

MINUTES OF THE 2020 ANNUAL MEETING OF STOCKHOLDERS OF CHINA BANKING CORPORATION

Held via Remote Communication at <https://www.chinabank.ph/asm2020>

June 18, 2020 at 4:00 P.M.

Directors Present:

Mr. Hans T. Sy	- Chairman of the Board, Chairman of the Executive and Compliance Committees, and Member of the Risk Oversight and Remuneration Committees
Mr. Gilbert U. Dee	- Vice Chairman of the Board, and Member of the Executive Committee
Mr. William C. Whang	- Director, President, and Member of the Executive and Trust Investment Committees
Mr. Peter S. Dee	- Director, and Member of the Executive and Trust Investment Committees
Mr. Joaquin T. Dee	- Director, and Member of the Executive, Audit, and Compliance Committees
Mr. Harley T. Sy	- Director, and Member of the Remuneration Committee
Mr. Herbert T. Sy	- Director, and Chairman of the Trust Investment Committee
Mr. Jose T. Sio	- Director, and Member of the Trust Investment Committee
Mr. Alberto S. Yao	- Lead Independent Director, Chairman of the Audit Committee, and Member of the Corporate Governance, Risk Oversight, Related Party Transactions, Nominations, Compliance, and Remuneration Committees
Ms. Margarita L. San Juan	- Independent Director, Chairman of the Risk Oversight Committee, and Member of the Corporate Governance, Related Party Transactions, Nominations, and Remuneration Committees
Mr. Philip S.L. Tsai	- Independent Director, Chairman of the Corporate Governance, Related Party Transactions, and Remuneration Committees, and Member of the Audit and Nominations Committees

Director Absent:

None

Also Present:

Mr. Ricardo R. Chua	- Advisor to the Board
Atty. Corazon I. Morando	- Corporate Secretary
Mr. Romeo D. Uyan, Jr.	- Chief Operating Officer
Mr. Patrick D. Cheng	- Chief Finance Officer
Mr. Alexander C. Escucha	- Head of the Investor and Corporate Relations Group
Mr. Christopher Ma. Carmelo Y. Salazar	- Treasurer
Ms. Aileen Paulette S. De Jesus	- Chief Compliance Officer
Mr. Ray Francis C. Balagtas	- SyCip Gorres Velayo & Co. (SGV), External Auditor, and Team
Mr. Zaldy Adana	- Stock Transfer Service, Inc., Transfer Agent, and Team

Stockholders present by remote communication, voting *in absentia* and by proxy:

2,109,466,438 shares (See Annex A for the list of stockholders and other attendees)

I. CALL TO ORDER

After the Bank Centennial video was shown, and the Philippine National Anthem was played, Investor and Corporate Relations Group (ICRG) Head Alexander C. Escucha introduced the current members of the Board and Advisor to the Board Ricardo R. Chua. Then, he gave the floor to the Chairman.

Mr. Hans T. Sy, Chairman of the Board, welcomed the stockholders and guests to the Bank's 2020 annual stockholders' meeting, an online-only event for the first time in the Bank's 100-year history. He called the meeting to order and presided over the same. Atty. Corazon I. Morando, Corporate Secretary, took the minutes of the proceedings.

The list of the stockholders present by remote communication, voting *in absentia* and by proxy, with their respective number of shares is hereto attached as Annex "A".

II. PROOF OF NOTICE OF MEETING

Chairman Hans Sy inquired from the Corporate Secretary about the sending of the notice of meeting to the stockholders.

Atty. Morando reported that the stockholders were notified about the meeting in accordance with the Securities and Exchange Commission's (SEC) Memorandum Circular No. 6, Series of 2020, Section 49 of the Revised Corporation Code, and the SEC Notice dated April 20, 2020 on the alternative mode of distributing documents in connection with the holding of annual stockholders' meeting for 2020. Further, the Notice of Meeting was published in The Philippine Star and Philippine Daily Inquirer, in print and online formats, on May 27 and 28, 2020. Finally, electronic copies of the Notice of Meeting with Explanation of Agenda Items and the Information Statement (SEC Form 20-IS) and Management Report, as well as the Annual Report (SEC Form 17-A), were made available in the Bank website and the Philippine Stock Exchange's (PSE) EDGE Submission System.

The Corporate Secretary certified that the required notice of meeting via remote communication was sent in compliance with the Bank's By-Laws and the law and rules and regulations of the Bangko Sentral ng Pilipinas (BSP), SEC and PSE.

III. CERTIFICATION OF QUORUM

The Chairman asked the Corporate Secretary about the presence of quorum.

The Corporate Secretary announced that out of 2,685,899,812 total subscribed and outstanding shares of the Bank, the holders of 2,109,466,438 shares representing 78.539% or more than 2/3 of the outstanding capital stock of the Bank are present through remote communication, by proxy, or *in absentia*. The Corporate Secretary certified and declared the existence of a quorum competent to transact business.

The Guidelines for participation via remote communication and voting *in absentia* was included as Schedule "B" of the Bank's Definitive Information Statement.

IV. APPROVAL OF MINUTES OF THE MAY 2, 2019 ANNUAL MEETING OF STOCKHOLDERS

The Chairman proceeded to the next item in the Agenda, which is the approval of minutes of the annual stockholders' meeting held on May 2, 2019. A summary of the minutes was included in the Information Statement, and the minutes can be accessed through the Bank's website www.chinabank.ph.

Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The reading of the minutes of the annual meeting of stockholders held on May 2, 2019 was dispensed with, and all matters included therein were considered complete and accurate, and were approved for all intents and purposes."

Opinion		Votes cast		Percentage (based on shares present or represented at the meeting)
For	-	2,109,382,552	-	99.996%
Against	-	0	-	0.000%
Abstain	-	83,886	-	0.004%

V. ANNUAL REPORT TO STOCKHOLDERS

Chairman Hans Sy gave the floor to Mr. William C. Whang, President, for him to report on the Bank's activities, financial performance, and other relevant data for the year 2019.

The President began by saying that this year marks a momentous year for the Bank – its 100th year. As proud and excited the Bank is about this milestone, collective consciousness has been focused on the COVID-19 pandemic and its far reaching health, social, and economic impact. Throughout the various states of community quarantines, the Bank focused on business continuity, the safety and well-being of employees and customers, and with proactive support from the monetary and regulatory authorities, to partly cushion the impact of the disruption in economic activity.

Starting off with the operating environment, Mr. Whang reported that global economic growth in 2019 slowed to 2.9% from 3.6% in 2018, its weakest pace since the global financial crisis a decade ago. The Philippines' GDP growth likewise decelerated to 6% in 2019 from 6.3% in 2018 mainly due to the delay in infrastructure spending.

In terms of the 2019 financial highlights of the Bank, he stated that amid the slowdown in 2019, the Bank built on the growth momentum of the past three years and set new record highs. The Bank continued to grow to a customer base of 1.7 Million served thru 631 branches and 1,002 ATMs. Net income reached P10.1 Billion, or an increase of 24%. return on equity (ROE) was at 11.0% and return on assets (ROA) at 1.1%. Net interest income was up 14% to P26.1 Billion, while non-interest income grew 49% to P8.4 Billion. Despite the 13% increase in operating expenses to P20.3 Billion, cost to income ratio improved to 59% from 63% because of higher operating income. Assets grew 11% to P962 Billion, of which P569 Billion was accounted for by loan portfolio which grew by 12%. This was funded by total deposits of P775 Billion, which grew 7%. The Bank ended 2019 with P96 Billion in capital, up 9%.

In terms of corporate milestones in 2019, the Bank had its P30 Billion maiden retail bonds issue which was six times oversubscribed and was one of the largest bond issuances for the year. The Bank

also issued its first green bond of \$150 Million to IFC. The investment grade credit rating of the Bank of Baa2 was affirmed by Moody's. The Bank also began the restoration of its original head office in Binondo built in 1924.

The Bank was able to provide satisfactory returns to its shareholders with the consistent profit growth driven by stable core recurring income. In 2019, a total of P2.4 Billion cash dividends was paid, 6% higher than in 2018.

President Whang agreed that the COVID-19 pandemic is a global economic disruption on a scale not seen in over a hundred years. For the Philippines, the latest estimate of the BSP is a 2% to 3.4% decline in GDP in 2020. In the first quarter of the year, GDP contracted by 0.2%. In May, inflation slowed to 2.1%, while the PSEi closed at 5,800.

With respect to the Bank's first quarter 2020 performance, he reported that the Bank continued to support its customers' banking needs. Loans continued to grow even during the lockdown periods thru May. Similarly, deposits grew during the same period. The Bank continued to be profitable, with net income increasing 19% to P2.2 Billion, which translated to an ROE of 9.2% and ROA of 0.9%. Net interest income grew 34% to P7.9 Billion as net interest margin improved to 3.82% from 3.32%. Operating expenses increased 22% to P5.8 Billion as the Bank provided for COVID-19 related expenses. Despite the scaled-down branch operations during the enhanced community quarantine (ECQ), total assets expanded 10% to P984 Billion, net loans grew 15% to P584 Billion, and deposits rose 9% to P785 Billion. Non-performing loan (NPL) ratio remained stable at 1.7%. The Bank increased provisions by 51% with corresponding NPL cover of 109%. More provisions are intended in the coming quarters in anticipation of possible higher credit losses arising from the stoppage of economic activities in many key sectors of the economy. Total capital stood at P97 Billion, with capital ratios well above regulatory levels.

Next, the President talked about the Bank's resilience through good governance. According to him, one of the reasons for the Bank's resilience is its commitment to conducting business ethically and responsibly, for which it has been recognized with awards for excellence in corporate governance and customer service. In 2019, it received the Four-Arrow Recognition from the Institute of Corporate Directors, the only bank among the six listed companies awarded in this category. The ASEAN Capital Markets Forum named the Bank as one of the top 50 listed companies in Southeast Asia in 2018. The Bank also received from the BSP an award for the Best Corporate Governance Disclosure and Transparency, and, for the second year in a row, the Pagtugon Award for Universal and Commercial Banks for the Bank's quick responses to customer complaints.

At that juncture, President Whang took the opportunity to honor a valued member of the Board, Director Angeline Ann H. Hwang, who passed on April 11, 2020. Director Hwang was the Bank's fourth independent director, elected during the 2019 annual stockholders' meeting, and was also on the Boards of Bank subsidiaries China Bank Savings and China Bank Securities. For less than a year, Director Hwang made meaningful contributions in board proceedings, especially on credit matters and issues of accountability. President Whang recognized that Director Hwang is a real loss to the Bank and to the community, and she will be greatly missed.

Lastly, the President focused on banking in the new normal. He stressed that on its centennial year, the Bank is committed to remain a sustainable bank, capable of doing more good now and in the future. It is focusing efforts on four priority areas: (1) growth of business, (2) operational excellence, (3) customer centricity, and (4) employee engagement. The Bank is navigating the new normal with everyone's safety in mind, and with recalibrated strategies and contingency plans to adapt to current

constraints and market conditions. In place are team rotation work schedules, work from home arrangements, mandatory health and safety measures, and case management protocols. During the ECQ, the Bank ensured the well-being of China Bankers through adjusted banking hours, logistical support for frontliners, HMO coverage for COVID-related treatment, continued payment of full salaries and benefits, and financial assistance for agency personnel, among others. For the customers, the Bank ensured that branches remained open, extended loan and credit card payments, waived certain fees for bank transfers and remittances, and implemented other measures to ease consumer pain. As customers were encouraged to safely bank from home during the ECQ, e-channel transactions surged, particularly China Bank Mobile App. From January to May, China Bank Mobile App users increased 83% and transactions more than doubled. The Bank is continuously strengthening cyber security accordingly. Leveraging technology and ensuring that all enhancements increasingly translate into seamless innovative banking services will shape the next 100 years of the progress of the Bank.

The President expressed gratitude to the front liners in the branches and the skeletal force in the operating and support units who made it possible for the Bank to service its customers' requirements during the various stages of community quarantine. On behalf of the Bank's Board of Directors and leadership team, he then thanked the shareholders and customers for their continued trust and patronage. He ended by saying that it is the Bank's privilege and ongoing mission to help businesses succeed and make a positive difference in the lives of the people and communities it serves.

After the presentation, the Chairman thanked the President and asked the Corporate Secretary for the proposed resolution and voting results.

Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The Annual Report, electronic copy of which having been made available in the Bank website and in the Philippine Stock Exchange's (PSE) EDGE Submission System, and as Bank President William C. Whang presented, was approved."

Opinion	Votes cast		Percentage (based on shares present or represented at the meeting)	
For	-	2,108,343,378	-	99.947%
Against	-	0	-	0.000%
Abstain	-	1,123,060	-	0.053%

VI. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

For this item in the agenda, Chairman Hans Sy stated that the President, in his annual report earlier, presented the financial performance and changes in the financial position of the Bank for the year 2019. He then asked the Corporate Secretary for the proposed resolution and voting results.

Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The audited financial statements for the year ended December 31, 2019, attached as Annex E of the Definitive Information Statement, posted in the Bank's website and PSE's EDGE

Submission System, and covered in part by the presentation of the Bank President William C. Whang, was approved.”

Opinion		Votes cast		Percentage (based on shares present or represented at the meeting)
For	-	2,108,343,378	-	99.947%
Against	-	0	-	0.000%
Abstain	-	1,123,060	-	0.053%

VII. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, OTHER COMMITTEES, AND MANAGEMENT

After being asked by the Chairman, Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast:

“All the acts of the Board of Directors, which include the fund raising exercise of up to P75 Billion in several tranches for the next three (3) years which may be in the form of retail bonds and/or commercial papers, conduct of capital raising exercise of up to P15 Billion in the form of PHP-denominated Tier 2 capital notes, issuance of long term negotiable certificates of time deposit of up to P20 Billion, and the following related party transactions discussed in the Definitive Information Statement and Audited Financial Statements; and all the acts of the Executive Committee and of the various committees of the Bank and Management, during the fiscal year 2019 and immediately preceding this stockholders’ meeting, were approved, confirmed and ratified for all intents and purposes:

Related Party	Total Amount ^{/1}	Total Outstanding Balance ^{/2}
CBC Group	₱ 19.8 B \$ 1.4 B	₱ 9.0 M
SM Group	₱ 134.5 B \$ 224.5 M	₱ 13.7 B \$ 170 M
Other Related Parties	₱ 37.7 B \$ 8.9 M	₱ 11.5 B

1/ Covers all transactions

2/ For loan transactions approved in 2019

Opinion		Votes cast		Percentage (based on shares present or represented at the meeting)
For	-	2,106,621,175	-	99.865%
Against	-	0	-	0.000%
Abstain	-	2,845,263	-	0.135%

VIII. ELECTION OF THE BOARD OF DIRECTORS

On the next item in the agenda, which is the election of the members of the Board of Directors for the ensuing year, the Chairman called on the Chairman of the Corporate Governance Committee, Mr. Philip S.L. Tsai, to announce the nominees for election.

According to Mr. Tsai, based on the determination by the Nominations and Corporate Governance Committees, and as confirmed by the Board of Directors, the following nominees for directors and independent directors were found to possess all the qualifications and none of the disqualifications of a director or independent director, and their capabilities are aligned with the Bank's strategic directions: (a) nominees for director – Mr. Hans T. Sy, Mr. Gilbert U. Dee, Mr. William C. Whang, Mr. Peter S. Dee, Mr. Joaquin T. Dee, Mr. Herbert T. Sy, Mr. Harley T. Sy, and Mr. Jose T. Sio; and (b) nominees for independent director – Mr. Alberto S. Yao, Ms. Margarita L. San Juan, and Mr. Philip S.L. Tsai.

Mr. Tsai further stated that while the Bank's Amended Articles of Incorporation and Amended By-Laws provide for 12 directors, only 11 directors are nominated at this time, as independent director Angeline Ann H. Hwang passed away on April 11, 2020. He added that the present quarantine conditions have effectively prevented the conduct of a meaningful and thorough search of a suitable candidate for independent director. He also said that the search will commence as soon as conditions allow, and the Nominations and Corporate Governance Committees will nominate an appropriate candidate for independent director at the proper time for the approval of the Board and ratification by the stockholders at the next stockholders' meeting.

The Chairman thanked Mr. Tsai. Before proceeding with the results of the election, Chairman Han Sy took the opportunity to thank Ms. Angeline Ann H. Hwang for having provided a strong element of independence and objectivity in the Board, and having given invaluable insights on credit risk, account and relationship management. The Chairman recalled that Ms. Hwang was elected to the Board in 2019 and was the Chairman of the Nominations Committee. She was also an independent director of China Bank Savings, Inc. and China Bank Securities Corporation. On behalf of the Board, Chairman Sy extended his deep gratitude and sincere condolences to the family of Ms. Hwang.

The Chairman then asked the Corporate Secretary, Atty. Morando, to present the results of the election. Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast, as confirmed by the Bank's transfer agent, Stock Transfer Service, Inc., and by SyCip Gorres Velayo & Co., the independent party tasked to count and validate the votes at the meeting:

"The eleven (11) nominees, including the three (3) nominees for independent directors, enumerated by the Corporate Governance Committee Chairman Philip S.L. Tsai, and also listed in the Definitive Information Statement, were declared duly elected directors.

The Board of Directors, through the Nomination and Corporate Governance Committees, is authorized to continue the search for the 12th director who will also be the 4th independent director of the Board, and upon determination of the proper qualifications, to be elected to the Board, subject to ratification by the stockholders at the next stockholders' meeting."

Name of Director	Type of Director	Votes Cast		
Hans T. Sy	Director	For	-	2,102,244,223
		Against	-	80,700
		Abstain	-	5,329,849
Gilbert U. Dee	Director	For	-	2,121,260,816
		Against	-	80,700
		Abstain	-	5,257,489

William C. Whang	Director	For	-	2,107,573,807
		Against	-	80,700
		Abstain	-	-
Peter S. Dee	Director	For	-	2,102,377,220
		Against	-	80,700
		Abstain	-	5,257,489
Joaquin T. Dee	Director	For	-	2,102,243,958
		Against	-	80,700
		Abstain	-	5,329,849
Herbert T. Sy	Director	For	-	2,102,316,318
		Against	-	80,700
		Abstain	-	5,257,489
Harley T. Sy	Director	For	-	2,102,243,958
		Against	-	80,700
		Abstain	-	5,329,849
Jose T. Sio	Director	For	-	2,102,243,458
		Against	-	81,200
		Abstain	-	5,329,849
Alberto S. Yao	Independent Director	For	-	2,107,137,352
		Against	-	444,795
		Abstain	-	72,360
Margarita L. San Juan	Independent Director	For	-	2,107,655,922
		Against	-	-
		Abstain	-	-
Philip S.L. Tsai	Independent Director	For	-	2,107,583,562
		Against	-	-
		Abstain	-	72,360

IX. APPOINTMENT OF EXTERNAL AUDITOR

Proceeding with the next item in the agenda, the Chairman called on Mr. Alberto S. Yao, Lead Independent Director and Chairman of the Audit Committee, to make the recommendation.

Mr. Yao stated that the Audit Committee evaluated the performance during the past year of the Bank's present external auditor, SyCip Gorres Velayo & Co., and found it to be satisfactory. The Committee, therefore, as well as the Board of Directors, agreed to endorse the re-appointment of SyCip Gorres Velayo & Co. as the Bank's external auditor for the ensuing year.

Chairman Sy thanked Mr. Yao and asked Atty. Morando for the resolution and voting results.

Atty. Morando presented the following proposed resolution and its approval by the stockholders based on the votes cast:

"The incumbent external auditor, SyCip Gorres Velayo & Co. (SGV), was re-appointed external auditor of the Bank for the ensuing year."

Opinion	Votes cast	Percentage
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(based on shares present or represented at the meeting)			
For	-	2,109,382,552	- 99.996%
Against	-	0	- 0.000%
Abstain	-	83,886	- 0.004%

X. AMENDMENT OF BY-LAWS

The Chairman next informed the Body that the Board of Directors approved on March 25, 2020 to amend several provisions in the Bank's By-laws.

On motion duly made and seconded, the following resolutions were unanimously approved –

'WHEREAS, on March 25, 2020, the Board of Directors of the Corporation approved the following resolutions:

The Board members discussed extensively about the need to amend the Bank's By-Laws in order to update and clarify processes and practices of the business and comply with the requirements of the Revised Corporation Code and the Bangko Sentral ng Pilipinas' Manual of Regulations for Banks.

After discussion, on motion duly made and seconded, a majority of the members of the Board approved the following resolutions –

'RESOVED, that subject to the ratification or confirmation by at least a majority of the outstanding capital stock of the Bank at the scheduled regular annual meeting of the stockholders on May 07, 2020, or any adjournment thereof, and thereafter to the evaluation and approval of the Bangko Sentral ng Pilipinas and Securities and Exchange Commission, the following provisions of the By-laws of the Bank are hereby endorsed for approval:

Changes	From	To	Purpose
Article III (Meeting of Stockholders) Section 4. <u>Notice of Regular Meeting</u>	The regular meeting of stockholders shall be called by written or printed notice delivered personally or deposited in the post office, postage prepaid, addressed to each stockholder at the address appearing in the registry book of the Corporation, not less than fifteen (15) working days prior to the date of such meeting.	The regular meeting of stockholders shall be called by written or printed notice delivered personally, or deposited in the post office, postage prepaid, addressed to each stockholder at the address appearing in the registry book of the Corporation, <u>or by electronic mail (e-mail), or by publication in a newspaper of general circulation,</u> not less than fifteen (15) working days prior to the date of such meeting.	To comply with Section 49 of the Revised Corporation Code of the Philippines (RCCP) allowing notice via e-mail, and to align with the current practice of the Bank on publication of notice.
Article III (Meeting of Stockholders) Section 5. <u>Notice of Special Meeting</u>	Special meetings shall be called by written or printed notice delivered personally, or deposited in the post office, postage prepaid, addressed to each stockholder at the address appearing in the registry book of the Corporation, not less than	Special meetings shall be called by written or printed notice delivered personally, or deposited in the post office, postage prepaid, addressed to each stockholder at the address appearing in the registry book of the Corporation, <u>or by electronic mail (e-</u>	To comply with Section 49 of the RCCP allowing notice via e-mail, and to align with the current practice of the Bank on publication of notice.

	fifteen (15) working days prior to the date of such meeting. In such notice there shall appear, in addition to the date, hour and place of meeting, a statement of the matters to be taken up at such meeting.	<u>mail), or by publication in a newspaper of general circulation,</u> not less than fifteen (15) working days prior to the date of such meeting. In such notice there shall appear, in addition to the date, hour and place of meeting, a statement of the matters to be taken up at such meeting.	
Article III (Meeting of Stockholders) Section 6. <u>Quorum</u>	No meeting of stockholders shall be competent to transact business unless a majority of the outstanding capital stock, exclusive of treasury stock, is represented, except to adjourn from day to day, or until such time as may be deemed proper.	No meeting of stockholders shall be competent to transact business unless a majority of the outstanding capital stock, exclusive of treasury stock, is represented, except to adjourn from day to day, or until such time as may be deemed proper. <u>Stockholders who participate through remote communication or in absentia, shall be deemed present for purposes of quorum.</u>	To comply with Sections 23 and 57 of the RCCP allowing the counting of stockholders voting through remote communication or <i>in absentia</i> for purposes of quorum.
Article III (Meeting of Stockholders) Section 7. <u>Manner of Voting</u>	In all meetings of stockholders, any stockholder who is not delinquent in his subscription shall be allowed to vote either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact made in accordance with the requirements of existing rules and regulations.	In all meetings of stockholders, any stockholder who is not delinquent in his subscription shall be allowed to vote in person, <u>through remote communication, in absentia,</u> or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact, <u>subject to compliance</u> with the requirements of existing rules and regulations.	To comply with Section 23 of the RCCP, allowing voting through remote communication and electronic voting <i>in absentia</i> .
Article III (Meeting of Stockholders) Section 8. <u>Proxies</u>	Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy, however, shall be valid and effective for a period longer than five (5) years at any one time. All proxies must be in the hands of the Secretary not later than three (3) banking days before the time set for the meeting. xxx	Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy, however, shall be valid and effective for a period longer than five (5) years at any one time. All proxies must be in the hands of the Secretary not later <u>than</u> three (3) banking days before the time set for the meeting. xxx	To correct a clerical error.
Article III (Meeting of Stockholders) Section 9. <u>Closing of Transfer Books or Fixing of Record Date</u>	For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof, or to receive payment of any dividend, or of making a determination of stockholders for any other proper purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period of at least ten (10) banking days. If the stock and transfer books be closed for the purpose of determining	For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof, or to receive payment of any dividend, or of making a determination of stockholders for any other proper purpose, the stock and transfer books <u>shall</u> be closed for <u>at least twenty (20) days for regular meetings and seven (7) days for special meetings before the scheduled date of the meeting.</u> If the stock and transfer books be closed for the purpose of determining	To comply with Section 49 of the RCCP on the closing of the stock and transfer book for regular and special meetings.

	stockholders entitled to notice of, or to vote at, a meeting of stockholders, such books shall be closed for at least ten (10) banking days immediately preceding such meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders. Such date shall in no case be less than ten (10) banking days prior to the date on which the particular action requiring such determination of stockholders is to be taken, except in instances where applicable rules and regulations provide otherwise.	stockholders entitled to notice of, or to vote at, a meeting of stockholders, such books shall be closed for <u>the same number of</u> days immediately preceding such meeting, except in instances where applicable rules and regulations provide otherwise.	
Article IV (Board of Directors) Section 1. <u>Composition/ Powers</u>	The corporate powers of the Corporation shall be vested in and exercised, its business conducted and its property controlled by a Board of twelve (12) Directors who shall be elected from the stockholders. Without prejudice to such general powers and such other powers as may be granted by law, the Board of Directors shall have the following powers: xxx	The corporate powers of the Corporation shall be vested in and exercised, its business conducted and its property controlled by a Board of twelve (12) Directors who shall be elected from the stockholders. <u>The Board of Directors shall include such number of independent directors as may be required by the Bangko Sentral ng Pilipinas (BSP) and Securities and Exchange Commission (SEC).</u> Without prejudice to such general powers and such other powers as may be granted by law, the Board of Directors shall have the following powers: xxx	To comply with the regulatory requirements on the number of independent directors.
Article IV (Board of Directors) Section 1. <u>Composition / Powers</u>	Section 1. <u>Composition/Powers</u> (f) To authorize, with the prior approval of the Central Bank, the establishment of branches at such points as will serve the interest of the public and that of the Corporation.	Section 1. <u>Composition/Power</u> (f) To authorize, with the prior approval of the <u>BSP</u> , the establishment of branches at such points as will serve the interest of the public and that of the Corporation.	To align with the current name of the BSP.
Article IV (Board of Directors) Section 3. <u>Vacancies</u>	Vacancies in the Board of Directors may be filled by election or appointment made by the remaining directors, if still constituting a quorum, or otherwise said vacancy shall be filled by the stockholders in a regular or special meeting called for the purpose. The person so elected to fill a vacancy shall hold office only for the unexpired term of his predecessor in office. Whether any such vacancy shall or shall not be filled	Vacancies in the Board of Directors may be filled by election or appointment made by the remaining directors, if still constituting a quorum, or otherwise said vacancy shall be filled by the stockholders in a regular or special meeting called for the purpose, <u>in accordance with law.</u> The person so elected to fill a vacancy shall hold office only for the unexpired term of his predecessor in office.	To conform with the provisions of the RCCP on vacancies.

	shall be left to the discretion of the Board of Directors.		
Article IV (Board of Directors) Section 8. <u>Quorum</u>	A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board, and whenever required by existing laws and regulations.	A majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board, and whenever required by existing laws and regulations. <u>Directors who cannot physically attend or vote at Board or Committee meetings can participate and vote through remote communication such as videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.</u>	To comply with Section 52, par. 5 of the RCCP.
Article IV (Board of Directors) Section 11. <u>Per Diems</u>	In addition to the compensation determined in Article VIII, the directors shall receive a per diem of FIVE Hundred Pesos for attendance at each session of the Board of Directors or of any Committee.	In addition to the compensation determined in Article VIII, the directors shall receive a per diem of <u>up to Ten Thousand Pesos</u> for attendance at each session of the Board of Directors or of any Committee.	To align with current industry and standards.
Article VI.A. (Officers of the Corporation) Section 1. <u>Officers</u>	Section 1. <u>Officers</u> – The Officers of the Corporation shall be: a Chairman, a Vice-Chairman, a President and one or more Executive Vice-Presidents, Senior Vice-Presidents and Vice-Presidents as the Board of Directors may determine, a Secretary, a Treasurer, an Internal Auditor and such other officers as the Board of Directors may deem necessary.	Section 1. <u>Corporate Officers</u> – The <u>Corporate</u> Officers of the Corporation shall be: a Chairman, a Vice-Chairman, a President, one or more Executive Vice-Presidents <u>and</u> Senior Vice-Presidents, a <u>Corporate</u> Secretary, a Treasurer, an Internal Auditor, <u>a Compliance Officer</u> and such other officers as the Board of Directors may deem necessary.	To align the provisions with the current practice of the Bank and with Section 24 of the RCCP on the election of Compliance Officer.
Article VI.A. (Officers of the Corporation) Section 6. <u>President</u>	The President, shall be the Chief Executive Officer of the Corporation. He shall be subject to the control of the Board of Directors, have direct charge of the business of the Corporation and general supervision of the business affairs and property of the Corporation. In the absence or inability of the Chairman and the Vice-Chairman, he shall preside	The President, shall be the Chief Executive Officer of the Corporation. He shall be subject to the control of the Board of Directors, have direct charge of the business of the Corporation and general supervision of the business affairs and property of the Corporation. In the absence, inability, <u>or incapacity</u> of the Chairman and the Vice-Chairman, <u>the President</u> shall preside over the	To reflect minor and clerical corrections.

	over the meetings of the stockholders and of the Board of Directors of the Corporation.	meetings of the stockholders and of the Board of Directors of the Corporation.	
Article VI.A. (Officers of the Corporation) Section 8. <u>Secretary</u>	Section 8. <u>Secretary</u> – The Secretary who shall be a resident and citizen of the Philippines, xxx	Section 8. Corporate Secretary – The Corporate Secretary who shall be a resident and citizen of the Philippines, xxx	To reflect the complete title of the position.
Article VI.A. (Officers of the Corporation) Section 10. <u>Compliance Officer</u> (new)	None	Sec. 10. Compliance Officer – The Chief Compliance Officer, who shall be independent, shall report functionally to the Board through a duly designated Board-level Committee and administratively to the President. He shall oversee implementation of the Bank's compliance risk management system to ensure compliance with the applicable laws, rules and regulations.	To align with the current practice of the Bank and with Section 24 of the RCCP on the election of a compliance officer for corporations vested with public interest.
Article VI.A. (Officers of the Corporation) Section 10. <u>Other Officers</u>	Sec. 10. <u>Other Officers</u>	Sec. 11. <u>Other Officers</u>	Renumbered
Article VI.B. (Trust and Asset Management Group)	B. <u>Trust Group</u>	B. <u>Trust and Asset Management Group</u>	To reflect the complete name of the Group.
Article VI.B. (Trust and Asset Management Group) Section 1. <u>Organization</u>	<p>The trust and other fiduciary business of the Bank shall be carried out through the Trust Group which shall be organizationally, operationally, administratively and functionally separate and distinct from the other groups, departments, divisions and/or businesses of the Bank.</p> <p>The Bank's investment management activities, shall be conducted through its Trust Group and/or the Treasury Division and/or similar group, department or division. The responsibilities of the Board of Directors, Trust Committee and the Trust Officer shall be construed to include the proper administration and management of investment management activities.</p>	<p>The trust and other fiduciary business of the Bank shall be carried out through the Trust <u>and Asset Management</u> Group which shall be organizationally, operationally, administratively and functionally separate and distinct from the other groups, departments, divisions and/or businesses of the Bank.</p> <p>The Bank's investment management activities, shall be conducted through its Trust <u>and Asset Management</u> Group. The responsibilities of the Board of Directors, Trust <u>Investment</u> Committee and the Trust Officer shall be construed to include the proper administration and management of investment management activities.</p> <p>The Bank shall not undertake any of the trust and other fiduciary business and investment management activities outside the direct control, authority and</p>	To comply with the provisions under the Manual of Regulations for Banks.

	<p>The Bank shall not undertake any of the trust and other fiduciary business and investment management activities outside the direct control, authority and management of the Trust Group and/or through any group, department, division or office which is involved in the other businesses of the Bank, such as the Treasury Division, or any similar department or division, otherwise, any such business shall be considered part of the Bank's real liabilities.</p>	<p>management of the Trust <u>and Asset Management</u> Group or through any group, department, division or office which is involved in the other businesses of the Bank, such as the Treasury <u>Group</u>, or any similar department or division, otherwise, any such business shall be considered part of the Bank's real liabilities.</p> <p><u>The Bank Proper and the Trust and Asset Management Group may share the following activities: (1) electronic data processing; (2) credit investigation; (3) collateral appraisal; and (4) messengerial, janitorial and security services.</u></p>	
<p>Article VI.B. (Trust and Asset Management Group) Section 2. <u>Accountability</u></p>	<p>The Trust Group, Trust Officer and other subordinate officers of the Group shall only be directly responsible to the Trust Committee which shall in turn be only directly responsible to the Board of Directors.</p> <p>No director, officer or employee taking part in the management of trust and other fiduciary accounts shall perform duties in other groups, departments, divisions or the Audit Committee of the Bank and vice versa.</p> <p>The organization structure and definition of duties and responsibilities of the trust committee, officers and employees of the trust group or department shall reflect adherence to the minimum internal control standards prescribed by the Central Bank.</p> <p>The Trust Officer who is a lawyer and/or the Legal group shall see to it that legal assistance is readily available in the review of proposed and/or existing trust and fiduciary agreements and documents and in the handling of legal and tax matters related thereto.</p>	<p>The Trust <u>and Asset Management</u> Group, Trust Officer and other subordinate officers of the Group shall only be directly responsible to the Trust <u>Investment</u> Committee which shall in turn be only directly responsible to the Board of Directors.</p> <p>No director, officer or employee taking part in the management of trust and other fiduciary accounts shall perform duties in other groups, departments, divisions or the Audit Committee of the Bank and vice versa. <u>However, branch managers duly authorized by the Board of Directors may, for or on behalf of the Trust Officer, sign pre-drawn trust instruments such as UITFs.</u></p> <p>The organization structure and definition of duties and responsibilities of the <u>Trust Investment</u> Committee, officers and employees of the <u>Trust and Asset Management</u> Group shall reflect adherence to the minimum internal control standards prescribed by the <u>BSP</u>.</p> <p><u>Provisions shall be made by the Bank to have legal assistance</u> readily available in the review of proposed and/or existing trust and fiduciary agreements and documents and in the handling of legal and tax matters related thereto.</p>	<p>To comply with the provisions under the Manual of Regulations for Banks.</p>
<p>Article VI.B.</p>	<p>The Trust Committee shall be composed of five [5] members: (a) three [3] directors who are appointed</p>	<p>The Trust <u>Investment</u> Committee shall be composed of five [5] members: (a) three [3] <u>non-executive</u> directors <u>or</u></p>	<p>To comply with the provisions under the</p>

<p>(Trust and Asset Management Group) Section 3. <u>Composition of the Trust Investment Committee</u></p>	<p>by the Board on a regular rotation basis and who are not operating officers of the institution; (b) the President; and (c) the Trust Officer. No member of the Audit Committee shall be concurrently designated as a member of the Trust Committee.</p> <p>The Board shall indicate in the Minutes the Committee Members and designate the Chairman who shall be one of the three (3) directors referred to in item “(a)” above.</p>	<p><u>independent directors</u> who are not part of the Audit Committee; (b) the President; and (c) the Trust Officer.</p> <p>The Board shall indicate in the Minutes the Committee Members and designate the Chairman who shall be one of the three (3) directors referred to in item “(a)” above.</p>	<p>Manual of Regulations for Banks.</p>
<p>Article VI.B. (Trust and Asset Management Group) Section 4. <u>Qualifications of Committee Members, Officers and Staff</u></p>	<p>The Trust Department shall be staffed by persons of competence, integrity and honesty. Directors, committee members and officers charged with the administration of trust and other fiduciary activities shall, in addition to meeting the qualification standards prescribed for directors and officers of financial institutions, possess the necessary technical expertise in such business: Provided, that trust officers who shall be appointed after October 16, 1990 shall have at least two (2) years of actual experience or training in trust operations.</p>	<p>The Trust and Asset Management Group shall be staffed by persons of competence, integrity and honesty. Directors, committee members and officers charged with the administration of trust and other fiduciary activities shall, in addition to meeting the qualification standards prescribed for directors and officers of banks, possess the necessary technical expertise and relevant experience in such business.</p> <p><u>A Trust Investment Committee member should be familiar with Philippine laws, rules and regulations on trust business, as well as uphold at all times ethical and good governance standards. The Trust Officer who shall be appointed shall possess any of the following: (a) at least five (5) years of actual experience in trust operations; (b) at least three (3) years of actual experience in trust operations and must have (i) completed at least ninety (90) training hours in trust, other fiduciary business or investment management activities acceptable to the BSP or (ii) completed a relevant global or local professional certification program; or (c) at least five (5) years of actual experience as an officer of a bank and must have (i) completed at least ninety (90) training hours in trust, other fiduciary business, or investment management activities acceptable to the BSP or (ii) completed a relevant global or local professional certification program.</u></p>	<p>To comply with the provisions under the Manual of Regulations for Banks.</p>
<p>Article VI.B.</p>	<p>a. <u>Board of Directors.</u> The Board of Directors is responsible for</p>	<p>a. <u>Board of Directors. The Board of Directors shall ensure an</u></p>	

<p>(Trust and Asset Management Group) Section 5. <u>Responsibilities of Administration</u></p>	<p>the proper administration and management of trust and other fiduciary business. Funds and properties held in trust or in any fiduciary capacity shall be administered with the skill, care, prudence and diligence necessary under the circumstances then prevailing that a prudent man, acting in like capacity and familiar with such matters, would exercise in the conduct of an enterprise of like character and with similar aims.</p> <p>The responsibilities of the Board shall include but need not be limited to the following:</p> <ol style="list-style-type: none"> 1. It shall determine and formulate general policies and guidelines on the: (a) acceptance, termination, or closure of trust and other fiduciary accounts; (b) proper administration and management of each trust and other fiduciary accounts; and (c) investment, reinvestment and disposition of funds or property held by the Trust Group in its capacity as trustee or fiduciary; 2. It shall direct and review the actions of the Trust Committee and all officers and employees designated to manage the trust and other fiduciary accounts, especially in the absence of specific agreements on investments, or in the case of discretionary accounts; 3. It shall approve or confirm the acceptance, termination or closure of all trust and other fiduciary accounts and shall record such in its minutes; 	<p><u>appropriate degree of independence between the activities of the bank proper and Trust and Asset Management Group.</u></p> <p>b. <u>Trust Investment Committee.</u> The Trust <u>Investment</u> Committee <u>is a special committee which reports directly to the Board of Directors and is primarily responsible for overseeing the fiduciary activities of the Bank. In discharging its function, it shall:</u></p> <ol style="list-style-type: none"> 1. <u>ensure that fiduciary activities are conducted in accordance with applicable laws, rules and regulations, and prudent practices;</u> 2. <u>ensure that policies and procedures that translate the Board's objectives and risk tolerance into prudent operating standards are in place and continue to be relevant, comprehensive and effective;</u> 3. <u>oversee the implementation of the risk management framework and ensure that internal controls are in place relative to the fiduciary activities;</u> 4. <u>adopt an appropriate organizational structure/staffing pattern and operating budgets that shall enable the Trust and Asset Management Group to effectively carry out its functions;</u> 5. <u>oversee and evaluate the performance of the Trust Officer;</u> 6. <u>conduct regular meetings at least once every quarter, or more frequently as necessary, depending on the size and complexity of the fiduciary business; and</u> 7. <u>report regularly to the Board of Directors on</u> 	
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	<p>4. Upon the acceptance of an account, it shall immediately review all non-cash assets received for management. Likewise, it shall make a review of the trust and/or fiduciary assets at least once every twelve (12) months to determine the advisability of retaining or disposing of such assets;</p> <p>5. It shall be responsible for taking appropriate action on the examination reports of supervisory agencies, internal and/or external auditors on the Bank's trust and other fiduciary business; and recording such actions thereon in the minutes;</p> <p>6. It shall designate the members of the Trust Committee, the Trust Officer and subordinate officers of the Trust Group and shall be responsible for requiring reports from said committee and officers and recording its actions thereon in the minutes; and</p> <p>7. It shall establish an appropriate staffing pattern and adopt operating budgets that shall enable the Trust Group to effectively carry out its functions. It shall likewise be responsible for providing the officers and staff of the Bank with appropriate training programs in the administration and operation of all phases of trust and other fiduciary business.</p> <p>The Board of Directors may, by action duly entered in the minutes, delegate its authority for the acceptance, termination, closure or</p>	<p><u>matters arising from fiduciary activities.</u></p> <p>c. <u>Trust Officer. The management of day-to-day fiduciary activities shall be vested in the Trust Officer. In this regard, the Trust Officer shall:</u></p> <ol style="list-style-type: none"> 1. <u>ensure adherence to the basic standards in the administration of trust, other fiduciary and investment management accounts;</u> 2. <u>develop and implement relevant policies and procedures on fiduciary activities;</u> 3. <u>observe sound risk management practices and maintain necessary controls to protect assets under custody and held in trust or other fiduciary capacity;</u> 4. <u>carry out investment and other fiduciary activities in accordance with agreements with clients and parameters set by the Trust Investment Committee as approved by the Board of Directors;</u> 5. <u>report regularly to the Trust Investment Committee on business performance and other matters requiring its attention;</u> 6. <u>maintain adequate books, records and files for each trust or other fiduciary account and provide timely and regular disclosure to clients on the status of their accounts; and</u> 7. <u>submit periodic reports to regulatory agencies on the conduct of the trust operations.</u> <p>d. Other Trust Officers. This Group shall have <u>subordinate officers under several divisions/departments</u> whose principal duty is to assist the Trust</p>	
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	<p>management of trust and other fiduciary accounts to the Trust Committee or to the Trust Officer subject to certain guidelines approved by the Board.</p> <p>b. <u>Trust Committee</u>. The Trust Committee duly constituted and authorized by the Board shall act within the sphere of authority which may provided in the by-laws and/or as may be delegated by the Board, such as but not limited to the following:</p> <ol style="list-style-type: none"> 1. The acceptance and closing of trust and other fiduciary accounts; 2. The initial review of assets placed under the trustee's or fiduciary's custody; 3. The investment, reinvestment and disposition of funds or property; 4. The review and approval of transactions between trust and/or fiduciary accounts; and 5. The review of trust and other fiduciary accounts at least once every twelve (12) months to determine the advisability of retaining or disposing of the trust or fiduciary assets, and/or whether the account is being managed in accordance with the instrument creating the trust or other fiduciary relationship. <p>For this purpose, the Trust Committee shall meet whenever necessary and keep minutes of its actions and make periodic reports thereon to the Board.</p> <p>c. <u>Trust Officer</u>. The Trust Officer designated by the Board as head of the Trust Group shall act and represent the institution in all trust and other fiduciary matters within</p>	<p>Officer in the performance of his duties and responsibilities including the marketing of trust <u>and fiduciary</u> products <u>and services, investment and liquidity management, business and product development</u>, and operations of the Group.</p> <p>The group may have such subordinate officer/s as the exigencies of the operations may require as determined by the Trust Officer and/or the Trust <u>Investment</u> Committee, the office/s or position/s of which is/are created by the Board of Directors, and whose principal functions shall be defined by the Board.</p>	
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	<p>the sphere of authority as may be provided in the By-Laws or as may be delegated by the Board. His responsibilities shall include, but need not be limited to the following:</p> <ol style="list-style-type: none"> 1. The administration of trust and other fiduciary account; 2. The implementation of policies and instructions of the Board of Directors and the Trust Committee; 3. The submission of reports on matters which require the attention of the Trust Committee and the Board of Directors; 4. The maintenance of adequate books, records and files for each trust or other fiduciary account; and 5. The maintenance of necessary controls and measures to protect assets under his custody and held in trust or other fiduciary capacity. <p>d. <u>Other Trust Officers.</u> This Group shall have an Assistant Manager (AM) or Assistant Trust Officer (ATO) whose principal duties is to assist the Trust Officer in the performance of his duties and responsibilities including the marketing of the trust products, business development, liquidity management and the operations of the group. The AM or ATO shall be complemented by a Financial Business Development Section, Trust Account Administration Section and Investments Administration Section.</p> <p>The group may have such subordinate officers as the exigencies of the operations may require as determined by the Trust Officer and/or the Trust Committee, the office/s or</p>		
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	position/s of which is/are created by the Board of Directors, and whose principal functions shall be defined by the Board.		
Article VI.C. (Nomination Committee) Section 1. <u>Organization</u>	The Board shall have a Nomination Committee composed of at least three (3) members of the Board of Directors, at least one of whom (preferably all) shall be independent directors as defined by the Bangko Sentral ng Pilipinas and the Securities & Exchange Commission (SEC).	The Board shall have a Nomination Committee composed of at least three (3) members of the Board of Directors, <u>majority of whom</u> shall be independent directors as defined by the <u>BSP</u> and the <u>SEC. The Chairman shall at all times be an independent director.</u>	To simplify and align with Bank and best practices.
Article VI.C. (Nomination Committee) Section 2. <u>Meetings</u>	None	<u>The Committee shall meet at least twice a year.</u>	To align with Bank and best practices.
Article VI.C. (Nomination Committee) Section 3. <u>Duties and Functions</u>	<p>Sec. 2. <u>Duties and Functions.</u> –</p> <p>a. The Committee shall review and evaluate the qualifications of all persons nominated to the Board, as well as those nominated to other positions requiring election / appointment by the Board of Directors and all promotions favorably endorsed by the Promotions Review Committee.</p> <p>b. It shall promulgate the guidelines or criteria to govern the conduct of the nomination, and the same shall be properly disclosed in the company's information or proxy statement or such other reports required to be submitted to the SEC.</p> <p>c. The nomination of all director, more particularly of independent directors, shall be conducted by the Committee prior to a stockholders' meeting. All nominations or recommendations shall be signed by the nominating stockholders together with the acceptance and conformity of the nominees.</p> <p>d. The Committee shall pre-screen the qualifications and prepare a final list of all</p>	<p>Sec. 3. <u>Duties and Functions.</u> –</p> <p>a. The Committee, <u>together with the Corporate Governance Committee,</u> shall review and evaluate the qualifications of all persons nominated to the Board <u>and of all persons appointed to positions beginning from Department and Division Head, as well as</u> all promotions <u>to any Bank Officer position.</u></p> <p>b. It shall promulgate the guidelines or criteria to govern the conduct of the nomination, and the same shall be properly disclosed in the company's information or proxy statement or such other reports required to be submitted to the SEC.</p> <p>c. The nomination of all directors, more particularly of independent director/s, shall be conducted by the Committee prior to a stockholders' meeting. All nominations or recommendations shall be signed by the nominating stockholders together with the acceptance and conformity of the nominees.</p> <p>d. The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters that meet at least the</p>	

	<p>candidates and put in place screening policies and parameters that meet at least the minimum requirements of SEC Memorandum Circular No. 16 and BSP Circular No. 296 Series of 2001 to facilitate its task to effectively review the qualifications of the nominees for directors, more specifically for independent director/s.</p> <p>e. After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for directors, more particularly for independent directors, as required under Part IV (A) and (C) of Annex "C" of SRC Rule 12, which list shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, in accordance with SRC Rule 17.1 (b) or SRC Rule 20, through the filing and distribution of the Information Statement or Proxy Statement, in accordance with SRC Rule 17.1 (b) or SRC Rule 20, respectively, or in such other reports the company is required to submit to the SEC. The name of the person or group of persons who recommended the nomination of the independent director/s shall be identified in such report including any relationship with the nominee.</p> <p>f. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors, more specifically for Independent Directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting, except</p>	<p>minimum requirements of <u>relevant BSP and SEC circulars and issuances</u> to facilitate its task to effectively review the qualifications of the nominees for directors, more specifically for independent director/s.</p> <p>e. After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for directors, more particularly for independent directors, as required <u>by existing laws and relevant circulars and issuances</u>.</p> <p>f. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.</p>	
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	in the unlikely event that a particular nominee/s make/s a last minute withdrawal of his/their acceptance and conformity, become/s incapacitated or otherwise no longer available for any reason whatsoever.		
Article VI.C. (Nomination Committee) Section 4. <u>Election of Independent Directors</u>	<p>Sec. 3 - <u>Election of Independent Director/s</u></p> <p>a. Except as those required under SEC Memorandum Circular No. 16, Series of 2002, and subject to pertinent existing laws, rules and regulations of the Commission, the conduct of the election of independent directors and the other directors shall be made in accordance with the standard election procedures of these By-Laws.</p> <p>b. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the stockholders' meeting.</p> <p>c. Specific slots for independent directors shall not be filled-up by unqualified nominees.</p> <p>d. In case of failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.</p>	<p>Sec. <u>4. Election of Independent Directors.</u> – Except as those required under existing laws, rules, and regulations of the SEC, the conduct of the election of independent directors and the other directors shall be made in accordance with the standard election procedures of these By-Laws.</p>	
Article VII (Reserves) Section 1. <u>Reserves Against Deposit Liabilities</u>	The Corporation shall maintain such reserves against its deposit liabilities as may from time to time be required by the Central Bank.	The Corporation shall maintain such reserves against its deposit liabilities as may from time to time be required by the BSP.	To align with the current name of the BSP.
Article X	Sec. 1. (no title) –	Sec. 1. Payment of Money –	Title placed

(Authorized Signatures) Section 1 (no title)			
Article X (Authorized Signatures) Section 2 (no title)	Sec. 2. (no title) –	Sec. 2. <u>Other Commercial Documents</u> –	Title placed
Article XI (Subscriptions, Certificates of Stock and Transfer of Shares) Section 2 (no title)	Sec. 2. (no title) –	Sec. 2. <u>Nationality</u> –	Title placed
Article XI (Subscriptions, Certificates of Stock and Transfer of Shares) Section 4. <u>Loss or Destruction</u>	In case of loss or destruction of any stock certificate, a new certificate shall be issued in lieu of the stock certificate which has been lost, stolen or destroyed after compliance with the requirements of existing laws, including Section 73 of the Corporation Code.	In case of loss or destruction of any stock certificate, a new certificate shall be issued in lieu of the stock certificate which has been lost, stolen or destroyed after compliance with the requirements of existing laws, including Section 72 of the Corporation Code.	To reflect the renumbering of sections in the RCCP.

‘RESOLVED ALSO, that the Board and/or any of the Executive Officer/s be authorized, as it/he is hereby authorized, to make such approvals/s or amendments to these resolutions as may be necessary to comply with any other requirement/s of the regulatory agency/ies concerned.’

‘RESOLVED, FINALLY, that the Corporate Secretary/Assistant Corporate Secretary be authorized, as she is hereby authorized, to give notice of the foregoing approvals to the regulatory offices concerned.’”

‘NOW, THEREFORE, BE IT RESOLVED, that the Stockholders of this Corporation approve, as they hereby approve *en toto*, the resolutions of the Board of Directors during their special meeting on March 25, 2020 as above-quoted, approving the amendments of the By-laws.

‘BE IT RESOLVED FINALLY, that the Board of Directors is hereby fully empowered and authorized to do such other act/s as may be necessary or required by the regulatory agency/ies concerned to carry into effect the amendments of the By-laws.’

Opinion	Votes cast	Percentage (based on shares present or represented at the meeting)	Percentage (based on total outstanding shares)
For	- 2,107,660,349	- 99.914%	- 78.471%
Against	- 0	- 0.000%	- 0.000%
Abstain	- 1, 806,089	- 0.086%	- 0.067%

XI. OTHER MATTERS

The Chairman announced that the Board of Directors, in their meeting held earlier, approved a cash dividend in the total peso amount of P2.7 Billion, from P2.4 Billion last year, representing One Peso (P1.00) per share. Further, the Board approved to set and/or recommend July 3, 2020 as the record date and July 17, 2020 as the payment/issuance date of the cash dividends, and to delegate to the President the authority to change the foregoing date/s as may be required to comply with the regulatory requirements.

Next, the Chairman stated that it is time to address the questions and comments from the stockholders sent via e-mail. As mentioned in the Guidelines for participation in the meeting via remote communication, which was posted in the Bank's website, questions or comments submitted and received but not addressed during the livestream, shall be answered directly by e-mail to the stockholder concerned. Chairman Sy then gave the floor to the Head of Investor and Corporate Relations Group, Mr. Alexander C. Escucha, to read aloud the questions and comments.

Mr. Escucha read the questions sent by stockholder, Dra. Genevieve Huang. Dra. Huang wanted to know the first quarter 2020 financial performance of the Bank, any cash dividend declaration, and how the COVID 19 pandemic affected the business of the Bank. Considering that the first two questions have already been answered by the President in his annual report and by the Chairman in his announcement earlier, Mr. Escucha requested the President to answer the third question.

President Whang began by saying that the pandemic has affected the whole world in epic proportions, from the ordinary person to all kinds of industry. He recognized that it has been affecting the way the Bank conducts business with its clients and employees. For the employees, the President emphasized that the Bank has taken steps to ensure they are properly protected and taken care of, by giving them facemasks and face shields and forming a task force to monitor cases of infection across the Bank. The Bank has kick-started its business continuity program, identifying key departments that handle the backbone of the Bank and splitting them into two and having them report in different locations to ensure that a team continues operations in case the other gets infected. Skeletal team was put in place and the Bank provided affected employees with hotel accommodations, meals and shuttle services to and from their residences if needed. For the rest of the workforce, Management mandated them to stay at home while the Bank continued paying their salaries without deducting leave credits.

On the business side, President Whang stated that the Bank's business slowed down considerably especially during the first few months. The Bank has taken steps by increasing loan loss provisions for possible higher credit losses and will continue to do so as it sees fit. Even after this exercise, he assured the stakeholders that the Bank will remain with a strong and healthy balance sheet.

The next question came from Mr. Manuel Sy, who wanted to know how the Bank is preparing for the so-called New Normal and how it is preparing to make sure that depositors and employees are safe. President Whang replied that as he stated in his report earlier, the Bank complies with the Department of Health (DOH) safety, health and sanitation protocols. Temperature checks are done for everyone entering Bank premises, disinfectants like alcohol are placed for everyone to use, and plastic and acrylic covers are installed for frontliners. Because of the need for social distancing, some members of the Bank workforce are working from home. The Bank has also endeavored to continue strengthening its cyber security infrastructure for its internal operations as well as for its clients who should feel safe doing business with the Bank in the digital space.

Mr. Escucha read the next question from stockholder, Ms. Marilyn Yuchenkang. Ms. Yuchenkang asked about how the Bank is helping clients whose businesses were disrupted by the pandemic. President Whang explained that the Bank is fully supportive of the BSP's proactive measures in response to the pandemic, such as granting grace period to ease the burden of payment of loans under the Bayanihan to Heal as One Act. The Bank has been closely in touch with its clients and has continued to extend credit facilities to them. The Bank recognizes that different industries and companies are affected differently, and the Bank closely monitors developments at the company and account level. Overall, he assured the stakeholders that the Bank is prepared to extend its help, just as it did in previous crises.

Mr. Escucha next relayed the question sent by Atty. Bernard Tan. Atty. Tan inquired about the Bank's plans in terms of branch network expansion and digital banking services. As to the question on branch network, President Whang explained that the Bank is completing its branch expansion program this year using the remaining branch licenses from the Plantersbank acquisition. On digitization, the Bank believes that bricks-and-mortar presence remains an important channel especially in the provinces with a wide population of unbanked. However, the Bank also recognizes the market demands for digital products and services. In support of the BSP's financial inclusion program, the Bank has organized a Digital Banking Office to spearhead efforts and projects for this segment. To name a few of its digitization accomplishments, the Bank is among the first banks to participate in Instapay, among the first to adopt the QR Code, and the first to launch RFID loading in its mobile banking app and Beep card reloading via ATM. The President expressed confidence that these are just the beginning and the Bank will continue to expand its digital platforms in due time.

Mr. Escucha announced the conclusion of the question and answer session, and undertook to reply by e-mail to all other questions directly to the Bank stockholders.

XII. ADJOURNMENT

There being no other business to transact or matter to be taken up, Chairman Hans Sy, on behalf of the Board of Directors and Management of the Bank, expressed gratitude to all those who participated in the meeting. He thanked everyone for their continued support. Thereafter, the meeting was adjourned at 4:44 P.M.

Prepared by:

(ORIGINAL SIGNED)
ATTY. CORAZON I. MORANDO
Corporate Secretary
and Secretary of the Meeting

Attested by:

(ORIGINAL SIGNED)
HANS T. SY
Chairman of the Board
and Chairman of the Meeting