

05 August 2020

MS. JUDITH E. SUNGSAI
Senior Director
Financial Supervision Department I
Bangko Sentral ng Pilipinas
Manila

Subject: Centennial Stock Grant Plan

Dear Madame:

Please be informed that during its regular meeting held this afternoon, 05 August 2020, in light of the Bank's 100th anniversary, the Board of Directors approved a Centennial Stock Grant Plan to issue common shares to eligible grantees with the following key details:

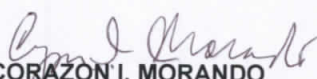
Grantee Eligibility Requirements	<ul style="list-style-type: none">• All regular employees (officers and rank & file employees) and certain recently retired employees retained as consultant (as specified by the Chairman of the Board) of the China Banking Corporation Group (CBC, and its subsidiaries CBC Properties and Computer Center, Inc., China Bank Insurance Brokers, Inc., China Bank Capital Corporation, China Bank Securities Corporation, and China Bank Savings, Inc.) as of 16 August 2020.• Minimum service tenure of at least 1 year as of 16 August 2020.• No future service or performance condition is required.• Grantees who resign, retire, or otherwise leave the CBC group after 16 August 2020 will still qualify to receive the shares.
Number of Shares to be issued to each Grantee	<ul style="list-style-type: none">• 100 shares per year of service, based on tenure as of 16 August 2020.• For China Bank Savings, Inc. (CBSI) employees, only CBSI tenure will be counted.• Tenure will not be rounded up. Any fraction of a year will be dropped from the computation.
Holding Period	<ul style="list-style-type: none">• Minimum holding period of two years from 16 August 2020. The shares may only be sold, encumbered, or disposed after 16 August 2022.
Costs	<ul style="list-style-type: none">• Taxes and other costs for the issuance of the shares to the grantees and the listing thereof in the Philippine Stock Exchange shall be for the account of the Bank. The issue price for the shares shall be determined by the authorized officers.

The Board further approved to delegate to the President, Chief Operating Officer and Chief Finance Officer the authority to prepare and approve the comprehensive plan consistent with the Board approval, apply for and comply with the requirements of the regulatory agencies, and perform other actions necessary in connection with the approval.

The foregoing shall be subject to the approval and ratification of the stockholders at a meeting called for the purpose, and the approval of the relevant regulatory agencies.

Thank you.

Very truly yours,


ATTY. CORAZON I. MORANDO
Vice President & Corporate Secretary

