



RIZAL COMMERCIAL BANKING CORPORATION
Minutes of the Annual Stockholders' Meeting
(For approval of the Stockholders at the 2024 Annual Stockholders' Meeting)

Date : **3 July 2023**

Time : **4:00 PM**

Place : Virtual Meeting <https://www.rcbc.com/ASM2023>

Pursuant to notices served to all stockholders, the Annual Stockholders' Meeting of Rizal Commercial Banking Corporation (the "Bank") was held on July 3, 2023 at 4:00 PM and conducted virtually via <https://www.rcbc.com/ASM2023>.

Chairperson Helen Y. Dee presided over the meeting, while the Corporate Secretary, Atty. George dela Cuesta, recorded the proceedings. The Chairperson welcomed and thanked the shareholders who joined the live webcast. She then introduced those who are joining her in the meeting in person, Mr. Eugene Acevedo, President and CEO, and Atty. dela Cuesta.

The other 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 directors and officers of the Bank present is hereto attached as *Annex "A"* and made an integral part of the minutes.)

The Chairperson asked the Corporate Secretary whether the stockholders have been duly notified 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 as of June 1, 2023 in three ways as allowed by prevailing SEC Rules and Circulars: (a) by posting on the Bank's website, (b) by disclosure in the Philippine Stock Exchange (PSE), and (c) by publication for 2 consecutive days on June 1 and June 2, 2023, in the print and online business section of two newspapers of general circulation, namely The Philippines Star and Manila Bulletin. (The list of stockholders as of Record Date June 1, 2023 is hereto attached as *Annex "B"* and made an integral part of the minutes.)

II. Quorum — The Corporate Secretary reported that stockholders owning a total of 1,721,294,190 common and preferred shares representing 84.47% of the total outstanding common and preferred shares entitled to vote were present. (The list of stockholders who were present is hereto attached as *Annex "C"* and made an integral part of the minutes.)

The Corporate Secretary certified the presence of a quorum and the Chairperson declared the agenda open for deliberation.

III. Instructions on Rules of Conduct and Procedures — The Chairperson said that while the meeting is being held in a virtual format, the Bank strove to provide the shareholders the opportunity to participate in the meeting.

The Corporate Secretary reported that the rules of conduct and voting procedures are set forth in the Notice of the Annual Stockholders' Meeting. He highlighted the following points:

1. Only Stockholders who notified the Bank by email at RCBC-ASM-2023@rcbc.com until 5:00 p.m. of June 25, 2023 and who duly registered by email are allowed to access the virtual meeting at <https://www.rcbc.com/ASM2023>.

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 June 30, 2023 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 June 30 up to 4 p.m. of July 3, 2023.

The process for stockholders to ask questions was provided in the Procedure for the Annual Stockholders' Meeting attached to the Definitive Information Statement.

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 sending the form to the Bank via RCBC-ASM-2023@rcbc.com together with the stockholder's registration mail by 5:00 P.M. of June 25, 2023. 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. Those votes are from stockholders representing 84.47% of the total outstanding shares.

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

The Definitive Information Statement and the Explanation of Agenda Items also provides that (1) only stockholders of record at close of business on June 1, 2023 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 was attached to the Definitive Information Statement.

The Corporate Secretary reported that Management is proposing the adoption of Resolution No. 23-01 (as shown below) and that stockholders representing 1,721,294,190 shares or 100% of the votes cast, voted in favor of approval of the minutes of the Annual Stockholders' Meeting held on June 27, 2022. Accordingly, the following resolution was approved:

Resolution No. 23-01

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That the stockholders hereby approve, confirm and ratify the Minutes of the Annual Stockholders' Meeting held on June 27, 2022, copies of which are posted on the Bank's website, and attached to the Definitive Information Statement.”

V. Approval of the Annual Report and Audited Financial Statements for 2022 — The Annual Report and the 2022 Audited Financial Statements of the Bank, 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 Statements 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.

Mr. Acevedo presented his report to the stockholders. He started his report by highlighting that 2022 started in a fundamentally good form as GDP increased to 7.6%. He however pointed out that by March, the global risk environment was markedly different as the Russia-Ukraine war compounded pandemic-related economic challenges with rising inflation and supply chain disruption. He said that global inflation led to hawkish monetary policy, and prompted the BSP to hike policy rates to 5.5% by the end of the year.

He proudly reported that amid the increasingly volatile environment, 2022 turned out to be the brightest year ever for RCBC as the Bank's bottom line hit P12.1 Billion from P7.1 Billion in 2021 — a 71% leap.

Mr. Acevedo explained that this resulted in a return on equity of 11.2%, while return on assets improved to 1.2%. Income from the core business or net interest income reached P31.2 Billion while other income stood at P13.2 Billion. In total, the Bank generated P44.5 Billion in gross income, higher by 24%, year-on-year.

He provided that the Bank continued to build a healthy earning asset portfolio, with a compound annual growth rate (CAGR) of 25% since 2020. The Bank's earning assets rose by 23% in 2022. He also shared that deposits grew by 27%, which is faster than the 12% industry average, loans to small and medium enterprises (SMEs) increased by 15%, and credit card receivables expanded by 41%, and investment securities climbed by 70%.

Mr. Acevedo highlighted that by the end of 2022, RCBC had P1.2 Trillion in total resources and emerged as the fifth-biggest privately owned bank in the country.

He further stressed that the Bank managed to further improve its asset quality. The Bank's net NPL ratio was at 2.0% in 2022.

He reported that the Bank's capital ratios remained well above regulatory requirements with capital adequacy ratio at 15.29%, while CET 1 ratio was at 12.33%.

Mr. Acevedo mentioned that Sumitomo Mitsui Banking Corporation is set to acquire an additional 15.0% stake in RCBC. He explained that once completed, it will increase the Bank's capital by an additional P27.0 Billion.

Driving the Bank's numbers in 2022 was the organic expansion in its core assets. In the consumer segment, RCBC managed to position ahead for Filipinos' "revenge" travel and spending by successfully transforming its credit cards business. The Bank launched new products and refreshed the brand to RCBC Credit Cards while reengineering both the customer interaction and the back office. He emphasized that this led to a faster-than-industry growth of 40% in billings and a record-high card usage of P96.5 Billion, 61% higher than the previous year.

To support the economic recovery, RCBC stepped up its SME and commercial lending, especially in the provinces and areas outside Metro Manila where the Bank tapped into high-growth SME sectors, such as cooperatives. The Bank continued to reach out to more Filipinos, especially the unbanked and underserved segment, through its pioneering digital initiatives. RCBC Digital, DiskarTech, and ATM Go recorded higher digital transactions, with gross transaction value increasing by 41%, year-on-year.

In addition to these digital initiatives, RCBC opened 30 new branches and intensified its marketing and sales efforts to target the affluent and high net worth customers. After just three months of operations, many of these branches have already reached the P100.0 Million mark in CASA deposits.

Beyond these initiatives, the Bank realized it needs to prepare for a future where there will be constant pressure to further improve the Bank's operational resiliency and technological capabilities. To meet these demands, RCBC needs to be more driven — and not just in purpose and in spirit.

He said that RCBC has to be a highly data-driven organization in order to ensure its sustainability and the Bank sees three areas where data analytics can play a critical role in this regard. One is in knowing the real state of the Bank's business and how it stack up against its key metrics. Second is innovation as the Bank can no longer rely on historical information alone to predict future outcomes. The Bank has to use data analytics to 'nowcast' and unlock opportunities. Finally, data analytics helps RCBC listen to the customer's pulse so it can provide better and more relevant customer experience.

Because of data analytics RCBC has become a more resilient organization that is prepared to tackle the challenges that lie ahead. He, however, stressed that the Bank's growth very much depends on the state of the economy and society. For the Bank to be in a better position to lead, it must also show the way when it comes to addressing the bigger challenges that could affect its sustainability.

In 2022, the Bank became the first local bank to adopt quantitative global climate risk analysis tools to address climate change through its participation in the Partnership for Carbon Accounting Financials and the use of the Paris Agreement Capital Transition Assessment tool. RCBC continued to develop and issue sustainable financing instruments to support projects with clear environmental and social benefits. Since 2019, RCBC has issued USD1.4 Billion worth of sustainable financing instruments.

The Bank enabled its customers to support its advocacy by launching the country's first green time deposit to promote environmental awareness while saving funds. He assured that the Bank's commitment to sustainability will remain strong as it continues to embed Environmental, Social, and Governance principles into the business.

Looking ahead, he said that the world will continue to be uncertain. He explained that the risk of U.S. recession could dampen economic recovery, while other geopolitical risks remain. He revealed that the Bank expects economic recovery to continue, while still on the lookout for the lag effects of higher inflation and any signs of COVID-19 resurgence. While 2022 was an exciting year for RCBC for many reasons, the Bank's journey and commitment to reaching out to as many Filipinos and providing the best customer experience remains never-ending.

To become a leader in the Bank's industry is important, but it is not RCBC's end goal. The goal is to wake up one day knowing RCBC has enriched lives and its customers remember who their partner was along the way.

Mr. Acevedo then thanked each and every RCBC Banker, RCBC's customers who have trusted it through generations, and its shareholders and Board of Directors for the purposeful collaboration and teamwork. He assured them by saying, "We are leading forward and getting there."

The Chairperson thanked Mr. Acevedo for his report.

The Corporate Secretary reported that Management is proposing the adoption of Resolution No. 23-02 (as shown below) and that the stockholders representing 1,721,294,190 shares or 100 % of the votes cast, voted in favor of the approval of the Bank's Annual Report and its Audited Financial Statements for the year 2022. Accordingly, the following resolution was approved:

Resolution No. 23-02

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That the stockholders hereby approve the Annual Report and Audited Financial Statements of the Bank for the year 2022."

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 27, 2022 to the date of the meeting. The Corporate Secretary described the transactions subject of the ratification.

Thereafter, he presented Resolution No. 23-03 (as shown below) and reported that stockholders representing 1,613,418,548 shares or 93.73% of the votes cast voted in favor of the approval, confirmation and ratification of the actions of the Board of Directors, the different Committees and the Management from June 27, 2022 to July 3, 2023. Accordingly, the following resolution was approved:

Resolution No. 23-03

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That the stockholders hereby approve, confirm and ratify, the actions of the Board of Directors, different Committees and Management from June 27, 2022 to July 3, 2023."

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 27, 2022 to July 3, 2023 was then considered.

The Corporate Secretary reported that significant transactions with DOSRI and related parties for the year 2022 include: loans/receivables and deposit liabilities; trading of investment securities; sale of ATY Centre to ATYC, Inc., increase in shareholding of Sumitomo Mitsui Banking Corporation (sale of 213,437,248 common stock held as treasury shares in the Bank and issuance of 168,619,976 authorized and unissued common stock of the Bank to Sumitomo Mitsui Banking Corporation) (although without capital infusion as of report date), lease contracts with RCBC Realty Corporation and sub-lease agreements with subsidiaries for occupancy in the RCBC Plaza; various service agreements with RCBC

Bankard Services Corporation, RCBC Forex Brokers Corporation, RCBC Capital Corporation, RCBC Securities, Inc., Rizal Microbank, Inc. – A Thrift Bank of RCBC, RCBC Leasing and Finance Corporation, Niyog Property Holdings, Inc., and RCBC International Finance Limited; agreement with RCBC Rental Corporation for the financing of 1,600 new ATMs.

The subject transactions include the administration and management of the retirement funds of some of the subsidiaries; service agreements, leasing office premises to subsidiaries, accreditation of RCBC Trust agent and of insurance companies, and regular banking transactions (including purchases and sales of trading account securities, securing insurance coverage on loans and property risks and intercompany advances). He stressed that all transactions are at arms' length.

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

The Corporate Secretary then presented Resolution No. 23-04 (as shown below) and reported that stockholders representing 1,721,294,190 shares or 100% 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 27, 2022 to July 3, 2023. Accordingly, the following resolution was approved:

Resolution No. 23-04

“BE IT RESOLVED, AS IT IS HEREBY 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 27, 2022 to July 3, 2023, including the sale of 213,437,248 common stock held as treasury shares in the Bank and issuance of 168,619,976 authorized and unissued common stock of the Bank to Sumitomo Mitsui Banking Corporation.”

VIII. Election of Directors — The next item in the Agenda was the election of Directors of the Bank for the year 2023-2024. Before the election, the Corporate Secretary reported to the stockholders the annual compensation of each of the directors. He explained that the Bank is sharing the information in compliance with Corporate Governance Regulations of the SEC and the Revised Corporation Code.

Thereafter, the Corporate Secretary presented the names of the following stockholders duly nominated as members of the Board of Directors for the ensuing term:

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. Armando M. Medina
6. Mr. John Law
7. Mr. Shih-Chiao (Joe) Lin
8. Mr. Arnold Kai Yuen Kan
9. Atty. Lilia B. De Lima, and
10. Ms. Gayatri P. Bery

As Independent Directors

1. Mr. Juan B. Santos
2. Mr. Gabriel S. Claudio
3. Mr. Vaughn F. Montes
4. Mr. Laurito E. Serrano, and
5. Ms. Erika Fille T. Legara

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 Corporate Secretary reported that each of the fifteen nominees for director has garnered at least 99.995% 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 & Araullo, the votes for the directors were as follows:

| | FOR | PERCENTAGE |
|-------------------------------|---------------|-------------------|
| 1. Ms. Helen Y. Dee | 1,721,294,190 | 100.00% |
| 2. Mr. Cesar E.A. Virata | 1,721,294,190 | 100.00% |
| 3. Mr. Eugene S. Acevedo | 1,721,294,190 | 100.00% |
| 4. Mr. Gil A. Buenaventura | 1,721,294,190 | 100.00% |
| 5. Mr. Armando M. Medina | 1,721,294,190 | 100.00% |
| 6. Mr. John Law | 1,721,294,190 | 100.00% |
| 7. Mr. Shih-Chiao (Joe) Lin | 1,721,214,790 | 99.995% |
| 8. Mr. Arnold Kai Yuen Kan | 1,721,294,190 | 100.00% |
| 9. Atty. Lilia B. De Lima | 1,721,214,790 | 99.995% |
| 10. Ms. Gayatri P. Bery | 1,721,294,190 | 100.00% |
| 11. Mr. Juan B. Santos | 1,721,294,190 | 100.00% |
| 12. Mr. Gabriel S. Claudio | 1,721,294,190 | 100.00% |
| 13. Mr. Vaughn F. Montes | 1,721,294,190 | 100.00% |
| 14. Mr. Laurito E. Serrano | 1,721,294,190 | 100.00% |
| 15. Ms. Erika Fille T. Legara | 1,721,294,190 | 100.00% |

Accordingly, the following resolution was approved:

Resolution No. 23-05

“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. Armando M. Medina
6. Mr. John Law
7. Mr. Shih-Chiao (Joe) Lin
8. Mr. Arnold Kai Yuen Kan
9. Atty. Lilia B. De Lima, and
10. Ms. Gayatri P. Bery

As Independent Directors:

11. Mr. Juan B. Santos
12. Mr. Gabriel S. Claudio
13. Mr. Vaughn F. Montes
14. Mr. Laurito E. Serrano, and
15. Ms. Erika Fille T. Legara”

IX. Appointment of External Auditor—Punongbayan & Araullo was proposed to be re-appointed as auditor of the Bank for the year ending December 31, 2023.

Management is proposing the adoption of Resolution No. 23-06 (as shown below). The Corporate Secretary reported that stockholders representing 1,721,294,190 shares or 100% of the votes cast, voted in favor of the approval of the re-appointment of Punongbayan & Araullo as auditor of the Bank for the fiscal year 2023. Accordingly, the following resolution was approved:

Resolution No. 23-06

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That the stockholders approve that the services of Punongbayan & Araullo be retained as External Auditor of the Bank for the fiscal year 2023.”

X. Other Matters — The Chairperson asked if there were questions or comments received from the stockholders. 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 04:28 P.M.

Attachments:

1. The list of directors and officers of the Bank present is hereto attached as *Annex “A”* and made an integral part of the minutes.
2. The list of stockholders as of Record Date June 1, 2023 is hereto attached as *Annex “B”* and made an integral part of the minutes.
3. The list of stockholders who were present is hereto attached as *Annex “C”* and made an integral part of the minutes.

ANNEX "A"

**LIST OF DIRECTORS and OFFICERS PRESENT
RIZAL COMMERCIAL BANKING CORPORATION
ANNUAL STOCKHOLDERS MEETING: JULY 3, 2023**

Helen Y. Dee
Cesar E.A. Virata
Eugene S. Acevedo
Gil A. Buenaventura
Armando M. Medina
John Law
Shih-Chiao (Joe) Lin
Arnold Kai Yuen Kan
Lilia B. De Lima
Gayatri P. Bery
Juan B. Santos
Gabriel S. Claudio
Vaughn F. Montes
Laurito E. Serrano
Erika Fille T. Legara
Yvonne Yuchengco (Advisory Board)
Hiroki Nakatsuka (Advisory Board)
Francis Laurel (Advisory Board)
Ma. Christina P. Alvarez
Redentor C. Bancod
Ma. Pamela Katrina M. Cabudoy
Elizabeth E. Coronel
Ramil M. De Villa
George Gilbert G. Dela Cuesta
Sheila Ricca G. Dioso
Brent C. Estrella
Richard C. Lim
Florentino M. Madonza
Jane N. Mañago
Emmanuel T. Narciso
Maria Cecilia F. Natividad
Alberto N. Pedrosa
Robert Rol Richard Raymond B. Ramos
Bennett Clarence D. Santiago
Rowena F. Subido
Juan Gabriel R. Tomas IV
Angeluz B. Torres-Guerzon
Angelito M. Villanueva
Arniel Vincent B. Ong (Head of subsidiary)
Raymundo C. Roxas (Head of subsidiary)
Jose Jayson L. Mendoza (Acting President of subsidiary)
John Thomas G. Deveras (consultant)
Horacio E. Cebrero III (consultant)
Liza Marie G. Vengco
Jahzeel M. Sartillo-Buenaventura
Keith Lorraine Z. Ona
Dino V. Yason
Joyce Corine O. Lacson
Maria Cecilia V. Chaneco-Lonzon

