



RIZAL COMMERCIAL BANKING CORPORATION
Minutes of the Annual Stockholders' Meeting

Date : **27 July 2020**
Time : **4:00 PM**
Place : Virtual Meeting <https://www.rcbc.com/ASM2020>

Pursuant to notices served to all stockholders, the Annual Stockholders' Meeting of Rizal Commercial Banking Corporation (the "Bank") was held on July 27, 2020 at 4:00 PM and conducted virtually via <https://www.rcbc.com/ASM2020> in view of the COVID-19 pandemic.

Chairperson H. Y. Dee presided over the meeting, while the Corporate Secretary, Atty. George Gilbert G. dela Cuesta, recorded the proceedings. Calling the meeting to order, Chairperson H. Y. Dee welcomed the shareholders and explained that the meeting is being held in a virtual format due to the current pandemic. She introduced those who are joining her in the meeting, Mr. Eugene Acevedo, President and CEO, Mr. Cesar E.A. Virata, Vice-Chairperson, and Atty. dela Cuesta, Corporate Secretary. Thereafter, the Chairperson asked the Corporate Secretary whether proper notice of the meeting was sent to each stockholder of record and whether there was quorum for the transaction of business.

I. Proof of Notice — The Corporate Secretary explained that notices for the meeting were duly served to all stockholders of record in three ways (a) by posting on the Bank's website, (b) by disclosure in the Philippine Stock Exchange, and (c) by publication for two (2) consecutive days on June 30, 2020 and July 01, 2020, in the business section of two newspapers of general circulation, namely The Philippines Star and Manila Bulletin, in accordance with the Bank's By-Laws, the Revised Corporation Code, and the applicable SEC Rules and Circulars.

II. Quorum — The Corporate Secretary reported that there were present stockholders owning a total of 1,545,912,855 common and preferred shares representing 79.86% of the total outstanding common and preferred shares entitled to vote.

In view of the foregoing, the Corporate Secretary certified the presence of a quorum.

All the members of the Board of Directors and other officers of the Bank and representatives of Punongbayan & Araullo were in attendance through the live webcast.

The list of stockholders who were present, and the list of directors and officers of the Bank present, are hereto attached as Annexes "A" and "B" and made integral part of the record.

Having been ascertained of the presence of a quorum, the Chairperson declared the agenda open for deliberation.

III. Instructions on Rules of Conduct and Procedures — The Chairperson explained that the meeting is being held in a virtual format due to the government regulations that prevented people from conducting in-person meetings and thus, in lieu thereof, the Bank strived to provide the shareholders the opportunity to participate in the meeting to the same extent possible as in an in-person meeting.

The Corporate Secretary reported that the rules of conduct and voting procedures are set forth in the Definitive Information Statement and in the Explanation of Agenda Items, which forms part of the Notice of the Annual Stockholders' Meeting. He highlighted the following points:

1. Only Stockholders who notified the Bank by email at RCBC-ASM-2020@rcbc.com until 5:00 pm of July 19, 2020 and who duly registered by email are allowed to access the virtual meeting at <https://www.rcbc.com/ASM2020>.

2. Only those who registered were allowed to send their questions or comments on the agenda items to CorSecRCBC@rcbc.com. And only those questions the Bank received by 5:00 pm of July 24, 2020 were considered for the open forum at the stockholders' meeting.

3. The Bank will reply by email to questions and comments it received, if any, after July 24 up to 4 p.m. of July 27, 2020.

4. As indicated in the ballot for the voting of shareholders, there are six resolutions proposed for approval by the stockholders in the meeting. Each proposed resolution will be shown on the screen as the same is being taken up.

5. Stockholders or their representative cast their votes on the proposed resolutions by completing, dating, signing and emailing/sending the proxy form/ballot form to the Bank via RCBC-ASM-2020@rcbc.com together with the stockholder's registration mail by 5:00 P.M. of July 19, 2020. If the name of the proxy is not specified, the stockholder shall be deemed as having appointed the Chairperson as proxy.

6. The Bank has tabulated the votes cast after the end of the proxy validation process at 2 p.m. of July 20, 2020. Those votes are from stockholders representing 1,545,912,855 shares or 79.86% of the total outstanding shares.

The Bank has engaged an independent party, Punongbayan & Araullo, to count and/or validate the votes of the meeting.

The Definitive Information Statement and the Explanation of Agenda Items also provides that (1) only stockholders of record at close of business on June 30, 2020 will be entitled to participate and vote at the meeting or any adjournment thereof; (2) only duly registered stockholders shall be counted for purposes of quorum; and (3) where no specific instruction is clearly indicated in any, some or all of the items specified in the proxy form/ballot form, the vote shall be deemed as a vote "FOR" with respect to proposal 1 to 6 (*i.e.*, Items IV to VII and IX hereof) in the forms and "FOR ALL" with respect to proposal 7 (*i.e.*, Item VIII hereof) in the forms.

IV. Approval of the Minutes — The Chairperson explained that an electronic copy of the minutes is available on the website of the Bank and attached as Annex E to the Definitive Information Statement. The reading of the Minutes of the Annual Stockholders' Meeting held on June 24, 2019 was dispensed with.

The Corporate Secretary then reported that Management is proposing the adoption of Resolution No. 20-01 (as shown below) and that stockholders present representing 1,545,912,855 shares or 100.00% of the votes cast voted in favor of approval of the minutes of the Annual Stockholders' Meeting held on June 24, 2019. Accordingly, the following resolution was approved:

Resolution No. 20-01

"BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders hereby approve, confirm

and ratify the Minutes of the Annual Stockholders' Meeting held on June 24, 2019, copies of which are posted on the Bank's website, and attached as Annex E to the Definitive Information Statement."

V. Approval of the Annual Report and Audited Financial Statements for 2019— The Annual Report and the 2019 audited financial statements of the Bank contained therein, copies of which are available at the Bank's website, the PSE Edge and which were also attached to the Definitive Information Statement, were explained and submitted to the stockholders for approval.

The Annual Report together with the Definitive Information Statement includes, among others, the following matters: (a) an explanation of the dividend policy and dividend payments; (b) material information on the current stockholders and their voting rights; and (c) a detailed, descriptive and balanced assessment of the Bank's performance. The duly signed and certified Audited Financial Report also includes a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees.

The President and CEO, Mr. Eugene S. Acevedo, started his speech by saying that in these trying times during the COVID-19 pandemic, the reality that being "digital" is the only option. He reported that RCBC has accelerated the country's digital transformation. He mentioned that RCBC entered this crisis with a healthy financial position and robust committed financing, and that the merger of RCBC and its thrift bank arm, RCBC Savings Bank contributed to further strengthening the Bank's balance sheet. He reported that in 2019: (1) the Bank's net income grew 25% to Php5.4 billion, as the expansion in its core business got an added boost from high margins, strong trading gains, and higher fee-based income; (2) Gross revenues surged by 35% to Php35.9 billion as interest income from loans and receivables expanded by 21%, due primarily to the solid volume growth and sustained margins across all customer segments; (3) Non-interest income jumped by 125% due to stronger contributions from treasury and fee income from deposits, branches, trust, and cards; (4) Total assets expanded 19% to Php767.1 billion, with investment securities and regular loans (net of interbank loans) anchoring the growth; (5) With capital funds at Php82.9 billion, a capital adequacy ratio (CAR) of 13.8%, and Common Equity Tier (CET1) ratio of 12.9%, the Bank continued to exceed the minimum regulatory requirements; and (6) The Bank's return on equity (ROE) improved by 69 basis points to 6.5% during the period. Mr. Acevedo said that even with the ongoing crisis, he believes that the Bank's strong performance sets the stage for the kind of growth he and the Bank want to see in the future: well-positioned businesses in the key market segments, innovative products and quality service.

Mr. Acevedo further reported that in 2019: (1) the Bank's consumer lending and SME lending booked solid double-digit growth rates of 18% and 29%, respectively; (2) Consumer loans accounted for 30% of the Bank's total loan portfolio while SME loans have a 17.0% share; (3) The Bank embarked on a massive digital transformation starting with the Bank's delivery channels. The Bank introduced new features in its mobile banking application and upgraded customer experience, digitized critical functions such as payments, collections, and check warehousing, and migrated customers from usual check disbursements to electronic funds transfer services, PESONet and InstaPay. He explained that the Bank has laid the groundwork for a digital-only bank as part of its digital banking roadmap. Mr. Acevedo mentioned that the Bank has started exploring the use of robotic process automation (RPA) in its branches. He also boasted of the Bank's best-in-class data science capability.

Thereafter, Mr. Acevedo said that as our country faces the prospect of a deep recession, RCBC regards itself as a reliable partner of its customers and local communities, as it is enabling people to bank remotely. He discussed the rapid responses the Bank made when the Philippine government implemented a lockdown in Luzon, namely: (1) The Bank ensured that its branches underwent strict health and hygiene protocols for the safety of its staff and clients, (2) Loan payments were extended for its consumer loans, credit cards and SME clients, (3) The Bank helped enable the beneficiaries of the national government's

“Pantawid Pamilyang Pilipino” to access their emergency cash subsidy using ATM Go, (4) The Bank moved up the update for its RCBC Mobile App that enabled more banking services to help clients manage their finances amidst the pandemic. He also mentioned the launch of Diskartech, a financial inclusion accelerator app, to tap unbanked and underserved Filipinos in the provinces.

He also shared the measures taken by the Bank within its organization to protect the health and well-being of its people, especially the frontliners in its branches. He explained that a month before the ECQ took effect, the Bank has already activated its crisis management response, including the adoption of a Work from Home policy. He stressed that the safety of everyone remains paramount. On behalf of the Chairperson and the Board of Directors, he thanked all the Bank’s employees for what they have done to make the Bank thrive in the crisis and recognized that the employees’ commitment makes all the difference.

With regard to sustainable financing, Mr. Acevedo explained that last year, the Bank have funded several renewable energy projects, foremost of which is the 330-megawatt solar farm in Vietnam, the largest in Southeast Asia. He mentioned that in September 2019, the Bank has raised US\$300 million from dollar-denominated bonds which is considered a landmark in the Philippines. He said that the Bank remains optimistic about helping meet the country’s greenhouse gas reduction commitments to the Paris Agreement.

Mr. Acevedo then stressed that the pandemic is a call to action – for everyone, everywhere. He said that this is the time to make extra effort, to go the extra mile, to reach out to those in need. He encouraged the RCBC people by reminding them that over the course of six decades, RCBC has been forged in the fire of many crises. Hence, he concluded that there is every reason to believe that RCBC and its people will overcome the current crisis too. In ending his speech, Mr. Acevedo extended his thanks to the Bank’s customers, shareholders, employees, and to the Bank’s Board of Directors.

The Corporate Secretary then reported that Management is proposing the adoption of Resolution No. 20-02 (as shown below) and that the stockholders present representing 1,545,117,920 shares or 99.95 % of the votes cast voted in favor of the approval of the Bank’s Annual Report and its Audited Financial Statements for the year 2019. Accordingly, the following resolution was approved:

Resolution No. 20-02

“BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders hereby approve the Annual Report and Audited Financial Statements of the Bank for the year 2019.”

VI. Ratification of actions of the Board of Directors, different Committees and Management — The next item considered was the ratification of the actions of the Board of Directors, the different Committees and Management of the Bank from June 24, 2019 to the date of the meeting, July 27, 2020. The Corporate Secretary described the transactions subject of the ratification.

Thereafter, he presented Resolution No. 20-03 (as shown below) and reported that the stockholders present representing 1,545,117,920 shares or 99.95 % of the votes cast voted in favor of the approval, confirmation and ratification of the actions of the Board of Directors, different Committees and Management from June 24, 2019 to July 27, 2020. Accordingly, the following resolution was approved:

Resolution No. 20-03

“BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders hereby approve, confirm

and ratify, the actions of the Board of Directors, different Committees and Management from June 24, 2019 to July 27, 2020.”

VII. Confirmation of Significant Transactions with DOSRI and Related Parties — The confirmation of significant transactions with DOSRI and related parties approved by the Board of Directors, the different Committees and Management of the Bank from June 24, 2019 to July 27, 2020 was then considered.

The Corporate Secretary reported that significant transactions with DOSRI and related parties from June 24, 2019 to July 27, 2020 include: loans and deposit liabilities; trading of investment securities; lease and sub-lease with RCBC Realty Corporation; service agreement with Bankard Inc. (now RBSC); capital infusion into RCBC Leasing and Finance Corporation; service agreement with RBSC; service agreement with RCBC Forex Brokers Corp (or RCBC Forex); service agreements with RCBC Capital Corp., RCBC Securities, Inc., Rizal Microbank Inc., RCBC Leasing and Finance Corporation and Niyog Property Holdings, Inc. He added that the subject transactions include the administration and management of the retirement funds of some of the subsidiaries, and the Bank’s other transactions with affiliates, namely, the service agreements, leasing office premises to subsidiaries, accreditation of RCBC Trust agent and of insurance companies, and regular banking transactions.

Details of said related party transactions are disclosed in the Bank’s SEC 17-A Report which is also available on the Bank’s website, and also provided in the Annual Report together with the Definitive Information Statement.

The Corporate Secretary then presented Resolution No. 20-04 (as shown below) and reported that the stockholders present representing 1,545,912,855 shares or 100.00% of the votes cast voted in favor of the approval, confirmation and ratification of the significant transactions with DOSRI and related parties approved by the Board of Directors, the different Committees and Management from June 24, 2019 to July 27, 2020. Accordingly, the following resolution was approved:

Resolution No. 20-04

“BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders hereby approve, confirm and ratify, the significant transactions with DOSRI and related parties approved by the Board of Directors, the different Committees and Management from June 24, 2019 to July 27, 2020.”

VIII. Election of Directors — The next item in the Agenda was the election of Directors of the Bank for the year 2020-2021. Submitted for nomination were the following stockholders as members of the Board of Directors.

As Regular Directors

1. Ms. Helen Y. Dee
2. Mr. Cesar E.A. Virata
3. Mr. Eugene S. Acevedo
4. Mr. Gil A. Buenaventura
5. Mr. John Law
6. Mr. Shih-Chiao (Joe) Lin
7. Mr. Arnold Kai Yuen Kan
8. Atty. Lilia B. De Lima, and
9. Ms. Gayatri P. Bery

As Independent Directors

1. Mr. Armando M. Medina
2. Mr. Juan B. Santos
3. Atty. Adelita A. Vergel De Dios
4. Mr. Gabriel S. Claudio
5. Mr. Vaughn F. Montes, and
6. Mr. Laurito E. Serrano

The Corporate Secretary reported that the Bank's Corporate Governance Committee has ascertained that all the nominees for directors are qualified to serve as directors of the Bank, and that all the nominees have given their consent to their respective nominations.

The Definitive Information Statement and its Annexes, include the qualifications, experience, length of service, training and representations of each of the nominated directors. Likewise included were information on the attendance of each incumbent director at the relevant meetings of the Bank, appraisal and performance reports of the Board (with the criteria and assessment procedure), as well as the director compensation report.

In voting, it was emphasized to the stockholders in the ballot form/proxy form that the stockholder can either (a) vote for all of the nominees, in which case the stockholder's total votes will be split and cast equally among the nominee(s); (b) withhold his vote for all of the nominees; or (c) vote only for some and not all of the nominees, in which case the stockholder's total votes will be distributed and cast as indicated by the stockholder in the spaces provided in the ballot form/proxy form. If the stockholder does not indicate the number of shares to be distributed among the remaining nominees who are not named on the spaces for exceptions provided in the ballot form/proxy form, then the stockholder's total votes will be split and cast equally among the remaining nominees. The total number of votes which a stockholder may cast is equal to fifteen (15) times the number of shares of common stock and voting preferred stock held as of the record date.

In regard to the results of the election, the Corporate Secretary reported that each of the fifteen nominees for director has garnered at least 93.00% of the votes cast and consequently certified that each of the nominees has received sufficient votes for election to the Board of Directors of the Bank.

As verified and tabulated by independent third party Punongbayan and Araullo, the votes for the directors were as follows:

	FOR	PERCENTAGE
1. Ms. Helen Y. Dee	1,545,539,669	99.98%
2. Mr. Cesar E.A. Virata	1,545,592,969	99.98%
3. Mr. Eugene S. Acevedo	1,545,912,855	100.00%
4. Mr. Gil A. Buenaventura	1,545,672,009	99.98%
5. Mr. John Law	1,545,672,009	99.98%
6. Mr. Shih-Chiao (Joe) Lin	1,545,592,609	99.98%
7. Mr. Arnold Kai Yuen Kan	1,545,672,009	99.98%
8. Atty. Lilia B. De Lima	1,545,592,609	99.98%
9. Ms. Gayatri P. Bery	1,545,672,009	99.98%
10. Mr. Armando M. Medina	1,437,717,327	93.00%
11. Mr. Juan B. Santos	1,545,912,855	100.00%
12. Atty. Adelita A. Vergel De Dios		100.00%
	1,545,912,855	

13. Mr. Gabriel S. Claudio	1,545,912,855	100.00%
14. Mr. Vaughn F. Montes	1,545,912,855	100.00%
15. Mr. Laurito E. Serrano	1,545,618,709	99.98%

Accordingly, the following resolution was approved:

Resolution No. 20-05

“BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders duly elected the members of the Board of Directors of the Bank as named hereunder, to hold office for a term of one year until their successors shall have been duly elected and qualified:

As Regular Directors:

1. Ms. Helen Y. Dee
2. Mr. Cesar E.A. Virata
3. Mr. Eugene S. Acevedo
4. Mr. Gil A. Buenaventura
5. Mr. John Law
6. Mr. Shih-Chiao (Joe) Lin
7. Mr. Arnold Kai Yuen Kan
8. Atty. Lilia B. De Lima, and
9. Ms. Gayatri P. Bery

As Independent Directors:

10. Mr. Armando M. Medina
11. Mr. Juan B. Santos
12. Atty. Adelita A. Vergel De Dios
13. Mr. Gabriel S. Claudio
14. Mr. Vaughn F. Montes, and
15. Mr. Laurito E. Serrano”

IX. Appointment of External Auditor— The appointment of the External Auditor of the Bank was next taken up. Punongbayan & Araullo is proposed to be re-appointed as auditor of the Bank for the year ending December 31, 2020.

The Corporate Secretary then reported that Management is proposing the adoption of Resolution No. 20-06 (as shown below) and that the stockholders present representing 1,545,912,855 shares or 100.00% of the votes cast voted in favor of the re-appointment of Punongbayan & Araullo as auditor of the Bank for the fiscal year 2020. Accordingly, the following resolution was approved:

Resolution No. 20-06

“BE IT RESOLVED, AS IT IS HEREBY IS RESOLVED, That the stockholders approve that the services of Punongbayan & Araullo be retained as External Auditor of the Bank for the fiscal year 2020.”

X. Other Matters – The Chairperson said that Management will address the relevant questions and comments received from the stockholders, if any. The Corporate Secretary informed the Chairperson that there were no questions received from the stockholders.

XI. Adjournment — There being no other business to transact, the meeting was adjourned at 04:30 P.M.

Attachment:

1. The list of stockholders who were present is hereto attached as Annex “A” and made an integral part of the record.

2. The list of directors and officers of the Bank present is hereto attached as Annex “B” and made an integral part of the record.

LIST OF STOCKHOLDERS PRESENT
RIZAL COMMERCIAL BANKING CORPORATION
ANNUAL STOCKHOLDERS MEETING: JULY 27, 2020

STOCKHOLDER NAME	SHARES	Percentage
Attending in Person		
DEE, HELEN Y.	438.00	0.00002
MEDINA, ARMANDO M.	195.00	0.00001
VIRATA, CESAR E.A.	167.00	0.00001
SANVICTORES, JULIUS J.	230.00	0.00001
BERY, GAYATRI P.	1.00	0.00000
LAW, JOHN	1.00	0.00000
BUENAVENTURA, GIL A.	5.00	0.00000
SANTOS, JUAN B.	5.00	0.00000
CLAUDIO, GABRIEL S.	1.00	0.00000
DIOS, ADELITA A. VERGEL DE	1.00	0.00000
MONTES, VAUGHN F.	5.00	0.00000
LAURITO E. SERRANO	1.00	0.00000
SHIH-CHIAO LIN	1.00	0.00000
ARNOLD KAI YUEN KAN	1.00	0.00000
LILIA B. DE LIMA	1.00	0.00000
Attending by Proxy		
A. T. YUCHENGCO, INC.	255,190.00	0.01318
PAN MALAYAN MANAGEMENT AND INVESTMENT CORPORATION	594,248,085.00	30.69628
DEUTSCHE BANK AG MANILA BRANCH	1,443,986.00	0.07459
HSBC10*	523,583,823.00	27.04607
RCBC TRUST AND INVESTMENTS ACCOUNT -TAXABLE	1,808,494.00	0.09342
RCBC TRUST AND INVESTMENTS ACCOUNT -TAX EXEMPT	59,027,810.00	3.04912
RCBC SECURITIES	309,670,520.00	15.99623
COL FAO VARIOUS	14,314.00	0.00074
CITIOMNIFOR 6002070101	3,462,952.00	0.17888
CITIOMNIFOR 6002070102	5,919,306.00	0.30577
CITIOMNIFOR 6002070132	2,919,464.00	0.15081
CITIOMNIFOR 6002070134	104,253.00	0.00539
CITIOMNIFOR 6002079583	36,724,137.00	1.89701
CITIOMNIFOR 6002079785	184,093.00	0.00951
CITIOMNIFOR 6002079787	62,703.00	0.00324
CLSA PHILIPPINES INC	6,482,672.00	0.33487
* AILEEN RUIZ FOR IFC (under HSBC10)	-	-
TOTAL		79.86

