

03 March 2021

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-LIRO
Head, Issuer Compliance and Disclosure Department

Dear Madame:

In compliance with your requirements, please be informed that during its regular meeting held this afternoon, 03 March 2021, the Board of Directors of the Bank approved the amendment to the 2021 Rules Governing the Nomination and Election of Independent Director, with Nomination Form, and set 18 March 2021 as the new deadline for nomination for independent director for election at the Bank's Annual Stockholders' Meeting scheduled on 06 May 2021.

Thank you.

Very truly yours,


ATTY. CORAZON I. MORANDO
Vice President & Corporate Secretary


2021 RULES GOVERNING THE NOMINATION AND ELECTION OF INDEPENDENT DIRECTOR

*Section 1. **Period.*** – All nominations for Independent Director shall be submitted to the Office of the Corporate Secretary on or before **18 March 2021**, and thereafter be referred to the Nominations and Corporate Governance Committees (Committees) for evaluation and action.

*Section 2. **Form and Content.*** – The nomination shall be (1) in writing; (2) duly signed by the nominating stockholder or said stockholder's representative duly authorized in writing; and (3) with the written acceptance and conformity of the person being nominated (Nominee). The nomination shall contain the nominee's age, educational attainment, and full disclosure of work and/or business experience and/or affiliations. The attached **Nomination Form** may be used for convenience.

*Section 3. **Qualifications.*** – The Independent Director shall be elected from among the Bank's stockholders. The nominee Independent Director must be fit and proper for the position, and possess the minimum requirements/qualifications and none of the disqualifications prescribed by the relevant regulatory agencies/offices of publicly listed banks. Age, integrity, knowledge, educational background, skills, industry experience, values, independence, time commitment, and other criteria to ensure diversity to achieve optimal composition of the Board, and that each member is fit and proper for the position of an independent director, will be considered.

*Section 4. **List of Candidates.*** – The Committees shall pre-screen the qualifications of the nominees on the basis of the nominations and/or supporting papers and prepare a final list of candidates containing all relevant information about the nominees.

*Section 5. **Nomination of the Committees.*** – If there are not enough nominees for independent director, the Nominations and/or Corporate Governance Committees, jointly or separately, as may be agreed upon among the members, may by majority vote nominate such number of nominees for the said position/s and include them in the final list to be submitted at the stockholders' meeting.

*Section 6. **Final List of Candidates.*** – Only nominees whose names appear on the Final List of Candidates shall be eligible for election. 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.

NOMINATION FORM

PLEASE CHECK PROPER BOX:

- ☐ - Nominee for
Independent Director ^b
- ☐ - Not a nominee for
Independent Director

NAME OF NOMINEE ^a

CITIZENSHIP : _____ AGE : _____ DATE OF BIRTH : _____
(MM/DD/YYYY)

PLACE OF BIRTH : _____ NAME OF SPOUSE : _____

RESIDENTIAL ADDRESS : _____ TEL. NO. : _____ CELL. NO. : _____

OFFICE ADDRESS : _____ TEL. NO. : _____

EDUCATIONAL BACKGROUND/ATTAINMENT ^c: (Please attach separate sheet, if necessary)

FULL DISCLOSURE OF WORK AND/OR BUSINESS EXPERIENCE: (Please attach separate sheet, if necessary)

DIRECTORSHIP/POSITION IN OTHER CORPORATIONS/ASSOCIATIONS: (Please attach separate sheet, if necessary)

PSE-LISTED COMPANIES :

OTHER COMPANIES :

STOCKHOLDINGS/SECURITY OWNERSHIP:

DIRECT :

INDIRECT:

CONVICTION, IF ANY, OF AN OFFENSE, JUDICIAL OR ADMINISTRATIVE, OR JUDICIAL DECLARATION OF BEING INSOLVENT, SPENDTHRIFT OR INCAPACITATED TO CONTRACT. IF APPLICABLE, PLEASE STATE:

PARTICULARS & NATURE OF OFFENSE

COURT/BODY

DATE COMPLAINT/ INFORMATION
WAS FILED

CONFORMITY & ACCEPTANCE:

SIGNATURE

SIGNATURE

PRINTED NAME OF NOMINEE

PRINTED NAME OF NOMINATOR-STOCKHOLDER
OR AUTHORIZED REPRESENTATIVE ^d

DATE SUBMITTED

RELATION TO NOMINEE

NOTE: Please see reverse side to be signed and certified by nominee for Independent Director

CERTIFICATION ^e
(Nominee for Independent Director)

As a nominee for Independent Director of the China Banking Corporation, I hereby certify that I have all the qualifications and none of the disqualifications as provided for in SEC Memorandum Circular No. 19, Series of 2016, Section 38 of the Securities Regulation Code (SRC), and its Amended Implementing Rules and Regulations (AIRR), Sections 131.g, 132 and 138 of the Manual of Regulations for Banks, and those required/implicit under The General Banking Law (R.A. No. 8791).

IN WITNESS WHEREOF, I have hereunto signed this certification in _____ this _____ day of _____, 2021.

Signature of Nominee for Independent Director

Republic of the Philippines)
City of _____) s.s.

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2021 in _____, affiant exhibiting to me his/her _____ issued on _____ in _____.

Notary Public

Doc No. _____;
Page No. _____;
Book No. _____;
Series of 2021.

- ^a - must be an owner of at least one (1) share of stock of the Bank (*Sec. 22, The Revised Corporation Code*); must be fit and proper for the position of a director, and must have attended a seminar on corporate governance for board of directors (*Section 132, Manual of Regulations for Banks (MORB)*).
- ^b - "*Independent Director*" is defined as a person who, apart from his fees and shareholdings, is independent of management and the controlling shareholder and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with or influence his exercise of independent judgment in carrying out his responsibilities as a director of the Bank. (*SEC Memorandum Circulars Nos. 19 (Series of 2016) or the Code of Corporate Governance for Publicly Listed Companies (COCG for PLCs), 16 (Series of 2002); Sec. 38 of The Securities Regulation Code (SRC), and its Amended Implementing Rules and Regulations (AIRR); Sec. 15 of The General Banking Law; and Section 131.g of the MORB.*)
Independent Director includes, among others, any person who:
 - i. is not, or has not been a senior officer or employee of the Bank unless there has been a change in the controlling ownership of the company (*Recommendation 5.2, COCG for PLCs*);
 - ii. is not or has not been a director, an officer, or employee of the Bank, its subsidiaries, associates or affiliates or related interests in the three (3) years immediately preceding his election (*Section 131.g(1), MORB; and Recommendation 5.2, COCG for PLCs*), and is not a director, officer, or employee of the Bank's substantial stockholders and their related companies in the three (3) years counted from the date of his election/appointment, or holding more than two percent (2%) of the outstanding shares of stock or holding shares of stocks sufficient to elect one (1) seat in the Board of Directors of the Bank, or in any of its related companies or of its majority corporate shareholders (*Rule 38.2.2, AIRR of the SRC; and Section 131.g(2 and 3), MORB*);
 - iii. has not been appointed in the Bank, its subsidiaries, associates, affiliates or related companies as Chairman "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within three (3) years immediately preceding his election/appointment (*Recommendation 5.2, COCG for PLCs; Section 131.g(8), MORB*);
 - iv. is not a close family member of any director, officer, or stockholder holding shares of stock sufficient to elect one (1) seat in the Board of the Bank or any of its related companies or any of its substantial stockholders (*Section 131.g(4), MORB*);
 - v. is not acting as a nominee or representative of any director or substantial shareholder of the Bank, or any of its related companies or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement (*Section 131.g(5), MORB; Rule 38.2.4, AIRR of the SRC*);
 - vi. has not been employed in any executive capacity by the Bank, any of its related companies and/or any of its substantial shareholders within the last two (2) years (*Rule 38.2.5, AIRR of the SRC*);
 - vii. is not retained as professional adviser, consultant, agent or counsel by the Bank, any of its related companies or any of its substantial shareholders, either in his personal capacity or through his firm during the past three (3) years counted from the date of his election (*Section 131.g(6), MORB*);
 - viii. has not been engaged and does not engage in any transaction with the Bank and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arm's length and could not materially interfere with or influence the exercise of his judgment (*Section 131.g(7), MORB*);
 - ix. is not or has not been convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Securities Regulation Code, committed within five (5) years prior to the date of his election (*Rule 38.3, AIRR of the SRC*);
 - x. as non-executive director, should not concurrently serve as director to more than five (5) publicly listed companies (*Recommendation 4.2, COCG for PLCs; Section 132, MORB*);
 - xi. is not affiliated with any non-profit organization that receives significant funding from the Bank or any of its related companies or substantial shareholders (*Recommendation 5.2, COCG for PLCs; Section 131.g(9), MORB*); and,
 - xii. is not employed as an executive officer of another company where any of the covered company's executives serve as directors (*Recommendation 5.2, COCG for PLCs; Section 131.g(10), MORB*).
- ^c - nominee must be at least a college graduate or have five (5) years of experience in business (*SEC Memorandum Circular No.16, Series of 2002*).
- ^d - nominator must attach a copy of pertinent Board or Partnership Resolution if a corporation or partnership stockholder is making the nomination, or a Special Power of Attorney if an individual stockholder is making the nomination through representative.
- ^e - nominee for independent director must certify under oath that he complies with all the qualifications required of an independent director and does not possess any of the disqualifications therefor (*Sections 131(g), 132, 138, MORB*).