou
4. Anthony M. Te
5. Luis Juan L. Virata
6. Rhodora L. Dapula – Independent Director
7. Elmer B. Serrano – Independent Director

For Regular and Independent Director representing Common Class B Stocks:

1. Bernardo M. Villegas – Independent Director
2. Lina G. Fernandez
3. Andrew Julian K. Romualdez
4. Kwok Yam Ian Chan

**XII. OTHER BUSINESS/MATTERS**

**Conversion Premium for Convertible Preferred "A" shares**

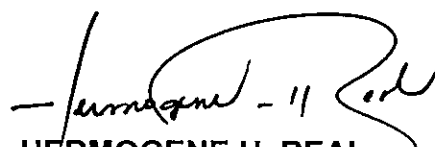
The Chairman informed the shareholders that for the year 2024, the conversion premium for converting Convertible Preferred "A" shares into Common Class "A" shares is P13.42 per share. Holders of Convertible Preferred Class A at their option may convert such stocks into Common Class A stock with par value of P1.00 per share upon payment of the conversion premium.

**XIII. QUESTION AND ANSWER**

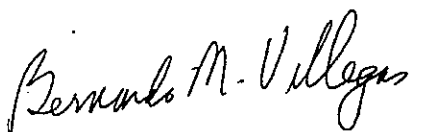
The Chairman then asked the Corporate Secretary if there were comments and questions submitted to the Company prior to and during the Annual Stockholders' Meeting through email or meeting portal. He asked the Corporate Secretary to read the questions and the management's corresponding responses. The Corporate Secretary replied that there was none received by email or through the meeting portal prior to the meeting. She further stated that any questions submitted during the Annual Stockholders' Meeting will be addressed via email and will be reflected accordingly in the minutes.

**XIV. ADJOURNMENT**

Since all matters in the agenda have been covered in full, and neither were there questions/comments received from stockholders within the stated deadline nor during the proceedings, the meeting was adjourned at 3:40 p.m. upon motion duly made and seconded.

  
**HERMOGENE H. REAL**  
Corporate Secretary

**ATTEST:**

  
**BERNARDO M. VILLEGAS**  
Chairman