

## MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING

OF

**iPEOPLE, INC.**

Date : 30 July 2021  
Time : 4:15 P.M.  
Place : Via Electronic Means of Communication

The Chairman, Mr. Renato C. Valencia welcomed the Company's stockholders to the 2021 Annual Stockholders' Meeting ("ASM"). The Chairman noted that due to the persisting threat posed by the COVID-19 pandemic, and to comply with the Inter-Agency Task Force on Emerging Infectious Diseases' advisory to avoid physical mass gatherings, the Company is conducting its 2021 ASM as an online and recorded video-streaming meeting.

The Chairman proceeded to mention that the procedures for the ASM are embodied in the Company's Definitive Information Statement, which has been approved by the Securities and Exchange Commission ("SEC"). He also advised that to accord the Stockholders the opportunity to participate in the ASM, the Stockholders were informed that they may register online. Further, they were made aware that only questions and concerns submitted online prior to the given deadline will be addressed during the ASM. As for questions during the ASM, they will be addressed via email after the ASM. The Chairman then introduced the other incumbent members of the Board of Directors of the Company, who were present, while their pictures were being shown onscreen, as follows:

- |                                 |   |                                  |
|---------------------------------|---|----------------------------------|
| 1. Dr. Reynaldo B. Veal         | – | Director/President & CEO         |
| 2. Mr. Alfredo Antonio I. Ayala | – | Director/Chief Operating Officer |
| 3. Mr. Lorenzo V. Tan           | – | Director                         |
| 4. Ms. Yvonne S. Yuchengco      | – | Director                         |
| 5. Mr. Medel T. Nera            | – | Director                         |
| 6. Mr. Gerardo C. Ablaza, Jr.   | – | Director                         |
| 7. Mr. Cesar A. Buenaventura    | – | Independent Director             |
| 8. Ms. Herminia S. Jacinto      | – | Independent Director             |
| 9. Mr. Renato C. Valencia       | - | Independent Director             |

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

The Chairman, Mr. Renato C. Valencia, called the meeting to order.

### **II. PROOF OF NOTICES.**

The Chairman asked the Corporate Secretary, Atty. Samuel V. Torres, whether proper notices of the meeting were sent to the stockholders entitled thereto.

The Corporate Secretary certified that, pursuant to the alternative mode for distributing and providing the notice of meeting for the 2021 ASM, the notice was sent to all stockholders of record as of 30 June 2021 in four (4) ways, as follows:

First, by publication of the Notice of the ASM, including the agenda, on 05 July 2021 and 06 July 2021 in The Manila Bulletin and the Philippine Star, both in print and online editions ([www.onenews.ph](http://www.onenews.ph) and [www.mb.com.ph](http://www.mb.com.ph)) for two (2) consecutive days, as evidenced by the Affidavits of Publications executed by the respective representatives of the publishers.

Second, by disclosure to the Philippine Stock and Exchange, Inc.

Third, by posting on the Company's website.

Finally, through email for those who have successfully registered online, consistent with the applicable SEC Rules and the Company's internal guidelines on the holding of the ASM by electronic means of communication.

### **III. DETERMINATION OF QUORUM.**

The Corporate Secretary certified that out of the 1,044,263,197 outstanding shares of stock entitled to participate and vote, a total of 978,406,239 shares are represented in this meeting, with 978,399,614 shares represented by proxy. All of the said shares represent 93.69% of those entitled to participate and vote and constitute more than 2/3 of the outstanding capital stock. The Corporate Secretary then confirmed that there was quorum.

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

The Chairman proceeded to present the next item in the Agenda, which is the approval of the Minutes of the last Annual Stockholders' Meeting held on 11 August 2020. He advised that a copy of the Minutes is posted in the Company's website and available to all stockholders for viewing.

The Corporate Secretary then stated that a total of 978,406,239 shares, representing 93.69% of the total outstanding stock, voted in favor of the following resolution to approve the Minutes of the 2020 Annual Stockholders' Meeting:

RESOLVED, that the Minutes of the last Stockholders' Meeting held last August 11, 2020 be, as they are hereby, noted and approved.

**V. APPROVAL OF THE 2020 MANAGEMENT REPORT AND THE AUDITED FINANCIAL STATEMENTS.**

The Chairman noted the next item on the Agenda, which is the approval of the 2020 Management Report and the 2020 Audited Financial Statements. He mentioned that the Audited Financial Statements is also posted in the Company's website. The Chairman then requested the Company's President & CEO, Dr. Reynaldo B. Veja, to present a report on the results of the Company's operations last year.

Dr. Veja presented his report on the Company's "2020 Journey: Rising Above Uncertainty, Turning Difficulties Into Opportunities". He commenced his report by noting the challenges posed by the COVID-19 pandemic and the efforts to overcome the difficulties encountered by the Company's educational sector business, composed of the following schools: Malayan Education System, Inc. (Operating Under the Name of Mapua University); Malayan Colleges Laguna, Inc., A Mapua School; Malayan Colleges Mindanao (A Mapua School), Inc.; Malayan High School of Science, Inc., National Teachers College; Affordable Private Education Center, Inc. (APEC School); and University of Nueva Caceres (all schools collectively referred to as the "Schools").

Dr. Veja discussed the Schools' Consolidated Revenue, Student Population, Operating Expenses, and Consolidated Net Income. He then proceeded to report on the following:

- a. Challenges on Learning Delivery: A Showcase of Our Digital Preparedness
- b. Challenges in Business Operations: Our Sound and Contextualized Solutions
- c. Forging Partnerships and Optimizing Learning and Growth
- d. Collective Triumphs: Recognitions Received During the Pandemic
- e. Conquering the Stars: Our Institutional Recognitions
- f. Purposeful Existence Through Research and Community Development
- g. Pursuit of Continuing Growth
- h. Overcoming Uncertainty as One

Dr. Veja concluded his report by commending all who are braving the challenges posed by the pandemic and expressing the belief that with collective action, difficulties can be turned into opportunities.

After Dr. Veja concluded his report, the Corporate Secretary noted the proposal to approve the Management Report and the 2020 Audited Financial Statements under the following resolution:

"RESOLVED, that the Management Report and the 2020 Audited Financial Statements, as made available to the Stockholders, be as they are hereby, noted and approved."

There being no objections, the Corporate Secretary advised that a total of 978,406,239 shares, representing 93.69% of the total outstanding stock, voted in favor of the above resolution.

**VI. RATIFICATION AND CONFIRMATION OF THE ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, THE VARIOUS COMMITTEES AND OFFICERS OF THE COMPANY DURING THE YEAR IN REVIEW.**

The Corporate Secretary noted the proposal that all acts, resolutions and proceeds of the Board of Directors, the Executive Committee, the Other Committees, and Officers of the Company during the year in review be ratified and confirmed under the following resolution

“RESOLVED, that all acts, resolutions, and proceedings of the Board of Directors, the Executive Committee, the Other Committees, and the Officers during the year in review be ratified and confirmed.”

There being no objections, the Corporate Secretary advised that a total of 978,406,239 shares, representing 93.69% of the total outstanding stock, voted in favor of the above resolution.

**VII. ELECTION OF DIRECTORS FOR 2021-2022.**

The Chairman noted the next item in the Agenda, which is the election of directors for the year 2020-2021. He then asked the Corporate Secretary if he has the list of nominees to the Board of Directors. The Corporate Secretary replied in the affirmative and stated that, as of 12 May 2021, the deadline for nominations, there were nine (9) nominees, screened and evaluated by the Corporate Governance, Nomination and Related Party Transactions Committee for election as members of the Board of Directors, namely:

**Regular Directors**

1. Dr. Reynaldo B. Veja
2. Mr. Alfredo Antonio I. Ayala
3. Ms. Yvonne S. Yuchengco
4. Mr. Lorenzo V. Tan
5. Mr. Medel T. Nera
6. Mr. Gerardo C. Ablaza, Jr.

**Independent Directors**

7. Mr. Renato C. Valencia
8. Mr. Cesar A. Buenaventura
9. Ms. Herminia S. Jacinto

The Corporate Secretary particularly noted that while the Company is guided by the SEC's mandatory term limits for independent directors as provided for in SEC Memorandum Circular No. 4 (Series of 2017), the reelection and retention of Mr. Renato C. Valencia and Mr. Cesar A. Buenaventura as independent directors of the Company is being proposed for stockholders' approval based on the invaluable contribution and guidance that they are constantly providing to the Company. He further stated that the meritorious justifications for Mr. Valencia and Mr. Buenaventura's reelection and retention as Independent Directors were provided for in the Company's Definitive Information Statement.

Thereafter, the Corporate Secretary confirmed the results of the election, stating that all the shares represented in the meeting, particularly, a total of 978,406,239 shares, representing 93.69% of the total outstanding stock, voted in favor of the election of all nine (9) nominees. The Chairman thus declared and proclaimed the above-named nominees as elected members of the Company's Board of Directors for 2021-2022.

#### **VIII. APPOINTMENT OF EXTERNAL AUDITOR.**

The Chairman proceeded to tackle the next item on the Agenda, which is the appointment of the Company's external auditor.

The Corporate Secretary noted the proposal for SGV & CO. to be reappointed as the Company's external auditor for the calendar year ending 31 December 2020 under the following resolution:

“RESOLVED, that the auditing firm, SGV & CO., be as it is hereby, reappointed as the Company's External Auditor for the calendar year ending December 31, 2021.”

There being no objections, the Corporate Secretary advised that a total of 978,406,239 shares, representing 93.69% of the total outstanding stock, voted in favor of the above resolution.

#### **IX. OTHER MATTERS.**

The Chairman inquired if there were any other matters that any of the stockholders wished to discuss or whether there is any other item on the Agenda. The Corporate Secretary confirmed that there was none.

The Chairman proceeded to state that comments and questions submitted to the Company prior to the deadline for submission will be addressed. The Corporate Secretary noted that some questions were received from the stockholders within the stated deadline.

The first question pertains to the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act wherein the Bureau of Internal Revenue ("BIR") released a Memorandum last April 08, 2021 which excluded for-profit private schools from availing of the preferential corporate income tax rate of from 10% to 1%. The inquiry posed is how such will affect the quality of education for iPeople schools and whether there will be tuition and/or other fees increases with or without the memorandum. Dr. Veja replied that it may be noted that the purpose of the CREATE Act is to provide tax relief to industries most affected by the pandemic. One of these would be the educational institutions. He then noted that a Senate Bill has been filed, which would recognize the preferential tax rate applicable to private and proprietary schools. Also, fortunately, the BIR recently suspended the subject Memorandum and this will hopefully ease financial burdens on schools, prevent school closures, allow schools to invest in quality education, and remove the need to increase tuition fees as a result of the effects of the subject Memorandum.

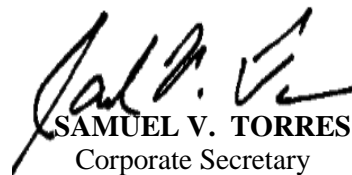
The second question pertains to economic bills that were certified as urgent by the President of the Philippines such as the Foreign Investment Act, Public Service Act, and the economic provisions of the 1987 constitution include the provision for Education. The Company was asked on its reaction to the proposed bills. Dr. Veja advised that it seems that the subject bills pertain to reducing restrictions on foreign ownership in various key industries and services. The Company has not taken any particular position on the same. It was noted that the Company would naturally agree to the Philippines being more attractive and competitive in terms of foreign investments since such would be beneficial to the economy. The legislators and experts should ensure that any changes would benefit national interest as a whole, and in the long term.

The third inquiry is on when physical classes will restart and what schools and courses will have physical classes. Dr. Veja replied that the resumption of face-to-face classes will depend on when these will be allowed by Department of Education and CHED. Currently, CHED has only allowed limited face-to-face classes for medicine and other health/allied courses, in a selected number of schools which have been inspected and obtained CHED/IATF/LGU approval to proceed. For the Company's Schools, currently only the Nursing program at University of Nueva Caceres in Naga has been approved for limited face-to-face to begin the Academic Year 2021-2022.


The last question is on how many employees will be given the COVID 19 vaccine, what are the COVID 19 vaccine brands to be given, and whether there a possibility that the students will be given the vaccine. Dr. Veja advised that all employees of the Schools are eligible to participate in the ongoing employee vaccine program, as part of the Yuchengco Group of Companies and the Ayala Group initiative. Some have chosen to get vaccinated ahead of the program through their local government units or other family members. Several different vaccine brands are being used and not just a specific one. Providing vaccines to students is something that is still under discussion, since there would be several factors to consider, such as availability of the vaccines, the students' age and parental permission.

**X.     ADJOURNMENT.**

There being no other questions and with no other business to transact, on motion duly made and seconded, the Annual Stockholders' Meeting was adjourned.

  
**SAMUEL V. TORRES**  
Corporate Secretary

ATTEST:

  
**RENATO C. VALENCIA**  
Chairman