

02 September 2020

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: MS. JANET A. ENCARNACION
Head, Disclosure Department


PHILIPPINE DEALING & EXCHANGE CORP.

29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: ATTY. MARIE ROSE M. MAGALLEN-LIRIO
Head, Issuer Compliance and Disclosure Department

Gentlemen:

In compliance with your requirements, please be informed of the following matters taken up by the Board of Directors of the Bank during its regular meeting held this afternoon, 02 September 2020:

1. Confirmation of the Executive Committee approval on 26 August 2020 of the promotion effective 01 September 2020 of Mr. Jose L. Osmeña, Jr., Deputy Group Head of the Regional Banking Business Segment, from First Vice President II to Senior Vice President.
2. Approval of the interlocking appointment of Ms. Magnolia Luisa N. Palanca, Senior Vice President and Head of the Bank's Financial Markets Segment, to the Bank's subsidiary China Bank Capital Corporation (CBCC) as Director effective 25 June 2020.
3. Amendment to the following key terms/details approved by the Board on 05 August 2020 relative to the Centennial Stock Grant Plan to issue common shares to eligible grantees: 

Grantee Eligibility Requirements	<ul style="list-style-type: none"> • All regular employees (officers and rank & file employees) and certain other officers and contractual employees (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, provided that any grantee whose employment or contract with a CBC group entity is terminated for cause effective after 16 August 2020 (whether such cause or case arises or occurs before or after 16 August 2020 but prior to the actual issue date of the grant shares) shall not be entitled to any grant shares (subject to such rules as may be approved by the Designated Officers).
No. 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. • For China Bank Securities Corporation (CB SEC) employees, only CB SEC 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 Designated Officers.

The changes proposed, which are intended to further clarify the intent of the Board, are as follows: (a) on Grantee Eligibility Requirements, to include other officers and contractual employees (as specified by the Chairman of the Board) as eligible grantees, to delete consultants, and to include a provision that any grantee who is terminated for cause effective after 16 August 2020 (whether such cause or case arises or occurs before or after 16 August 2020 but prior to the actual issue date of the grant shares) shall not be entitled to any grant shares; and (b) on the number of shares to be issued to each grantee, to clarify that for CBSEC employees, only CBSEC tenure will be counted.




As stated in the previous Board approval, 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 have been delegated to the President, Chief Operating Officer and Chief Finance Officer ("Designated Officers").

The foregoing shall be subject to the approval and ratification of the stockholders at a special meeting called for the purpose on 01 October 2020, and subject to any applicable regulatory clearances or approvals.

4. Approval for the Bank to establish a USD 2 Billion Euro Medium Term Note Programme, to allow the Bank to tap demand in the international markets for Philippine issuances. The proceeds of this Programme will be used to support the Bank's general funding requirements.

Thank you.

Very truly yours,


ATTY. CORAZON I. MORANDO
Vice President & Corporate Secretary
