

**FAR EASTERN UNIVERSITY, INC.**  
**MINUTES OF ANNUAL MEETING OF STOCKHOLDERS**  
(via Remote Communication)  
16 October 2021

The Annual Meeting of Stockholders of The **Far Eastern University**, Incorporated (FEU), doing business under the name and style Far Eastern University, was conducted virtually via Zoom Meeting on 16 October 2021.

**I. CALL TO ORDER**

The Chairman of the Board of Trustees, Mr. Aurelio R. Montinola III, presided over and called the meeting to order at 3:00 p.m. The Corporate Secretary recorded the minutes of the meeting.

The Chairman welcomed stockholders and guests to the 2021 Annual Stockholders' Meeting of FEU. He acknowledged individual Members of the Board of Trustees who were also attending the meeting via remote communication.

**II. NOTICE OF MEETING AND QUORUM**

The first item in the Agenda was the certification of the notice of meeting and determination of quorum.

The Corporate Secretary reported to the Presiding Officer and announced to the assembly that in accordance with the Amended By-Laws and applicable laws and regulations, written notice of the date, time, place and purpose of the meeting was sent to all stockholders of record as of 27 September 2021, the record date of the meeting. Notice of the meeting was submitted to the Philippine Stock Exchange, Inc. and the Securities and Exchange Commission, and it was also posted on the FEU Website last 13 September 2021.

The Corporate Secretary also informed the stockholders who were joining in the virtual meeting about the guidelines for sending-in questions and comments. Stockholders who wanted to ask questions during the meeting were directed to post these in the chatbox that was provided in the platform.

The Chairman then asked if there was a quorum at the meeting to transact all the matters in the Agenda, and the Corporate Secretary reported that based on record of attendance, stockholders attending by proxy and stockholders who have registered to remotely join the virtual meeting represent Nineteen Million One Hundred Fifty-One Thousand Seventy-Five (19,151,075) shares or 79.61% of the Twenty Four Million Fifty Five Thousand Seven Hundred Sixty-Three (24,055,763) total outstanding

Common shares of the capital stock entitled to vote and be voted at the meeting.

Thereupon, the Chairman declared that a quorum was present, and the meeting was duly convened.

The following members of the Board of Trustees were likewise present in person or represented by proxy at the meeting:

①	Dr. Lourdes R. Montinola	Trustee and Chair Emeritus
②	Mr. Aurelio R. Montinola III	Trustee and Chairman of the Board of Trustees, Executive Committee Chairman, and Talent Management Committee Chairman
③	Dr. Michael M. Alba	Trustee and President, Executive Committee Member, and Risk Management Committee Member
④	Dr. Edilberto C. De Jesus	Lead Independent Trustee, Corporate Governance Committee Chairman, Nomination Committee Chairman, Risk Management Committee Chairman, Audit Committee Member, and Related Party Transaction Committee Member.
⑤	Mr. Antonio R. Montinola	Trustee, and Nomination Committee Member
⑥	Ms. Sherisa P. Nuesa	Independent Trustee, Audit Committee Chairman, Corporate Governance Committee Alternate Member, Talent Management Committee Member, and Related Party Transaction Committee Member.
⑦	Mr. Jose T. Sio	Independent Trustee, Related Party Transaction Committee Chairman, Audit Committee Member, Audit Committee Member.
⑧	Dr. Paulino Y. Tan	Trustee, Executive Committee Member, Nomination Committee Member, and Talent Management Committee Member

Also present during the meeting were the following representatives of FEU's External Auditor (Punongbayan & Araullo) and FEU's Stock Transfer Agent (Stock Transfer Service, Inc.):

1. Punongbayan & Araullo, the Philippine member firm of Grant Thornton International, Ltd.

Mailene Sigue-Bisnar	Partner
Junar Sajetarios	Senior Manager Audit and Assurance

2. Stock Transfer Service, Inc.

Marites F. Yumol	Securities Processor
Joel S. Cortez	Supervisor

**III. MINUTES OF ANNUAL MEETING OF STOCKHOLDERS ON 17 OCTOBER 2020**

The Chairman then proceeded to the next order of business, which was the approval of the minutes of the Annual Stockholders' Meeting held on 17 October 2020. A copy of the minutes of the previous meeting was made accessible via the Annual Stockholders' Meeting website <https://www.feu.edu.ph/asm2021/>, and an electronic copy has been available on the FEU Website since 21 October 2020.

On motion made by Ms. Editha T. Reyes and duly seconded, the Stockholders adopted and approved the following resolution:

**Stockholders' Resolution No. 01-2021**

"RESOLVED, That the reading of the minutes of the Annual Meeting of Stockholders held on 17 October 2020 be, as it is hereby, dispensed with, and that said minutes be, as it is hereby, approved as presented, in as much as the same have been posted on the Investors Website of Far Eastern University since 21 October 2020 and made accessible via the Annual Stockholders' Meeting website <https://www.feu.edu.ph/asm2021/>."

Voting Results	Voted in Favor	Voted Against	Abstained
Number of Shares Voted	19,140,261	0	10,814
Percent of Shares Voted	79.57%	0%	0.04%

**IV. ACADEMIC REPORT OF THE PRESIDENT**

The next item in the Agenda was the Academic Report of the President for the academic year 2020-2021.

At this point, the President presented his 2020-2021 Academic Report to the Stockholders:

<b>PRESIDENT'S REPORT FEU ANNUAL REPORT 2021</b>
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Good afternoon.

I am pleased to deliver my President's Report for 2021.

21 months after the COVID-19 outbreak was first recognized in Wuhan, China, in December 2019, the world remains in the throes of the pandemic that ensued.

#### Planet Earth remains in the throes of the Covid-19 pandemic

- World
  - 237.8 m cases
  - 4.9 m deaths
- Philippines
  - 2.7 m cases
  - 39.8 k deaths



As of October 10, Johns Hopkins University's Center for Systems Science and Engineering has tallied 237.8 million confirmed cases and 4.9 million confirmed deaths.

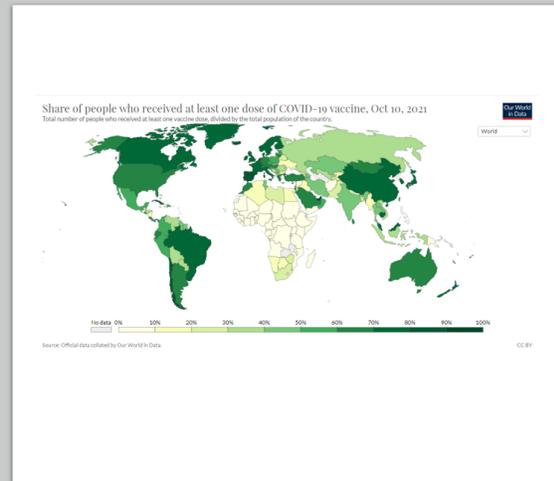
The Philippines for its part, has had 2.7 million confirmed cases and 39.6 thousand confirmed deaths.

Vaccinations, the primary public health countermeasure, have been unevenly dispensed both across and within countries: on the one hand, practicing vaccine nationalism, rich countries have hogged most of the still limited vaccine supplies; on the other, vaccination campaigns have been slowed by anti-vaxxers and disinformation meant to sow political discord.

### Vaccination is the primary public health countermeasure, but ...

6.5 b vaccine doses dispensed thus far

- World
  - 35% fully vaccinated
  - 12% partially vaccinated
- Philippines
  - 21% fully vaccinated
  - 24% partially vaccinated

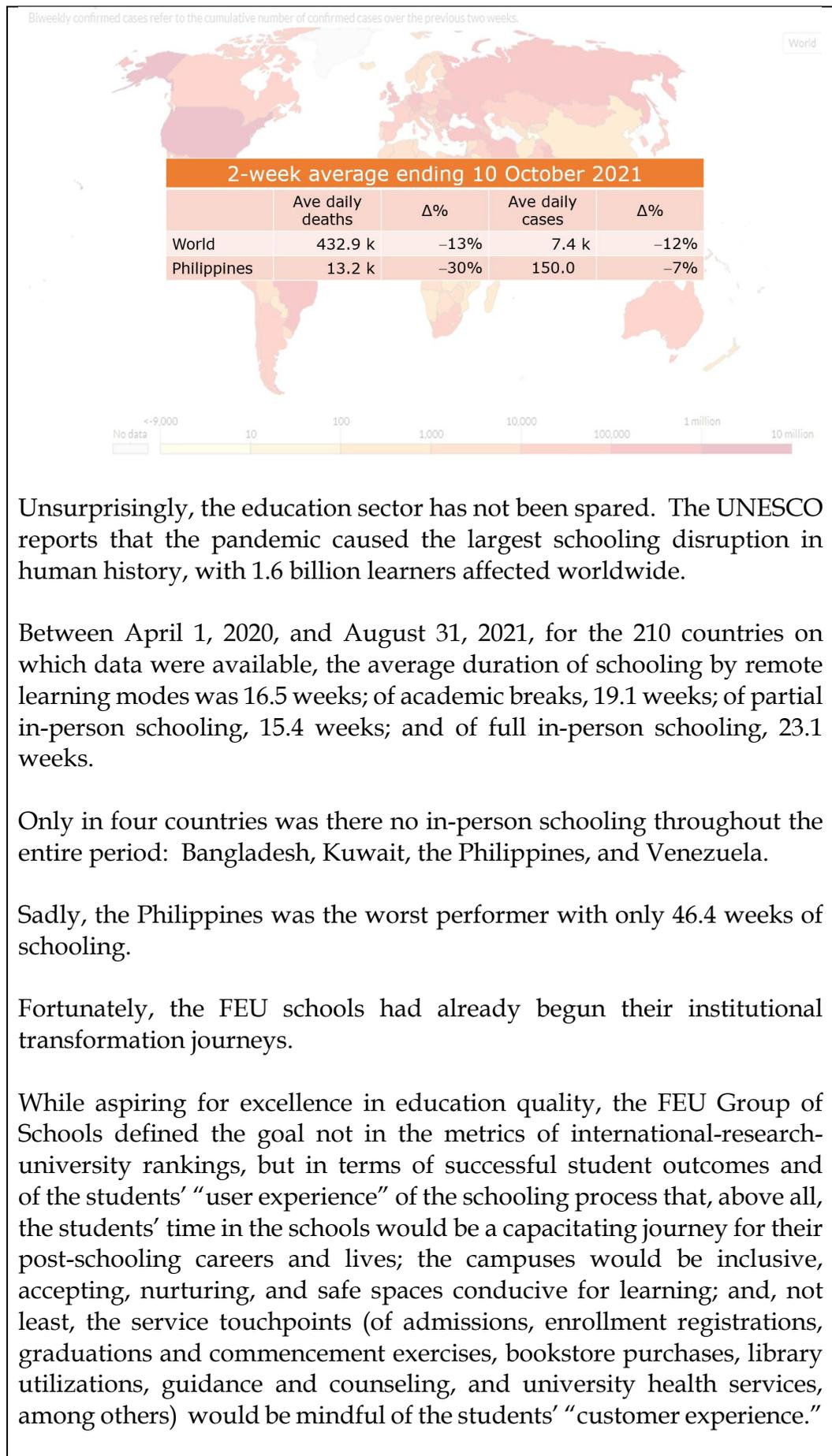


Our World in Data reports that 6.5 billion vaccine doses have been dispensed thus far, which translates to 35% of the world's 7.9 billion people having been fully vaccinated and an additional 12% having been partially vaccinated estimates that are still far below any possibility of attaining herd immunity.

The comparable statistics for the Philippines according to data from the Department of Health are 48.9 million vaccinations, or 21% of the country's 110 million people having been fully vaccinated and 24% having been partially vaccinated.

On recent trends, the last two weeks ending in October 10, 2021, saw the world's average daily cases at 432.9 thousand and average daily deaths at 7.4 thousand, which represent declines of 13% and 12%, respectively, over the previous two weeks.

In the Philippines, the average daily cases are at 13.2 thousand, representing a welcome 30% 14-day decrease, with daily average deaths at 150, a 7% decline.



## The FEU schools had started their institutional transformation odysseys



To facilitate online registration: NetSuite enrollment system



To organize schoolwork and make course resources accessible:

Canvas learning management system  
Office 365 suite of apps  
McGraw-Hill personalized learning software packages  
Cengage MindTap



To ensure connectivity: wired campuses with large and redundant internet bandwidths



To improve instruction: extensive faculty training

To facilitate online registrations, the schools had adopted the cloud-based NetSuite enrollment system.

To organize schoolwork and make course resources accessible anywhere, anytime for both students and faculty as long as an internet bandwidth was available, they had subscribed to the best-in-class Canvas learning management system and complemented the platform with apps such as Microsoft's Office 365; McGraw-Hill's personalized learning software packages (including ALEKS, Connect, and Redbird); and Cengage's MindTap.

To ensure fast and uninterrupted access to the internet, they had installed information-technology (IT) infrastructure and significantly increased and built redundancy in their internet bandwidths.

To complement the education technology and IT resources, the faculty were provided extensive and sustained training on the features of Canvas as well as on student-centered pedagogies.

To enhance the quality of the faculty, FEU and FEU Tech gave time off to 49 faculty members to pursue their master's and doctoral degrees in disciplines allied to their academic-departmental affiliations.

And so it came to pass that in the summer of 2020, with the community quarantines newly imposed, the world plunged in uncharted waters, and the immediate future shrouded in uncertainty, the FEU schools were able to continue to perform their education missions even as government regulations disallowed all forms of in-person schooling.

On the side of the schools, the needed online systems and faculty capabilities were in place. But the imperative to abruptly shift to remote learning modes ran into a wall of unknowns on the learners' side on issues such as how conducive for learning the students' home

environments were; whether they had the necessary IT resources and learning spaces for remote learning; and what features of remote learning modes they preferred or would find feasible.

To understand the students' situations, the FEU schools conducted online surveys of students and their parents on their home environments and resources. The results gave the academic personnel invaluable insights on designing learning modes that would be appropriate to their student populations.

For the higher education levels, FEU Manila, Makati, and Cavite adopted three modes: mixed online learning, which involved synchronous and asynchronous activities; asynchronous online learning, which did not have synchronous activities; and total analog learning, which involved physically sending all course materials to the students in thumb drives.

FEU Tech, Diliman, and Alabang, on the other hand, developed the Mastery-based Individualized Learning Enhancement System (MILES), which designed each subject as a series of stepladder online modules for each student to master with the option of asking for mentoring sessions in content areas they found difficult.

Being the more technologically savvy subset of the FEU schools, they also set up the virtual campus, where all offices of the schools could conduct their business on the Canvas platform for the ease and convenience of students.

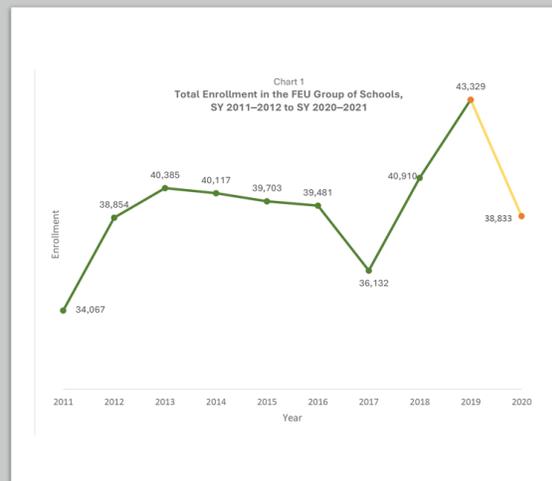
For its part, FEU Roosevelt set up the remote online learning and remote offline learning (drive-thru) models.

In the senior high school grades, the delivery modes were asynchronous, self-paced learning with synchronous check-in sessions with instructors in FEU High School and Cavite, MILES in FEU Alabang and Diliman, and remote online and offline learning in FEU Roosevelt.

FEU Cavite and Roosevelt also used these same delivery modes in the rest of the basic-education grade levels, while FEU Diliman opted to use synchronous learning sessions for kindergarten to Grade 10.

Perhaps due to the alignment of the remote learning modes with the students' learning environments and preferences and the confidence of their various publics that the FEU schools would be able to deliver quality remote learning during the pandemic, enrollment in SY 2020–2021 declined only by 10% from its level in the previous school year. This was a smaller contraction than what many other schools experienced.

SY 2020–2021 enrollment declined by 10%, smaller than contractions experienced by most other schools



But in order to ensure that the learning modes were being implemented as promised and to get feedback on the students' experiences in their new schooling environments, the schools conducted two online surveys during the school year.

The remote learning survey looked into the implementation of the remote learning modes and the students' overall satisfaction with their chosen mode. In addition, the same survey delved into how the teachers conducted classes and the students' overall satisfaction with their teachers' performance. Resoundingly, the students gave better-than-expected favorable responses, especially for a first-run of the quickly designed learning modes. Nonetheless, the survey results were used to improve the designs of the learning modes in their next implementations.

The second survey explored the internet connectivity of the students, the primary information-technology device they used, and their assessment of the adequacy of their internet connection for their study needs.

The survey results indicated that only a small percentage of students were dissatisfied with their internet service, which meant that internet connectivity was not an insurmountable obstacle in the implementation of remote learning modes.

As the survey data when combined with other data sets (for example, from the university registrar) provided opportunities to show how digital transformation and data analytics can help draw deeper insights on improving student success, the office of the president conducted sophisticated statistical analyses (using econometric qualitative response models) to explore the factors behind the students' overall satisfaction with their learning modes, their teachers' conduct of classes, and the adequacy of their internet connection for their study needs.

This initiative resulted in the creation of a data warehouse for all sources of data from different offices as well as Canvas, which means that FEU has also begun its digital transformation journey.

The upshot of all these efforts, at least for FEU Manila, was that its WURI rankings for 2021 improved to 79<sup>th</sup> overall – the only Philippine higher education institution in the top 100 innovative universities for the second year in a row. FEU Manila was also 16<sup>th</sup> in ethical value, 42<sup>nd</sup> in entrepreneurial spirit, and 12<sup>th</sup> in crisis management.

For its part, FEU Tech placed in WURI’s top 101 to 200 rankings and 24<sup>th</sup> in entrepreneurial spirit.

WURI 2021 Rankings

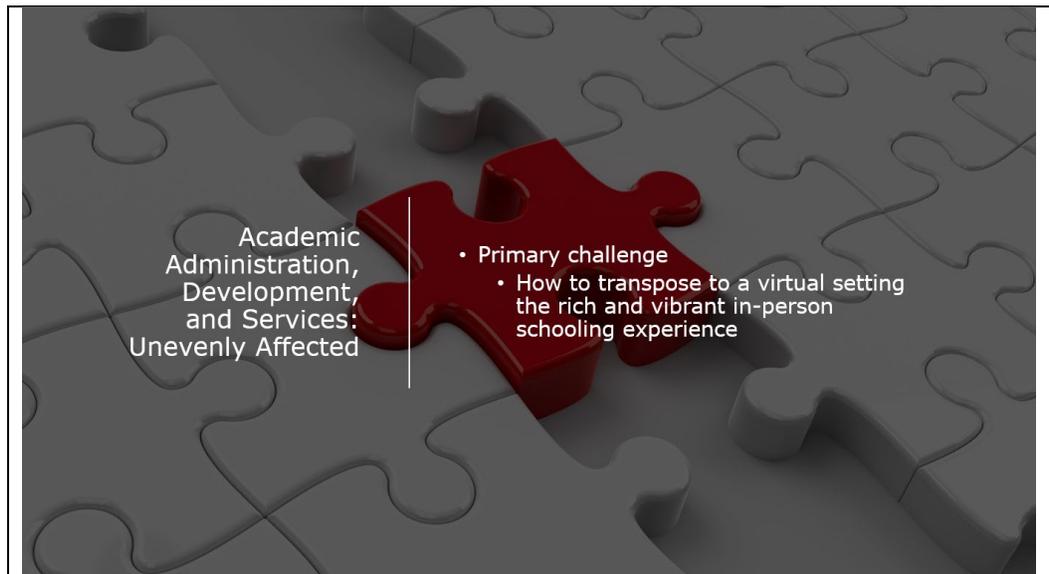
- FEU
  - Global Top 100 Innovative Universities: 79<sup>th</sup>
    - vs 91<sup>st</sup> (2020)
    - only Philippine higher education institution in the top 100 for the 2<sup>nd</sup> consecutive year
  - Ethical Value: 16<sup>th</sup> (vs 19<sup>th</sup> in 2020)
  - Entrepreneurial Spirit: 42<sup>nd</sup>
  - Crisis Management: 12<sup>th</sup>
- FEU Tech
  - Global Top 100 to 200 Innovative Universities
  - Entrepreneurial Spirit: 24<sup>th</sup>

Rank	University	Country
1	Massachusetts Institute of Technology	USA
2	Stanford University	USA
3	MIT Sloan School of Management	USA
4	Arizona State University	USA
5	Heriot Watt University of Applied Sciences	Netherlands
6	University of Pennsylvania	USA
7	California Institute of Technology	USA
8	Harvard University	USA
9	Aalto University	Finland
10	ESCP Europe	France
11	University of California, Berkeley	USA
12	Rice University	USA
13	National University of Singapore	Singapore
14	Tsinghua University	China
15	Boston University	USA
16	Seoul National University	Korea, Rep.
17	University of Oxford	UK
18	University of Cambridge	UK
19	Duke University	USA
20	UC College of Engineering	USA
21	University of Chicago	USA
22	University of California, Merced	USA
23	Columbia University	USA
24	Simon Fraser University	Canada
25	Singapore University	USA

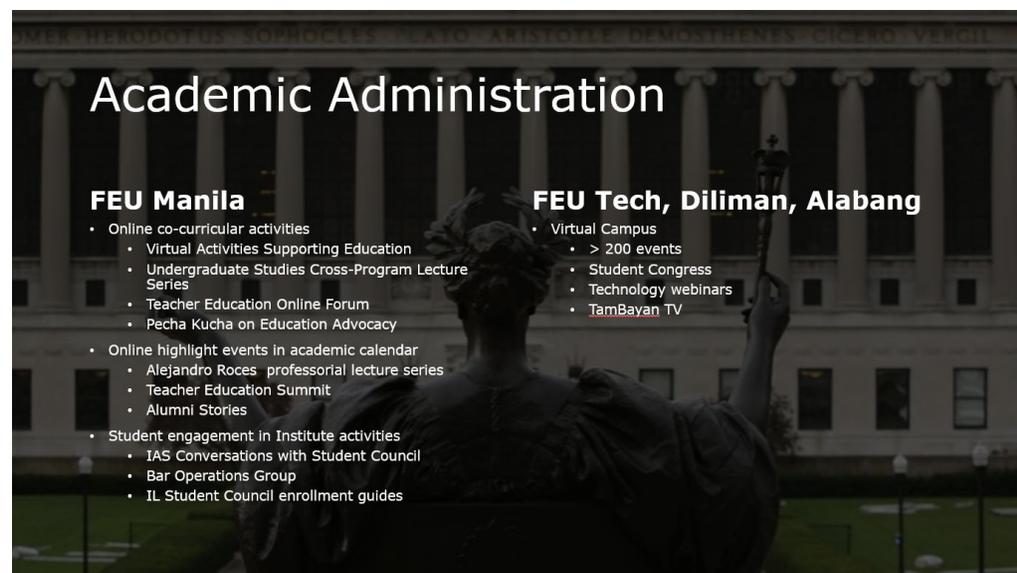
The management of schooling under cov-ed and the successful outcomes notwithstanding, navigating through the gamut of problems presented by the pandemic was neither easy nor straightforward.

The primary challenge came down to how to transpose to a virtual setting the rich and vibrant in-person schooling experience that FEU students had been used to, because not all activities, processes, and events could be readily moved to cyberspace and even those that could had a different “feel.”

But ultimately what stood out was the dedication and commitment of the FEU administrators, faculty, and staff to “business continuity” or to the delivery of FEU’s education mission even under the trying circumstances.



In all FEU schools, the academic units exerted valiant efforts to bring the lively co-curricular campus life online. In FEU Manila, a sampling of these activities and events included the Virtual Activities Supporting Education (or VASE) program of the Institute of Arts and Sciences and the Undergraduate Studies Cross-Program Lecture Series, Teacher Education Online Forum, and Pecha Kucha on Education Advocacy of the Institute of Education.



The VASE series regularly hosted practitioners, experts, and scholars of IAS disciplines to discuss social issues with students; it was also used by the Psychology Department to raise mental health awareness and teach problem-coping strategies.

The UGS lecture series simulated master classes, which allowed students of different teacher-education programs and year-levels to engage IE faculty members in discussions as well as to interact with each other.

Organized as panel discussions, the Teacher Education Online Forum focused on the theme, The New Platforms in Education: Responding to the Changing Needs of Society.

The Pecha Kucha, for its part, brought together IE's distinguished faculty members to share their research specializations, interests, and advocacies.

In addition, highlight events in the academic calendar were held online, such as the Alejandro Roces professorial lecture series of IAS and the Teacher Education Summit and Alumni Stories of IE.

Held to celebrate the National Teachers' Month, the Teacher Education Summit hosted a series of webinars for teachers, teacher-education students, and aspiring professionals on education issues and was capped by a town hall forum on teachers' welfare during the pandemic.

To commemorate the university's 93rd founding anniversary, Alumni Stories were narratives of fortitude, excellence, and uprightness exhibited by IE graduates, which enabled them to surmount professional and life challenges after graduating from college.

Other notable initiatives were the IAS's and Institute of Law's schemes to engage students in institute activities. In the case of IAS, administrators regularly held IAS Conversations with the IAS Student Council and IAS based student organizations to develop and disseminate guidelines and policies. In the case of IL, administrators leaned on the student-led Bar Operations Group to help prepare the barristers for the bar exams using online resources. The IL administrators also used the Institute Student Council to guide students through the enrollment process.

Similarly, the FEU Tech, Diliman, and Alabang transposed campus life to the virtual space, conducting more than 200 events.

These spanned welcoming students at the start of each trimester, holding a student congress, hosting technology webinars, and maintaining the TamBayan TV where students could showcase their showbiz talents and artistic performance-skills or simply hang out and "chill."

Regulatory excellence, an institutional aspiration of the FEU Group of Schools, is the primary focus of academic development. Given the history and circumstances of each, however, the schools are at different stages of reaching this goal. As may be expected, the furthest along is Far Eastern University, which since July 2012 has been an autonomous university.

In addition, the teacher education programs of FEU Manila are a CHED Center of Excellence, while the Business Administration program is a CHED Center of Development.



**Academic Development:  
Regulatory Excellence**

- FEU Manila
  - Autonomous University Status
    - CMO 7 series of 2021 extends the term to May 2023
  - Teacher Education programs: Center of Excellence
  - Business Administration: Center of Development

Almost all academic programs of FEU Manila are accredited, and mostly by the Philippine Association of Colleges and Universities Commission on Accreditation or PACUCOA.

8 have level 4 status (the highest)  
3 have level 3 status  
8 have level 2 status  
and 2 have candidate status

Nursing is the only academic program of FEU Manila that is accredited by the Philippine Accrediting Association of Schools, Colleges, and Universities or PAASCU.

BS Nursing has level 3 status, while MA Nursing has candidate status.

A significant achievement of the school year was the successful hurdling of the assessment exercises of the ASEAN University Network – Quality Assessment or AUN-QA.

So far 8 academic programs of FEU Manila are AUN-QA assessed.

In the case of FEU Tech, 4 of its programs have level 2 reaccredited status with the PAASCU and 2 have candidate status. In addition, 5 of its programs have passed the Philippine Technological Council Accreditation and Certification Board of Engineering and Technology or PTC ACBET.

A second marker of education quality, which also goes into regulatory excellence, is the faculty research output.

Academic Development: Regulatory Excellence

Faculty Research

School/Institute	Total	ISI/Scopus Indexed	International Refereed	National Refereed
FEU Manila	104	64	29	11
IABF	2	2		
IAS	44	32	4	8
IE	12	6	3	3
IN	37	21	16	
ITHM	4		4	
Non-Teaching	5	3	2	
FEU Tech	35	28	7	
CCSMA	13	13		
CEng	22	15	7	
FEU Cavite (High School)	5		2	3

For school year 2020–2021, the faculty of FEU Manila published 104 articles – 64 in ISI/Scopus indexed journals, 29 in international refereed journals, and 11 in national refereed journals. This was the highest number of publications in a school year in the university’s history.

As for FEU Tech, the research output of its faculty consisted of 35 published articles: 28 in ISI/Scopus indexed journals and 7 in international refereed journals.

Also notable was the published output of FEU Cavite Senior High School: 2 articles in international refereed journals and 3 in national refereed journals.

A third indicator of education quality is the licensure exam results. Unfortunately, in SY 2020–2021 most of the exams were canceled because of the pandemic. But for those that were held, FEU examinees performed significantly better than their peers from other schools, on average.

Academic Development: Regulatory Excellence

Licensure Exams

Academic Program	Date	Passing Rate	
		First-Time Examinees	National
Nursing	July 2021	94.1	64.7
Medical Technology	March 2021	83.9	59.1
Medical Technology	January 2021	90.2	67.7
Architecture	August 2021	100.0	66.0

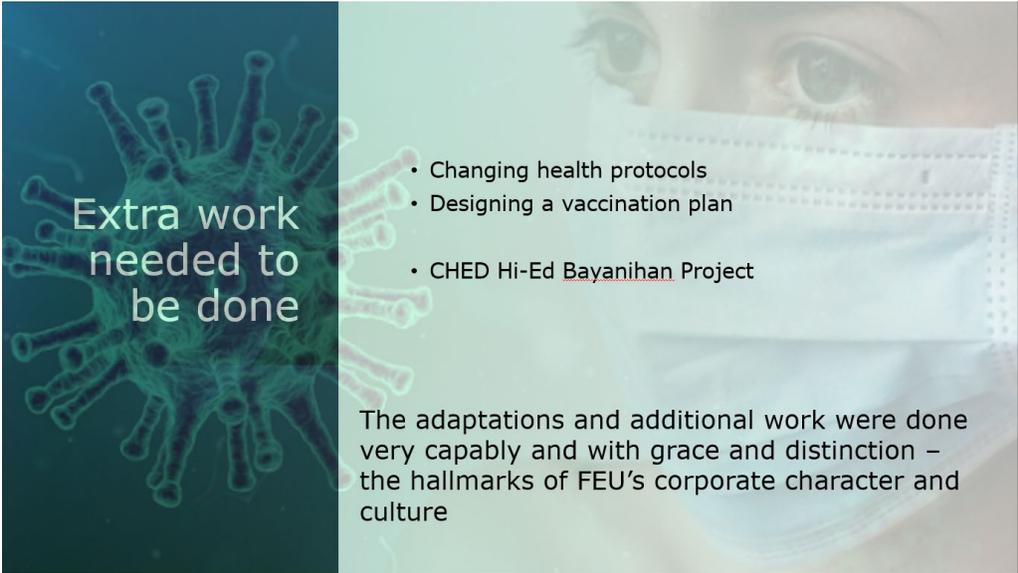
Among all the services provided by the FEU schools, the most unevenly impacted by the pandemic were the student and community extension services.

On the one hand, fun activities (like esports in FEU Roosevelt and concerts for students and employees), milestone events in the school calendar (such as commencement exercises), guidance and counseling programs and services, and health consultations could be readily moved online.

On the other hand, library services; textbook procurement and deliveries; standards-based achievement tests; student-discipline investigations; and extension projects with partner communities were more difficult to implement.

In addition, the health protocols – from having to adapt work-from-home and report-to-office schedules to the constantly changing quarantine restrictions to monitoring and tracking covid-19 cases in the FEU community and implementing safe office spaces (including deep cleaning areas that covid patients had been in and ensuring that air flows reduced transmission risks) – meant additional work for the Human Resources Division, University Health Services, and Facilities and Technical Services.

Designing a vaccination plan for the FEU schools also weighed heavily on the team involved. A survey had to be quickly designed and implemented to understand the employees' views about vaccines and vaccinations. A vaccination campaign had to be undertaken to overcome vaccine hesitancy. A registry had to be developed to keep track of the employees' vaccination status. And arrangements had to be made with other parties to procure vaccines and administer them.



Extra work needed to be done

- Changing health protocols
- Designing a vaccination plan
- CHED Hi-Ed [Bayanihan](#) Project

The adaptations and additional work were done very capably and with grace and distinction – the hallmarks of FEU's corporate character and culture

The response of FEU to these challenges is perhaps best captured by one notable extension activity that deserves special mention as it serves to underscore FEU's preparedness for and can-do spirit in facing the pandemic. Early in the school year, CHED called on FEU to participate in the commission's Hi-Ed *Bayanihan* Project, which aimed to quickly train college faculty in the pedagogical and education-technology requirements of online flexible learning modes that would have to be adopted with in-person schooling being disallowed. Over 300 faculty members from different colleges and universities nationwide participated in the FEU project, which enabled them to be better prepared for the new teaching and learning environment brought on by the pandemic.

Finally, what I personally would like to highlight is that all of the adaptations and additional work were done not only very capably but with grace and distinction, which are at the very heart of FEU's corporate character and culture.

To conclude:

Beset by the covid-19 pandemic that still continues to rage, SY 2020–2021 will possibly be remembered in the education sector as the watershed year when schools were compelled to finally drop the one-size-fits-all in person schooling model. Luckily, the FEU Group of Schools had started on a quality-transformation journey, thus enabling them to be better prepared to deal with the stresses brought on by the pandemic.

Their journeys are not complete. Their management of schooling under the pandemic can still be improved.

But even now the words of praise President Manuel Quezon gave to FEU founder Dr. Nicanor Reyes Sr. can be said to ring true: "Dr. Reyes, I am proud of your university! ... I do not mind telling you that I believe your university to be the best non-sectarian institution in the country. ... I congratulate you!"

On motion made by Ms. Angelyn R. Saret and duly seconded, the Stockholders unanimously adopted and approved the following resolution:

**Stockholders' Resolution No. 02-2021**

"RESOLVED, That the Academic Report on Far Eastern University, Inc. of the President, Dr. Michael M. Alba, for the academic year 2020-2021 be, as it is hereby, noted."

**V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

The next order of business was the notation of the Annual Report and approval of the Audited Financial Statements for the years ended 31 May 2021, 2020 and 2019.

At this juncture, the Chairman delivered his Message to the Stockholders.

Dear Fellow Shareholders:

If ever there was a time to BE BRAVE, it was Covid-19 Pandemic School Year 2020 - 2021.

The previous School Year 2019 - 2020 was half Face-to-Face, and half Remote Learning. Unfortunately, by government mandate, School Year 2020 - 2021 was a Full Remote Learning Year for our almost 40,000 students spread across 10 campuses. Fortunately, thanks to a sufficiently prepared and forward-looking management team, FEU was able to offer fully functioning Online and Offline Learning Offerings across its three main brands - Far Eastern University, FEU Tech, and FEU Roosevelt - and its various Senior High Schools. Despite flat tuition, consolidated enrollment declined by 10% to approximately 39,000 students.

Senior High School with a drop of 26%, was particularly hard hit as some parents conserved their financial resources or shifted to Free Tuition Public Senior High Schools. Comparative Revenues however only dropped by 1% due to the uncompleted third trimester at FEU Tech last year. Net Income grew to Php 979 million due to judicious operational cost savings and a favorable swing in investment income.

#### STRATEGIC PLAN

Last year, we reported the completion of our Five-Year Aspirations 2020 Strategic Plan with positive results in the Regulatory, Matched, and Adaptive Excellence fields. Our efforts to convene for our Annual Strategic Planning Exercises were sadly interrupted by Covid-19 in 2020 and now 2021.

Given that, Management shifted to a nimble, 180 degrees turn to a Remote Learning New Normal Execution Plan given ever-changing health and worsening economic statistics.

In the absence of anything concrete, FEU stuck to its VISION and CORE VALUES.

#### FORTITUDE

Keeping the school operational during the entire school year across all 10 campuses was already an achievement in itself. More importantly,

our Academic Team improved content, and delivery of content, on our already robust Remote Learning systems with improved Wi-Fi bandwidth capability. Our Administration team simplified logistic and payment processes to predominantly online so that parents and students could continue transacting with FEU from their laptops and mobile phones.

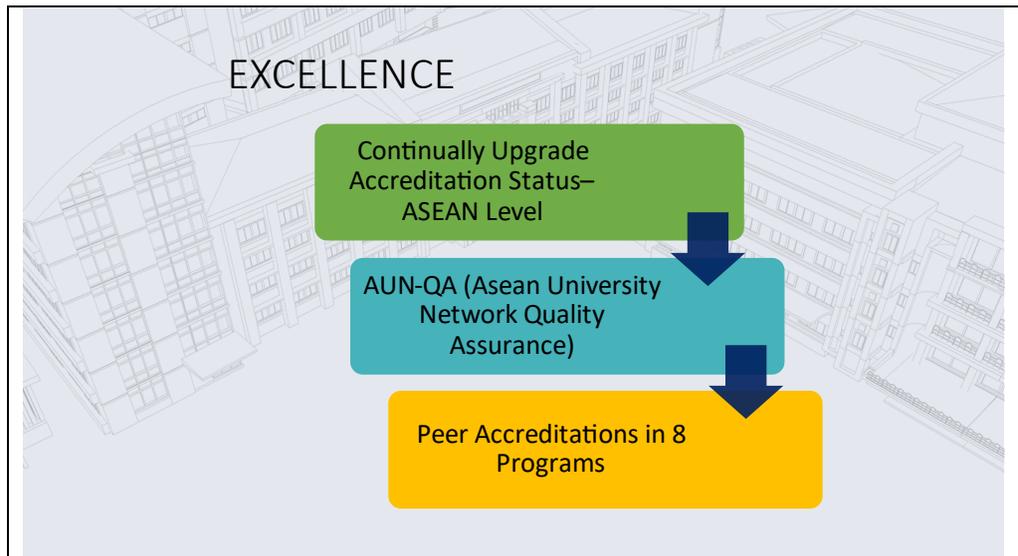


## EXCELLENCE

We continued to upgrade our accreditation status, this time at the Asean level. We joined an AUN-QA (Asean University Network Quality Assurance) network, and successfully earned peer accreditations in eight program areas - Accountancy, Business Administration, Biology, Medical Technology, Psychology, Communications, and Elementary and Secondary Education.

We were also pleasantly surprised with a in Crisis Management, and a Top 100 Overall Ranking in a WURI (World Universities with Real Impact) 2021 Survey.

This validated our internal feeling that we had effected a relatively seamless, value-added shift to a 100% Remote Learning Platform.



**UPRIGHTNESS**

Locally, we continue to be the highest-ranked Educational Institution in the PSE (Philippine Stock Exchange) and Annual Corporate Governance

Scorecard (AGCS) Golden Arrow Recognition Ceremony. Internationally, we are honored by a WURI ranking of No. 16 in Ethics.



**FINANCIAL RESULTS**

Given the 10% drop in enrollment and a decision to maintain flat tuition during the pandemic, FEU utilized pre-pandemic digitization moves and decisive early cost-cutting to generate an Educational Income increase of 3%.

Fortunately, its investment portfolio grew, Fair Value gains shifted from negative the previous year to positive this year, significant Loans

were settled, and the CREATE-related corporate income tax dropped temporarily. FEU used some of these gains to privately purchase sufficient Moderna vaccines for all its full-time faculty and employees.

This resulted in a 43% increase in overall Net Income despite the challenges of SY 2020-21.

#### SIGNIFICANT AWARDS

The primary local award includes retention of a One Golden Arrowhead recognition in the Asean Corporate Governance Scorecard (ACGS) for being a top-performing publicly listed company in the Philippines.

Next, FEU scored twice in the 18th Philippine Quill Awards - an Award of Excellence in Communication Skills, Customer Relations for its "Tatak Tamaraw Freshman Orientation" initiative, and an Award of Merit for its "FEU Learning Journey" in the same category.

Separately, FEU Cavite's Basic Education Building was named "People's Choice" of the Haligi ng Dangal Awards 2020 for its safe, secure, and beautifully designed building conducive to learning.

Internationally, FEU improved on its World Universities with Real Impact (WURI) rankings, which measure universities' flexible and innovative efforts to foster a workforce that meets the needs of industry and society. Key 2021 rankings include:

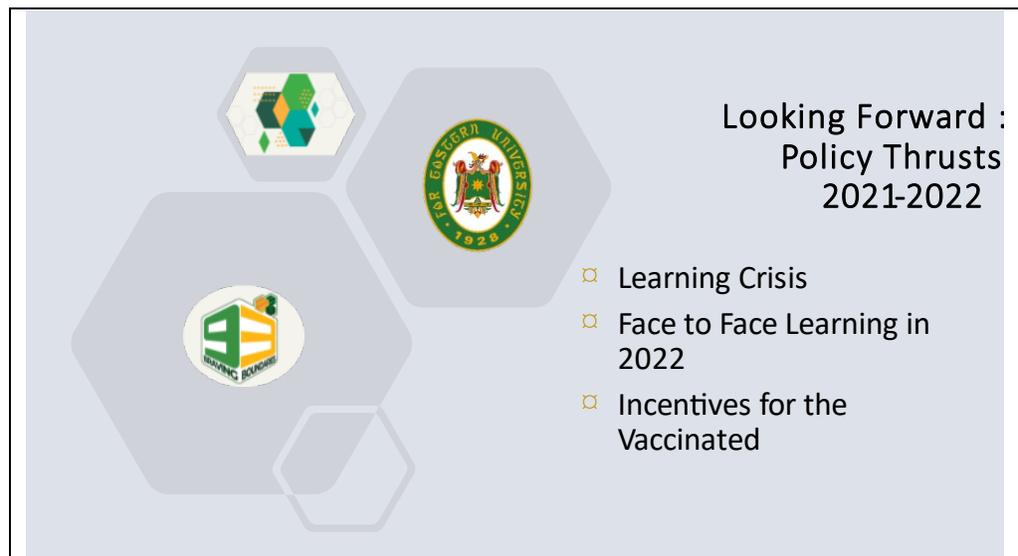
- No. 12 in Crisis Management,
- No. 16 in Ethical Value,
- No. 42 in Entrepreneurial Spirit, and
- No. 79 in the Top 100 Most Innovative Universities in the world.

#### LOOKING FORWARD

Last year, we highlighted a new decade with three main macro themes going forward:

- "Education Must Continue"
- "Future Ready Learning"
- "A Distinctive Education Experience"

This year, we reiterate and re-stress those three policy thrusts, but added three more as major food for thought.



**“Learning Crisis”** - Never before, due to the pandemic, child malnutrition, and improving but still underfunded government support for the education sector, have we faced an Education Learning Crisis as bad as we have one today. Sadly, abysmal near-bottom scores in science, math, and language in international surveys have been repeatedly publicized. It is our hope that the next Philippine administration will have an “Educate, Educate, Educate” theme as a major priority.

**“Face-to-Face Learning in 2022”** - Worldwide studies have shown, that for the good of both students and parents, Face-to-Face Learning is necessary for children and students, subject to stringent health protocols. Remote Learning was probably the right thing to do in 2020-2021, but with increased vaccination rates and better knowledge as to how to live with Covid-19, Face-to-Face Learning should be the norm in 2022. For FEU, this will be a Hybrid Learning, combining the strengths of both limited Face-to-Face learning with bursts of Online Learning.

**“Incentives for the Vaccinated”** - Fortunately, we are in a geographic area (NCR + 4) where vaccination rates will have crossed the 75% threshold for fully dosed and 85% one dosed of the eligible population. Given this, and subject to the usual sanitation, social distancing, and mask protocols, we should be ready to reopen Face-to-Face for the fully vaccinated. FEU itself hopes to have vaccinated almost 100% of its employees by yearend, will encourage students to get LGU-jabbed, and is formulating policies to prioritize students who are already fully vaccinated.

Looking back, the Spanish Flu crisis took three years, from 1918-20. Next year will be the third year for our Covid-19, and hopefully, we can move back to an almost pre-pandemic normal stage.

As always, we close by thanking our loyal stakeholders - our faculty and employees, our students and their parents, our regulators, and alumni, and our shareholders and the entire FEU Community - for keeping the faith and continuously operating in these difficult times.

Good luck to us all!

On motion made by Ms. Rosanna E. Salcedo duly seconded, the Stockholders adopted and approved the following resolution:

**Stockholders' Resolution No. 03-2021**

"RESOLVED, That the Annual Report covering the operations of Far Eastern University, Inc. (FEU) for the fiscal year 2020-2021 be, as it is hereby, noted, and that the audited Consolidated Financial Statements of FEU and its Subsidiaries and the audited separate Financial Statements of FEU for the years ended 31 May 2021, 2020 and 2019 be, as it is hereby, approved."

Voting Results	Voted in Favor	Voted Against	Abstained
Number of Shares Voted	19,140,261	0	10,814
Percent of Shares Voted	79.57%	0%	0.04%

**VI. ACTS AND RESOLUTIONS DURING THE PAST YEAR OF THE BOARD OF TRUSTEES, BOARD AND MANAGEMENT COMMITTEES, AND MANAGEMENT AND OTHER OFFICERS**

The next item in the Agenda was the approval, ratification and confirmation of all acts and resolutions during the past year.

Thereupon, on motion made by Ms. Maria Carmencita A. Sayo and duly seconded, the Stockholders adopted and approved the following resolution:

**Stockholders' Resolution No. 04-2021**

"RESOLVED, That all the acts and resolutions of the Board of Trustees, Board and Management Committees, and Management and other Officers of Far Eastern University, Inc. taken or adopted since the Annual Meeting of Stockholders last 17 October 2020 until today, 16 October 2021, be, as it is hereby, approved, ratified and confirmed."

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Voting Results		Voted in Favor	Voted Against	Abstained
Number of Shares Voted		19,140,261	0	10,814
Percent of Shares Voted		79.57%	0%	0.04%

**VII. ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES INCLUDING INDEPENDENT TRUSTEES**

The next matter in the Agenda was the election of the members of the Board of Trustees, including Independent Trustees, for the ensuing year.

At this juncture, the Chairman informed the stockholders that the SEC Code of Corporate Governance mandates a maximum nine (9) year tenure for Independent Trustees of which FEU has two. One of these Independent Trustees, Ms. Sherisa P. Nuesa, will instead be nominated as a regular Trustee and no longer as an Independent Trustee. The other Independent Trustee covered by this rule is Dr. Edilberto C. de Jesus.

The SEC has expressly allowed FEU to seek approval from our own stockholders for the retention of Dr. Edilberto C. de Jesus as an Independent Trustee for a period of one (1) year. The justification for this is because Dr. de Jesus is a former Department of Education Secretary and concurrently an active member of the Philippine Business for Education. Given our well-publicized national learning crisis, the ongoing pandemic, and the regulatory discussions on a possible shift back to face to face learning, it is believed that FEU stockholders will benefit from Sec. de Jesus' wise counsel at Board level over the years.

This proposal is made on the recommendation of the Nomination Committee. Dr. de Jesus, also a member of the Nomination Committee, recused himself from all deliberations and voting on the same.

At the request of the Chairman, Atty. Gianna R. Montinola, a member of the Nomination Committee, reported that in accordance with the Amended By-Laws and applicable rules and regulations, the following Stockholders were duly nominated for election as members of the Board of Trustees for the term 2020-2021 or until their respective successor is duly elected and qualified:

①	Dr. Lourdes R. Montinola
②	Mr. Aurelio R. Montinola III
③	Dr. Michael M. Alba
④	Mr. Antonio R. Montinola
⑤	Dr. Paulino Y. Tan

⑥	Ms. Sherisa P. Nuesa
⑦	Dr. Edilberto C. de Jesus
⑧	Mr. Jose T. Sio
⑨	Ms. Consuelo D. Garcia

Of the above-named nominees, three (3) were nominated as Independent Trustees, namely: (i) Dr. Edilberto C. De Jesus, (ii) Mr. Jose T. Sio, and (iii) Ms. Consuelo D. Garcia.

Atty. Montinola stated that the Nomination Committee had, at a meeting called for the purpose of vetting the Trustee-nominees, reviewed the qualifications of all the nominees and concluded that all of the nine (9) nominees have met all the requirements to be elected as Trustee and are, therefore, qualified to serve as FEU Trustees. All the nominees have given their consent to their nomination.

On motion made by Ms. Fe V. Canilao and duly seconded, the Stockholders adopted and approved the following resolution:

**Stockholders' Resolution No. 05-2021**

“RESOLVED, That (i) Dr. Edilberto C. de Jesus be approved, as it is hereby approved, to continue as an Independent Trustee of the Far Eastern University; and (ii) there being only nine (9) nominees, all votes be cast, as they are hereby cast, equally, and that the nine (9) nominees named below be henceforth declared as the elected members of the Board of Trustees of Far Eastern University, Inc. for the ensuing term 2021-2022 or until their successors are duly elected and qualified:

①	Dr. Lourdes R. Montinola	Trustee
②	Mr. Aurelio R. Montinola III	Trustee
③	Dr. Michael M. Alba	Trustee
④	Mr. Antonio R. Montinola	Trustee
⑤	Dr. Paulino Y. Tan	Trustee
⑥	Ms. Sherisa P. Nuesa	Trustee
⑦	Dr. Edilberto C. de Jesus	Independent Trustee
⑧	Mr. Jose T. Sio	Independent Trustee
⑨	Ms. Consuelo D. Garcia	Independent Trustee

As tabulated by the Office of the Corporate Secretary - with the assistance of Stock Transfer Services, Inc. and in the presence of the representatives of the External Auditor, Punongbayan & Araullo - the votes received by the nominees and their percentages to total shares voted, in person or by proxy, were as follows:

Trustee		Voted in Favor		Voted Against		Abstained	
①	Dr. Lourdes R. Montinola	19,151,075	79.61%	0	0.00%	0	0.00%
②	Mr. Aurelio R. Montinola III	19,151,002	79.61%	0	0.00%	73	0.00%
③	Dr. Michael M. Alba	19,151,002	79.61%	0	0.00%	73	0.00%
④	Mr. Antonio R. Montinola	19,150,789	79.61%	0	0.00%	286	0.00%
⑤	Dr. Paulino Y. Tan	19,150,759	79.61%	0	0.00%	316	0.00%
⑥	Ms. Sherisa P. Nuesa	19,150,759	79.61%	0	0.00%	316	0.00%
⑦	Dr. Edilberto C. de Jesus	19,150,759	79.61%	0	0.00%	316	0.00%
⑧	Mr. Jose T. Sio	19,150,759	79.61%	0	0.00%	316	0.00%
⑨	Ms. Consuelo D. Garcia	19,150,759	79.61%	0	0.00%	316	0.00%

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

The next item in the Agenda was the appointment of External Auditor for the fiscal year 2021-2022.

The Chairman requested the Chairman of the Audit Committee, Ms. Sherisa P. Nuesa, to explain the appointment of the External Auditor.

Ms. Nuesa informed the Stockholders that the Audit Committee (AuditCom) evaluated the performance of FEU's present independent auditor, Punongbayan & Araullo, and stated that the AuditCom is satisfied with their performance.

Hence, the AuditCom and the Board of Trustees have agreed to endorse to the Stockholders, for their approval, the reappointment of Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd., as the External Auditor of FEU for the fiscal year 2021-2022. The fees to be negotiated by Management.

On motion made by Ms. Maria Carmencita A. Sayo and duly seconded, the Stockholders adopted and approved the following resolution:

#### **Stockholders' Resolution No. 06-2021**

"RESOLVED, That Punongbayan & Araullo, Certified Public Accountants and the Philippine member firm of Grant Thornton International, Ltd., be, as it is hereby, reappointed as the External Auditor of Far Eastern University, Inc. for the fiscal year 2021-2022, and that the External Auditor's fees shall be negotiated by Management."

Voting Results	Voted in Favor	Voted Against	Abstained
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Number of Shares Voted	19,151,075	0	0
Percent of Shares Voted	79.61%	0%	0%

**IX. OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING**

After confirming that there were no other matters that require consideration by the Stockholders, the Chairman then opened the floor for questions and comments from the Stockholders.

There were no questions nor comments from the Stockholders.

The Chairman, on behalf of the Board of Trustees and Management, extended his thanks to all the Stockholders for their continuing support and confidence in Far Eastern University.

**X. ADJOURNMENT**

The Chairman announced that video recordings of the FEU Annual Stockholders' Meeting 2021 will be adequately maintained by the Company and will be made available to participating stockholders upon request.

There being no further business to transact, the Annual Stockholders' Meeting was - on motion made by Ms. Rowena B. Yago and duly seconded - adjourned at 3:55 p.m.

ANTHONY RAYMOND A. GOQUINGCO  
Corporate Secretary

Attested by:

AURELIO R. MONTINOLA III  
Chairman of the Board