

**BENEFICIAL LIFE INSURANCE COMPANY, INC.**  
**(the “Company”)**

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**MINUTES OF THE 2020 ANNUAL STOCKHOLDERS’ MEETING**  
Conducted virtually via <https://www.benlife.com.ph/benlife-2020-ASM/>

Date: 15 October 2020 (Thursday)  
Time: 3:00 pm  
Place: 8/F Board Room, BenLife Building  
166 Salcedo St., Legaspi Village  
Makati City

<u>Shareholders Present:</u>	<u>No. of Outstanding &amp; Voting Shares:</u>	<u>Percentage of Total:</u>
586,725,479	626,756,494	93.6130%

**Directors Present:**

Enrique C. Fernandez	Chairman of the Board
Jaime C. Fernandez	President & CEO
Roberto C. Fernandez	Non-Executive Director
Roberto F. De Ocampo	Independent Director
Jaime F. Panganiban	Independent Director
Cesar O. Virtusio	Independent Director
Paul P. Sagayo, Jr.	Non-Executive Director

1. CALL TO ORDER

The Chairman of the Board of Directors, Mr. Enrique C. Fernandez, presided over and called the meeting to order at around 3:06 pm. The Corporate Secretary, Ms. Ma. Sigrid R. Pinlac recorded the minutes of the meeting. The Chairman welcomed the stockholders who have joined in the live streaming of the proceedings and thanked those who participated in the meeting through electronic-online voting *in absentia* or proxy.

2. CERTIFICATION BY THE CORPORATE SECRETARY ON THE SENDING OF NOTICES AND EXISTENCE OF QUORUM

Upon the request of the Chairman, the Corporate Secretary reported that Notice of the Annual Stockholders’ Meeting and Definitive Information Statement were sent to the stockholders of record as of September 18, 2020 via regular mail (at their last known addresses, as the same appeared in the records of the Company, in compliance with applicable provisions of its By-Laws) and posting on the Company’s website. In addition, the Notice was published in the September 23, 2020 issue of the Philippine Daily Inquirer, a newspaper of general circulation.

The Corporate Secretary further reported that there were present at the meeting, in person or by proxy, stockholders owning/representing 579,915,017 shares or 92.5264% of the 626,756,494 total issued and outstanding shares entitled to vote and be voted at the meeting which confirms the existence of a quorum.

The mode of attendance of the stockholders deemed present and their respective percentages of the outstanding shares are set forth below:

Mode of Attendance	Total Number of Shares	% of Total Shares
By Proxy	586,555,457	93.5859%
Voting-in-absentia (electronic/online voting)	119,268	0.01903%
Remote Communication	50,754	0.0253%

Thereupon, the Chairman declared that a quorum was present to transact business as provided in the agenda. The Chairman explained that although the Company is holding the meeting in a virtual format because of government regulations that prevent the holding of in-person meetings, it strived to provide the shareholders the opportunity to participate in the meeting to the same extent possible as in an in-person meeting.

Thereafter, the Corporate Secretary further reported and explained that the rules of conduct and voting procedures are set forth in the Notice and Definitive Information Statement, highlighted the following:

- (i) Stockholders who registered in the *electronic/online voting-in-absentia* or who notified the Company by email of their intention to participate in the meeting may send their questions (or comments) at corpsec@benlife.com.ph.
- (ii) Stockholders shall cast their votes on the proposed resolutions and in the Election of Directors via Proxy or electronic/online voting-in-absentia as provided in the Notice and Definitive Information Statement.
- (iii) All the votes cast after the closing of polls have been validated by Reyes Tacandong & Co.
- (iv) The questions or comments received before 12nn of October 15, 2020 shall be read during the Q&A period, which will take place under Other Matters of the Agenda. Management shall reply to questions not taken- up during the meeting by email.

3. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 20 JUNE 2019

The Chairman then proceeded with the approval of the Minutes of the Annual Stockholders' Meeting held on June 20, 2019. He stated that copies of the Minutes of the 2020 Annual Stockholders' Meeting were distributed to the stockholders prior to the meeting and an electronic copy was made available in the Company's website.

The Corporate Secretary presented the resolution as proposed by Management, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

**Resolution No. ASM-2020-01**

*“Resolved, as it is hereby resolved, that the Minutes of the Annual Stockholders’ Meeting of the Company held on June 20, 2019 be, as the same are hereby approved.”*

The final tabulation of votes for the approval of the minutes and the adoption of Resolution No. ASM-2020-01 are as follows:

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>No. of Voted Shares</b>	586,586,760	0	0
<b>% of Shares Voted</b>	92.5122%	0	0

4. APPROVAL OF THE 2019 ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS (“AFS”)

The Chairman proceeded to the next item in the agenda and called on Mr. Jaime C. Fernandez to deliver the President’s Report which forms part of the Annual Report.

President’s Report

The President, Mr. Jaime C. Fernandez, delivered his report on the Company’s performance in 2019 and highlighted the following:

- (i) Gross Premiums increased by 24% from P1.3 Billion in 2018 to P1.67 Billion in 2019. With our continued business relationship with several institutions, Management is confident that Company will maintain its 2019 performance during these trying times.
- (ii) Investment income also increased by 10% in 2019 from P471.9 Million in 2018 to P518.5 Million.
- (iii) The net income decreased by 31% from P145.3 Million to P100.4 Million because of peso appreciation against the U.S. dollar. Net foreign exchange loss amounted to P83.1 Million in 2019 while in 2018, it showed a net foreign exchange gain of P106.4 Million.
- (iv) Total revenues increased by 21.02%, from 1.79 Billion in 2018 to 2.17 Billion in 2019. Total assets also increased by around 6.16%, from P7.95 Billion in 2018 to P8.44 Billion in 2019; and
- (v) As a result of last year’s good performance, the Board has approved the declaration of cash dividends in favor of all shareholders of record at P0.033 per share subject to the approval of proper government authorities.

The President further reported that it was the 60<sup>th</sup> year of the Company but the circumstance prevented the Company from revelry and gathering. Moreover, the insurance industry, the country and even the world have been feeling the effects of the pandemic. Together with the various quarantine measures, the economy has taken a huge hit, but despite the adversities of 2020, Benlife is surviving with the help of its striving sales force – the agents, partners and employees who have been finding ways of making it work in the “new normal”. The Company has been operating safely and surely, in compliance and more with all the various measures issued by the IATF, DOH and DOLE. With everyone’s support fueling the Company’s desire to get through the pandemic and with the spirit of Benlife –resilience and dedication, the Management Team is confident that Benlife will come out of the pandemic, better and stronger than before.

The President then thanked the Company’s Board of Directors, Management and staff, for their hard work, time and dedication. He also thanked the all the shareholders for their continued support.

Thereafter, the Chairman requested the Corporate Secretary to present the tabulation of votes for the approval of the Annual Report and AFS. The Corporate Secretary presented the approval of the resolution as shown in the screen.

**Resolution No. ASM-2020-02**

*“Resolved, as it is hereby resolved, that the Annual Report of the Company be, and is hereby noted, and the Audited Financial Statements of the Company as of December 31, 2019 be, as the same are hereby approved.”*

The final tabulation of votes for the approval and adoption of Resolution No. ASM-2020-02 are as follows:

	For	Against	Abstain
<b>No. of Voted Shares</b>	586,586,760	0	0
<b>% of Shares Voted</b>	92.5122%	0	0

5. AMENDMENT OF ARTICLES I (MEETING OF STOCKHOLDERS) AND II (MEETINGS OF THE BOARD OF DIRECTORS) OF THE COMPANY’S AMENDED BY-LAWS TO ADOPT PROVISIONS ALLOWING THE CONDUCT OF THE STOCKHOLDERS AND BOARD MEETINGS INCLUDING THE CASTING OF VOTES THROUGH REMOTE COMMUNICATION CONSISTENT WITH THE RELEVANT LAWS AND SEC GUIDELINES

The Corporate Secretary explained that in view of the current COVID-19 pandemic and its impact on the conduct of Stockholders’ and Board Meetings, there is a need to further amend the Company’s Amended By-Laws in order to allow both the Stockholders and Board to participate and vote in such a meeting through remote communication. Thereafter, the Corporate Secretary presented the proposed Resolution on the screen as follows:

## **Resolution No. ASM-2020-03**

*“Resolved, as it is hereby resolved, that the stockholders representing at least majority of the outstanding capital stock, ratified the resolution approved by at least a majority of the members of the Board of Directors in its meeting held on June 10, 2020 approving the further amendment of Articles I and II of the Company's Amended By-Laws to incorporate and adopt provisions allowing the conduct of Stockholders' and Board Meetings including the casting of votes through remote communication consistent with the relevant laws and SEC guidelines, to read as follows:*

### *Article I Meeting of the Stockholders*

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#### *Section 7. Meeting through Remote Communication*

*Board may, in its sole discretion, determine that any meeting of stockholders shall be held solely by means of Remote Communications such as videoconferencing, teleconferencing, computer conferencing, audio conferencing, or other available technology as may be permitted under the Revised Corporation Code and relevant guidelines issued by the Securities and Exchange Commission or its equivalent regulatory body ("Law"). If any such means are utilized, the Corporation shall, to the extent required under the Law, implement reasonable measures to: (i) verify the identity of each person participating through such means as a stockholder; and (ii) provide the stockholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders. Participation of a stockholder in a meeting through remote communication pursuant to this Section 7 constitutes presence in the meeting for the purpose of attaining quorum.*

### *Article II Meeting of the Board of Directors*

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#### *Section 6. Meeting through Remote Communication*

*Members of the Board or of any committee designated by the Board may participate in a meeting of the Board or such committee by any means of remote communications such as videoconferencing, teleconferencing, computer conferencing, audio conferencing, or other available technology as may be permitted under the Revised Corporation Code and relevant guidelines issued by the Securities and Exchange Commission or its equivalent regulatory body ("Law"). If any such means are utilized, the Corporation shall, to the extent required under the Law, implement reasonable measures to (i) verify the identity of each person participating through such means as a director or member of the committee, as the case may be, and (ii) provide the directors or members of the committee a reasonable opportunity to participate in the meeting and to vote on matters submitted to the directors or members of the committee. Participation in a meeting pursuant to this Section 6 constitutes presence in the meeting for the purpose of attaining quorum."*

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The final tabulation of votes for the approval and adoption of Resolution No. ASM-2020-03 are as follows:

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>No. of Voted Shares</b>	586,586,760	0	0
<b>% of Shares Voted</b>	92.5122%	0	0

6. APPROVAL OF THE MANAGEMENT'S PROPOSAL TO INCREASE THE DIRECTOR'S PER DIEM

The Chairman proceeded to the next item on the agenda. The Corporate Secretary then informed the stockholders that the director's current per diem is fixed at Twenty Thousand Pesos (PhP20,000.00) per Board Meeting and Ten Thousand Pesos (PhP10,000.00) per Committee Meeting; and the same has not been adjusted for more than 10 years.

The Corporate Secretary further explained that in order to attract and retain the services of qualified and competent directors, Management has proposed the adjustment of the current director's per diem and to increase it and fixed anew at a reasonable amount equivalent to Forty Thousand Pesos (PhP40,000.00) per Board Meeting and Twenty Thousand Pesos (PhP20,000.00) per Committee Meeting; and presented the approval of the Management-proposed Resolution as shown on the screen as follows:

**Resolution No. ASM-2020-04**

*"Resolved, as it is hereby resolved, that the Management-proposed increase in the director's per diem be approved, as it is hereby approved."*

The final tabulation of votes for the approval and adoption of Resolution No. ASM-2020-04 are as follows:

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>No. of Voted Shares</b>	586,576,444	4,359	8,957
<b>% of Shares Voted</b>	92.5122%	0.000743%	0.001527%

7. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, COMMITTEES OF THE BOARD, AND OFFICERS OF THE COMPANY SINCE THE LAST ANNUAL MEETING OF THE STOCKHOLDERS

The next item in the agenda was the ratification of all acts and resolutions of the Board of Directors, Committees of the Board, and Officers of the Company since the last annual stockholders' meeting.

The Corporate Secretary stated that the Board & Management seek ratification of all acts & resolutions of the Board and all Board Committees which were adopted from June 20, 2019 until October 15, 2020. Such acts & resolutions include the election of officers & members of the Board Committees, amendments to the amended By-Laws, contracts & transactions entered into by the Company, credit & loan transactions, projects & investments, manpower-related decisions, corporate governance-related actions & matters governed by disclosures to the Securities & Exchange Commission & the Insurance Commission. Stockholders' ratification is also being sought for the acts of the Company's Officers to implement the resolutions of the Board or its Committees or made in the conduct of business.

The Corporate Secretary reported the resolution, as proposed by Management, and as approved by the stockholders based on the following voting results:

**Resolution No. ASM-2020-05**

*"Resolved, as it is hereby resolved, that the acts and resolutions of the Board and its Committees, as well as those of the Management, made and adopted since the last Annual Stockholders' Meeting of the Company be, as the same are hereby approved, ratified and confirmed."*

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
<b>No. of Voted Shares</b>	586,586,760	0	0
<b>% of Shares Voted</b>	92.5122%	0	0

**8. ELECTION OF DIRECTORS**

The next item in the Agenda was the election of members of the Board of Directors for the ensuing year.

At the request of the Chairman, Mr. Cesar O. Virtusio, an independent director and Chairman of the Nomination Committee, reported that in accordance with the Company's Amended By-Laws and Revised Manual on Corporate Governance, as well as relevant rules and regulations, the following stockholders were duly nominated for election as members of the Board of Directors for the year 2020-2021:

- (i) Enrique C. Fernandez
- (ii) Jaime C. Fernandez
- (iii) Roberto C. Fernandez
- (iv) Roberto De Ocampo\*
- (v) Jaime F. Panganiban\*
- (vi) Cesar O. Virtusio\*
- (vii) Paul P. Sagayo, Jr.
- (viii) Carl Anthony Sy Palanca
- (ix) Maria Elena C. Fernandez
- (x) John E. Huang\*

\*Messrs. De Ocampo, Virtusio, Panganiban, and Huang have been nominated as Independent Directors.

The Nomination Committee of the Company has ascertained that all the nominees including the four (4) nominees for Independent Directors are qualified to serve as Directors of the Company. All the nominees have given their consent to their respective nominations.

The Corporate Secretary reported the results of the election and certified that each nominee has received at least 586,582,401 votes which is enough for election to the Board and that the Resolution to this effect had been approved.

**Resolution No. ASM-2020-06**

*"Resolved, to elect the following as Directors of the Company to serve as such beginning today until their successors are elected and qualified:*

Enrique C. Fernandez  
 Jaime C. Fernandez  
 Roberto C. Fernandez  
 Roberto De Ocampo (as an Independent Director)  
 Jaime F. Panganiban (as an Independent Director)  
 Cesar O. Virtusio (as an Independent Director)  
 Paul P. Sagayo, Jr.  
 Carl Anthony Sy Palanca  
 Maria Elena C. Fernandez  
 John E. Huang (as an Independent Director)"

The Chairman extended the Board's appreciation and thanks to Mr. Jose L. Arguelles for his support and service to the Board. The Chairman then welcomed Mr. John E. Huang and Ms. Malena C. Fernandez to the Board.

The votes received by the nominees are as follows:

DIRECTORS	FOR		AGAINST	ABSTAIN	
	No. of shares	% share		No. of shares	% share
Enrique C. Fernandez	586,586,760	<u>92.5122%</u>	0%	-	0%
Roberto C. Fernandez	586,586,760	<u>92.5122%</u>	0%	-	0%
Carl Anthony S. Palanca	586,586,760	<u>92.5122%</u>	0%	-	0%
Jaime C. Fernandez	586,586,760	<u>92.5122%</u>	0%	-	0%
Paul P. Sagayo Jr.	586,586,760	<u>92.5122%</u>	0%	-	0%
Maria Elena C. Fernandez	586,586,760	<u>92.5122%</u>	0%	-	0%
John E. Huang	<u>586,582,401</u>	<u>92.5115%</u>	0%	<b>4,359</b>	<u>0.000743%</u>
Roberto F. De Ocampo	586,586,760	<u>92.5122%</u>	0%	-	0%
Jaime F. Panganiban	586,586,760	<u>92.5122%</u>	0%	-	0%
Cesar O. Virtusio	586,586,760	<u>92.5122%</u>	0%	-	0%



9. APPOINTMENT OF EXTERNAL AUDITORS

The next item in the agenda was the election of the Company's External Auditors.

Mr. Roberto F. De Ocampo reported to the stockholders that the Audit Committee has evaluated the performance of the Company's present Auditor, the Reyes, Tacandong & Co. during the past year & found their performance satisfactory.

The Audit Committee & the Board of Directors have agreed to endorse for stockholders' approval the re-election of Reyes, Tacandong & Co. as the Company's External Auditor for the fiscal year 2020.

The Corporate Secretary presented the resolution for the re-election of Reyes, Tacandong & Co. as the Company's External Auditor for the fiscal year 2020 as follows:

**Resolution No. ASM-2020-07**

*"Resolved, as endorsed by the Board of Directors, to approve the election of the accounting firm of Reyes Tacandong & Co., as the External Auditor of the Company for the fiscal year 2020"*

The final tabulation of votes for the approval and adoption of Resolution No. ASM-2020-07 are as follows:

	For	Against	Abstain
No. of Voted Shares	586,586,760	0	0
% of Shares Voted	92.5122%	0	0

10. CONSIDERATION OF SUCH OTHER MATTERS AS MAY PROPERLY COME DURING THE MEETING

Announcement of Cash Dividend

The Chairman formally announced that the Board of Directors has approved a cash dividend of Php0.033 per share in favor of all stockholders of record as of June 10, 2020, payable upon the approval of the Insurance Commission

After confirming with the Corporate Secretary that there were no other matters that require consideration by the stockholders, the Chairman requested Ms. Velasquez, the HRLRA Manager to read aloud the questions and comments together with the names of the stockholders who sent them.

Ms. Esther Martin Sempio, a stockholder, asked how much and when will she receive her dividends. The Corporate Secretary replied that the dividend shall be P0.33 per share and the same shall be distributed/paid to the stockholders immediately upon approval of the Insurance Commission.

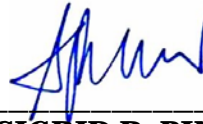
Mr. Edmundo Urbano, a stockholder, asked how Covid19 has affected Benlife. The President replied that due to the pandemic, Benlife made the necessary adjustments in its operations i.e. skeleton work force (50% employees working onsite and 50% employees work from home), health protocols in the building (wearing of face mask and face shield, physical distancing, health questionnaire, daily temperature and symptoms check) etc.

Ms. Jocelyn O. Obispo asked if Benlife shall extend the grace period for the payment of premiums just like what the banks do for loan payments. The President replied that Benlife has extended a 60-day grace period for payment of insurance policy premium.

11. ADJOURNMENT

There being no further business to transact, upon motion duly seconded, the meeting was adjourned at 3:34 pm.

**PREPARED AND CERTIFIED BY:**



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**MA. SIGRID R. PINLAC**  
*Corporate Secretary*