

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
BANK OF THE PHILIPPINE ISLANDS
Conducted virtually via <http://www.ayalagroupshareholders.com/>
April 22, 2021

(For approval at the 2022 Annual Meeting of Stockholders)

The Annual Meeting of Stockholders of the Bank of the Philippine Islands (BPI or the Bank) was conducted virtually via <http://www.ayalagroupshareholders.com/> on April 22, 2021 at 9:00 in the morning, in view of the restrictions to address the COVID-19 pandemic

I. Call to Order

The Chairman of the Board of Directors, Mr. Jaime Augusto Zobel de Ayala, presided over and called the meeting to order at 9:00 A.M. The Corporate Secretary, Ms. Angela B. Maramag, recorded the minutes of the meeting. The Chairman welcomed the stockholders who have joined the live webcast of the proceedings and thanked the shareholders who were participating in the meeting through the Bank's voting in absentia system or their appointment of the Chairman as proxy. The Chairman introduced each of the presenters, namely: Cezar Consing (President and CEO), Jose Teodoro Limcaoco (member of the Board and incoming President), Antonio Jose Periquet (Chair of the Nomination Committee), Maria Dolores Yuvienco (Chair of the Audit Committee), Angela Maramag (Corporate Secretary) and Maria Consuelo Lukban (Head of Corporate Strategy and Investor Relations, and Sustainability). He also acknowledged Ramon L. Jocson (Chief Operating Officer), Maria Theresa M. Javier (Chief Finance Officer), the other members of the Board, including Cesar Purisima, who joined the Board in January, the members of the Bank's Advisory Council – Chief Justice Panganiban, Del Lazaro, and Oscar Reyes - and other officers who joined the meeting through the live webcast.

II. Certification of Notice of Meeting and Determination of Quorum

The Corporate Secretary reported to the Chairman and informed the assembly that the Notice of the Annual Stockholders' Meeting and the Definitive Information Statement were sent to the stockholders of record as of March 5, 2021 in three ways: first, by email to all stockholders with e-mail addresses on record, second, by posting on the Bank's website and third, by disclosure in the Philippine Stock Exchange. In addition, the Notice was published in the Philippine Daily Inquirer and Manila Bulletin, in both print and online formats, on March 31 and April 1, 2021.

The Chairman then asked if there was a quorum at the meeting to transact all the matters in the agenda. The Corporate Secretary reported that there were present at the meeting, in person and by proxy, stockholders owning/representing 3,485,260,728 shares or 77.23% of the 4,513,103,261 total issued and outstanding common shares of the capital stock of BPI entitled to vote and be voted at the meeting. Thereupon, the Chairman declared that a quorum was present and that the meeting was duly convened. The mode of attendance of the stockholders deemed present and their respective percentages of the outstanding shares are set forth below:

Mode of Attendance	% of Total Shares Outstanding
Appointment of the Chairman as proxy	77.1894%
Voting in absentia	0.0251%
Remote communication	0.0109%

Additionally, there were 601 viewers of the live webcast of the meeting.

III. **Rules of Conduct and Procedures**

The Chairman explained that although the Bank is holding the meeting in a virtual format because of government regulations that prevent the holding of in-person meetings, it strived to provide the shareholders the opportunity to participate in the meeting to the same extent possible as in an in-person meeting. The Chairman then asked the Corporate Secretary to share the rules of conduct and voting procedures of the meeting.

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

1. The agenda for this meeting covers a range of matters requiring stockholders' vote and was included in the Notice sent to stockholders for this meeting. Stockholders were also given an opportunity to propose matters for inclusion in the agenda, pursuant to applicable laws and regulations.
2. Stockholders who registered under the electronic Voting in Absentia & Shareholder (VIASH) system or who notified the Company by email to bpi-asm@bpi.com.ph of their intention to participate in this meeting by remote communication may send their questions or comments to the same email address.
3. The Head of Corporate Strategy, Investor Relations, and Sustainability, will read the questions or comments received by email before 9:30 a.m. during the Q and A period, which will take place after other matters, under item 9 of the agenda. Management will reply to questions and comments not taken up during the meeting by email.
4. As indicated on the ballot for the voting of stockholders, there are 7 resolutions proposed for adoption by the stockholders at this meeting. Each proposed resolution will be shown on the screen as the same is being taken up.
5. Stockholders could cast their votes on these proposed resolutions and in the election of directors through the VIASH system. The polls will remain open until the end of this meeting for stockholders who had successfully registered to cast their votes electronically using the system.
6. Stockholders have the option to appoint the Chairman as proxy. The Corporate Secretary reported that the votes cast, as of April 13, 2021, after the proxy validation process, were from stockholders owning 3,484,769,411 voting shares representing 77.21% of the total outstanding voting shares.

IV. **Approval of the Minutes of the Annual Stockholders' Meeting on April 23, 2020**

The Chairman then proceeded to the next order of business which was the approval of the minutes of the annual meeting of stockholders held on April 23, 2020. An electronic copy of the minutes was made available in the Bank's website.

The Corporate Secretary presented the resolution, as proposed by management, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. ASM-2021-01

RESOLVED, that the minutes of the Annual Stockholders' Meeting held on April 23, 2020 be, and are hereby, approved as recorded.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,484,769,860	-	1
% of Voting Shares Present	99.99%	0.00%	0.00%

V. **Approval of Annual Report and Audited Financial Statements as of December 31, 2020**

The Chairman proceeded to the next item in the agenda which was the Annual Report, consisting of the Message from the Chairman, an audio-visual presentation, and the message from the Chief Executive Officer and President.

Message of the Chairman

The Chairman welcomed fellow shareholders, business partners, clients and employees to the Annual Stockholders Meeting. He then gave his message on the broader markets and the Bank's financial performance, as follows:

"The words of Charles Dickens, written over 160 years ago, aptly describe what 2020 was like for our country and your bank.

"It was the best of times, it was the worst of times . . . it was the spring of hope, it was the winter of despair." --- Charles Dickens, A Tale of Two Cities

In January, Taal volcano erupted causing massive destruction to the nearby provinces. By the second quarter, the Covid-19 pandemic forced the government to institute broad and strict lockdowns, which only began to ease towards the fourth quarter. The year also saw a series of strong earthquakes, with many centered in Mindanao. And as 2020 came to a close, two typhoons wreaked havoc in many areas of the country.

The Covid-19 pandemic and the government's response to it largely determined how the Philippine economy performed in 2020. As the lockdowns were stricter and more encompassing than elsewhere, mobility scores were amongst the lowest in the region.

At the same time, the government's fiscal response to the pandemic was lower as a percentage of GDP than most countries, reflecting a focus on maintaining, successfully for now, the country's investment grade credit ratings and, separately, concerns about sizable leakages in the distribution of cash aid to the neediest Filipinos.

The combination of low mobility and a conservative fiscal response more than offset the BSP's very aggressive monetary response, the highlights of which were a reduction of reserve requirements and policy rates by 200 bps, from 14% to 12% and from 4% to 2%, respectively, over the course of the year, which translated into additional liquidity equal to 10% of GDP.

Thus, GDP for the year declined by 9.5%, the worst on record; the unemployment rate surged from 4.6% to 17.6% before settling at 8.7%; and average full year inflation rose from 2.5% to 2.6% due to supply-side factors. The combination of a 2.6% inflation rate and a 2% BSP policy rate has produced negative real interest rates, the continuation of which is detrimental to long-term investment, the earnings of banks and the economy at large.

With import demand low, the Philippine peso strengthened by 5.4% relative to the U.S. dollar, and dollar reserves ballooned to \$110 billion, equivalent to almost 12 months of imports.

The banking industry, which is a levered bet on the economy, was at the epicenter of this economic maelstrom. After almost a decade of double-digit loan growth, 2020 saw loans contracting by 2.8%, a reflection of a very sharp drop in loan demand and a deterioration of loan quality, as non-performing loans as a percentage of total loans grew from 2.1% in 2019 to 3.7% in 2020.

In addition, the loan moratoriums provided by Bayanihan Acts I and II delayed the recognition of non-performing loans and made more difficult the assessment of loan quality, while the imposition by the BSP of an interest rate cap on credit card loans caused banks to reduce credit to riskier customers. As a result of these factors, banks increased loan loss provisions by an average factor of 4.0x. In fact, in 2020, for the very first time, the banking industry's total loan loss provisions exceeded its total profits. The banks funded a portion of the increase in loan loss provisions with trading gains, as the declining interest rate environment increased the value of the securities on banks' books. But the sheer magnitude of loan loss provisions meant that industry profitability, as measured by return on equity, dropped from 10.5% in 2019 to 6.6% in 2020.

More telling has been the drop in the market capitalization of banks. The PSE index declined by 8.6% in 2020, with the banking sector, which declined in value 21.1%, by far the most negatively impacted. Fortunately, Philippine banks are better capitalized today, in terms of the percentage of book equity to total assets, than at almost any other time in modern history, a result of numerous equity capital raisings over the last decade in response to more stringent capital requirements. Hence, the viability of the country's major banks remains unquestioned.

Our employees' ability to stand by their posts combined with our growing digital capabilities allowed us to increase revenues by 10.5% to hit P101.9 billion, an all-time high. Net interest income grew by 10.2% on the back of a 14 basis points increase in net interest margins offsetting a 4.6% decrease in net loans. Non-interest income also grew by 11.1% as a 65.2% increase in trading income offset a 5.0% decrease in fees and commissions.

With operating expenses about flat, pre-provision operating profits increased by 22.4%.

However, with the lockdowns affecting the ability of business and consumer borrowers to service their loans, we thought it prudent to take P28 billion in loan loss provisions, a fivefold increase, and hike our coverage for non-performing loans - - which had grown from P24.8 billion to P38.8 billion - - from 102.1% to 115.2%. At year-end, our non-performing loans represented 2.7% of our total loan book, considerably lower than the industry average and indicative of the bank's credit discipline.

Nonetheless, the hefty increase in provisions reduced net income by 25.7% to P21.4 billion from P28.8 billion in the previous year.

Before I pass the floor on to our President and CEO, Bong Consing, to deliver his report, I would like to say a few words about Bong as he marks his transition out of his responsibilities as CEO. Many of you might not know that Bong originally joined BPI in 1981 (coincidentally, the same year I started with Ayala) as a management trainee and rose quickly to become, in 1985, the youngest Assistant Vice President in the Bank's history. He went on to pursue a career as a global investment banker at JP Morgan, where he rose to senior leadership positions. He also spent some time as a senior partner in a global investment firm. We are fortunate that he accepted our invitation to return and accept the position of President and CEO, which he has held for these last eight years. All in all, Bong has served 12 years as an employee and executive and, in addition, has provided 19 years of service as a member of the BPI board, which he first joined in 1995. All of us are delighted that he will now remain on the Board and in its Executive Committee in a continuing governance role.

I would also like to acknowledge that Bong represented the banking industry, with great effectiveness, as the head of 2 leading financial consortium institutions, and the respected Bankers Association of the Philippines, for these last two years.

Bong will deliver his own report next, which will speak for itself, but, on behalf of the Board, let me say how delighted we have been Bong, to have you steer the bank during this last year of economic stress in our country. You have kept BPI safe and relevant, over-weighted the needs of the customers (big and small), in a challenging time, supported our employees and provided leadership for the industry – all while delivering solid results for the many investors who have allocated capital to the Bank.

Bong, let me thank you on behalf of the whole board for your 8 years of exemplary leadership. I still remember the day, back in 2013, when you were officially elected CEO at the stockholders' meeting and became, coincidentally, the 13th President and CEO of BPI. In so doing you have become an integral part of the fabric of BPI's proud heritage of 170 years as a major contributor to our country's economic development. You have now left your own mark and legacy which will always be remembered and acknowledged as part of BPI's history.

Let me also congratulate and welcome Mr. TG Limcaoco, who will be nominated to succeed Mr. Consing at the organizational meeting of the Board immediately following this stockholder meeting. Mr. Limcaoco is no stranger to BPI. He has served on the BPI Board since February 2019 and is a member of the Executive Committee. Prior to this, he has had senior leadership roles which include the Presidencies of BPI Capital and BPI Family Savings Bank, as well as other senior responsibilities for consumer lending and our insurance business. Highly respected throughout his long career in a variety of finance roles, we are delighted to be welcoming him back to the highest leadership role in BPI.”

The report of the Chairman was followed by an audio-visual presentation of the Bank.

The Chairman then turned over to the President to discuss the Bank's operational performance and its strategic initiatives.

Report of the President

The President delivered his report on the Bank's performance and its strategic initiatives, as follows:

“To our shareholders, business partners, and clients, welcome to our annual gathering.

Ironically, what was a very challenging year presented BPI the opportunity to re-assert its position as a banking industry leader and a trusted Philippine institution. After working with regulatory authorities to ensure that banks would be allowed to operate during the lockdown, the Bank's business continuity plans immediately kicked in, ensuring that critical banking products and services, including the availability of cash and payments transfers, would be readily available. When the lockdowns were most severe, on average almost all of the bank's ATMs and CAMs, and at least half of the branches, were up and running; and head office units were staffed at approximately 50%. While the number of employees that worked from home was significant, the availability of mobility tools meant that productivity was maintained, if not enhanced.

The Bank spent over half a billion pesos to ensure that our employees could be transported to and from work, that their workplaces were clean and configured for social distancing, that they were provided with appropriate allowances for working under extraordinary circumstances, that they tested for Covid-19, and that they received adequate treatment if

infected. These measures paid off. While about half of our employees do front-line work, only about 3.5% of all of the Bank's employees caught Covid, with the number of those requiring hospitalization a very small percentage of those infected. Our contact tracing measures revealed that the vast majority of infections were a result of community transmission, and not incurred at work.

The Bank's many years of investment in technology, and digitalization in particular, became readily apparent to our customers and the market in 2020, as the lockdowns forced customers to transact via their mobile phones or their laptops. Prior to the lockdowns, transactions executed via the bank's electronic channels (mobile, laptop, ATM, CAM) accounted for 85.2% of all transactions. At the height of the lockdowns, this percentage grew to 95.1%. Today, with the lockdowns eased, this percentage is holding at 92.3%. While branch transactions still account for the bulk of the value of all of the bank's transactions, we believe that the percentage of branch transactions to total transactions will not return to pre-Covid levels. In fact, during the lockdowns, we saw thousands of customers enrolling in our digital channels every week. Today, 52% of all of our customers are digitally enabled, with more than half of them classified as active users. Having executed almost 1.8 billion in online transactions in 2020, BPI is an acknowledged leader in digital banking. The bank's finance app ranks number 5 on App Store and number 6 on Google Play. In Instapay, the bank ranks number 2 in receiving transactions and number 3 in both sending transactions; and 12.6% of Instapay users are BPI customers. We are using our digital platform to work with dozens of open banking partners - - the likes of GCash, Lazada, Paymaya - - to become a key focal point of financial intermediation in the Philippines. According to the media intelligence firm Isentia, BPI is the most mentioned Philippine bank in social media.

The bank's balance sheet grew by 1.3%, the slowest in over a decade, as a larger securities book offset the decline in loans. Deposits grew by 1.2%, with a 16.6% growth in current and savings account deposits offsetting a 33.2% drop in time deposits, the latter the result of a drive to reduce the bank's funding costs. The bank issued P70.7 billion in bonds during the year, including P21.5 billion in CARE bonds, the proceeds of which are earmarked for the important SME segment. However, borrowings as a percentage of total liabilities were at a conservative 7.8%. With profits growing faster than risk assets, the bank's already strong capital position was further bolstered, with the capital adequacy ratio growing from 16.1% to 17.1%.

Amongst our many lines of business, a few had particularly strong showings in 2020. Our asset management and mutual funds businesses saw their assets under management growing by 16.8% and 95.6%, respectively, the latter helped partly by the acquisition of P67 billion in AUM from a competitor earlier in the year.

Our mortgage lending business grew by 6.6%, and our microfinance lending business, already the second largest in the country, grew by 6.9%.

Our investment banking unit was the leading debt and equity underwriter in the country, and its underwriting fees grew by 66% on the back of 30 transactions.

BPI is one of only two Philippine companies rated BBB+ by the rating agency Standard & Poor's. The credit rating, which is equal to that of the Philippine government, was again confirmed during the year. The BSP continues to give the bank very high marks for its capital position, asset quality, management, earnings, liquidity and low sensitivity to market risk. And the Bank's various ESG (or environment, social, governance) scores would place it first or second among Philippine banks.

BPI is the only large bank whose shares outperformed the Philippine stock exchange index in 2020, and we remain the country's second largest bank by market capitalization.

In October, the prestigious international financial publication Euromoney, named BPI as the "Best Bank in the Philippines". Euromoney cited the bank's multi-year digital transformation journey and the success of our investment banking unit. Euromoney ran a quote that "BPI is a port in a storm—and right now, we are in a storm." Indeed, ours is a Bank built to withstand crises. We had a good year in what was a very bad year.

Looking forward, we have to continue to take steps that will future-proof the bank.

In January 2021, we announced the plan to merge BPI Family Savings Bank, our wholly-owned thrift bank, into BPI. The merger, which is subject to regulatory approvals, will provide scale that will be beneficial for customers and employees, with the merger synergies adding value to BPI shareholders.

The merger between BPI and BPI Family Savings Bank is just one of the steps that we will take to future-proof the bank.

Other key initiatives will include:

1. Establishing ourselves as the undisputed leader in digital banking;
2. Increasing the share of SME and consumer loans in our loan book;
3. Closing the gap in funding leadership;
4. Using branches as sales points more than service points; and
5. Promoting sustainable banking

Ours is a 170-year old institution determined to grow, thrive and contribute to nation-building for a long, long time by making the right strategic decisions. We are ready today, ready tomorrow.

The opportunity to have led this august institution, and its dedicated people, for the last eight years has been an incredible honor. For a career banker like myself, the role has also been a very special gift – one that I strove to deserve every working day, and one that I will always be grateful for."

After the President's report, the Chairman requested the Corporate Secretary to present the approval of the resolution as shown on the screen.

RESOLUTION NO. ASM-2021-02

RESOLVED, that the Annual Report of the Bank be, and is hereby noted, and the audited financial statements of the Bank as of December 31, 2020, as audited by the Bank's external auditor Isla Lipana & Co., be, and are hereby approved.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,479,735,872	2,566,787	2,467,202
% of Voting Shares Present	99.84%	0.07%	0.07%

VI. Ratification of the Acts of the Board of Directors and Officers

The next item in the agenda was the ratification and approval of all the acts of the Bank's Board of Directors and officers since the annual stockholders' meeting on April 23, 2020 until April 22, 2021.

The Corporate Secretary stated that the Board of Directors and Management seek ratification of all the acts and resolutions of the Board, Executive Committee, and other Board Committees which were adopted from April 23, 2020 to April 22, 2021. These acts and resolutions include the election of officers and members of the various Board Committees, contracts and transactions entered into by the Bank, credit/loan transactions, including to related parties, projects and investments, treasury matters, manpower related decisions/ approvals, corporate governance-related actions, and matters covered by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

Stockholders' ratification was also sought for the acts of the Bank's officers to implement the resolutions of the Board or its Committees, or made in the conduct of business.

The Corporate Secretary reported the resolution, as proposed by Management, and as approved by the stockholders based on the following voting results:

RESOLUTION NO. ASM-2021-03

RESOLVED, that the acts and resolutions, from April 23, 2020 to April 22, 2021 (the "Period"), of the Board of Directors (the "Board") and the Executive Committee and other Board committees, and the acts, during the Period, of the officers of the Bank performed pursuant to the resolutions of the Board and its committees as well as pursuant to the By-laws of the Bank, be, and are hereby approved, ratified and confirmed.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,479,183,400	308,392	5,278,069
% of Voting Shares Present	99.83%	0.01%	0.15%

VII. Election of the Board of Directors

The next item in the agenda was the election of fifteen (15) members of the Board of Directors for the ensuing year.

At the request of the Chairman, Antonio Jose U. Periquet, Chairman of the Nomination Committee, reported that in accordance with the Bank's By-Laws and Manual of Corporate Governance, and subject to compliance with applicable rules, the following stockholders were duly nominated for election as members of the Board of Directors of BPI for the year 2021-2022:

- (1) Mr. Jaime Augusto Zobel de Ayala
- (2) Mr. Fernando Zobel de Ayala
- (3) Mr. Romeo L. Bernardo
- (4) Ignacio R. Bunye
- (5) Cezar P. Consing
- (6) Ramon R. del Rosario, Jr.
- (7) Octavio V. Espiritu
- (8) Rebecca G. Fernando
- (9) Jose Teodoro K. Limcaoco

- (10) Aurelio R. Montinola III
- (11) Mercedita S. Nolleto
- (12) Antonio Jose U. Periquet
- (13) Cesar V. Purisima
- (14) Eli M. Remolona, Jr.
- (15) Maria Dolores B. Yuvienco

The Corporate Secretary then reported the results of the election. Based on the partial tabulation of votes, each of the fifteen (15) nominees for directors has garnered at least 3,285,477,213 votes. Given this, it was certified that each nominee has received enough votes for election to the Board and that the Resolution to this effect had been approved.

RESOLUTION NO. ASM-2021-04

RESOLVED, to elect the following as directors of the Bank to serve as such beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Fernando Zobel de Ayala
Romeo L. Bernardo
Ignacio R. Bunye*
Cezar P. Consing
Ramon R. del Rosario, Jr.
Octavio V. Espiritu*
Rebecca G. Fernando
Jose Teodoro K. Limcaoco
Aurelio R. Montinola III
Mercedita S. Nolleto
Antonio Jose U. Periquet*
Cesar V. Purisima*
Eli M. Remolona, Jr.*
Maria Dolores B. Yuvienco*

*Nominated as Independent Director, subject to compliance with applicable legal and regulatory requirements

The votes received by the nominees are as follows:

Directors	Voted in Favor	Voted Against	Abstained
1. Mr. Jaime Augusto Zobel de Ayala	3,358,946,454	54,101,931	71,721,476
2. Mr. Fernando Zobel de Ayala	3,285,477,663	54,122,068	145,170,130
3. Mr. Romeo L. Bernardo	3,378,426,821	57,234,835	49,108,205
4. Mr. Ignacio R. Bunye	3,474,264,228	4,230,315	6,275,318
5. Mr. Cezar P. Consing	3,421,790,936	31,031,313	31,947,612
6. Ramon R. del Rosario, Jr.	3,446,237,931	4,780,315	33,751,615
7. Mr. Octavio V. Espiritu	3,344,590,502	35,633,105	104,546,254
8. Ms. Rebecca G. Fernando	3,445,422,544	32,065,219	7,282,098
9. Mr. Jose Teodoro K. Limcaoco	3,421,930,713	54,101,931	8,737,217
10. Mr. Aurelio R. Montinola III	3,405,084,537	54,101,931	25,583,393
11. Ms. Mercedita S. Nolleto	3,445,265,681	32,222,082	7,282,098
12. Mr. Antonio Jose U. Periquet	3,323,518,493	35,415,922	125,835,446
13. Cesar V. Purisima	3,446,566,279	4,751,049	33,452,533
14. Mr. Eli M. Remolona, Jr.	3,482,977,361	-	1,792,500

Directors	Voted in Favor	Voted Against	Abstained
15. Ms. Maria Dolores B. Yuvienco	3,478,494,543	-	6,275,318

VIII. Election of External Auditors and Fixing of their Remuneration

The next item in the agenda was the election of BPI's External Auditors.

The Chairman requested Ms. Maria Dolores B. Yuvienco, Chairman of the Audit Committee, to explain the item. Ms. Yuvienco informed the stockholders that the Audit Committee evaluated the performance of the Bank's current auditor, Isla Lipana & Co., during the past year and said that the Committee is satisfied with their performance. Thus, the Audit Committee and the Board of Directors have agreed to endorse to the stockholders for their approval, the re-election of Isla Lipana & Co. as the External Auditors of BPI and its major subsidiaries and affiliates for the present fiscal year 2021 for an audit fee of Twenty One Million Ten Thousand Pesos (PHP 21,010,000.00).

The Corporate Secretary presented the resolution for the re-election of the Bank's external auditor and the voting results, as follows:

RESOLUTION NO. ASM-2021-05

RESOLVED, that the re-election of Isla Lipana & Co. as the external auditor of BPI and its major subsidiaries and affiliates for the year 2021 for an audit fee of PHP 21.01 Mn be, and is hereby, approved.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,475,655,290	7,301,133	1,813,438
% of Voting Shares Present	99.72%	0.21%	0.05%

IX. Merger of BFSB into BPI, Increase in Authorized Capital Stock and Amendment of Article VII of the Bank's Articles of Incorporation

The next item in the agenda was the approval of the merger of BPI Family Savings Bank, Inc. into Bank of the Philippine Islands.

The Corporate Secretary stated that proposed for approval by the shareholders is the merger between the Bank and BPI Family Savings Bank, Inc., in accordance with the terms and conditions in the Plan of Merger. The merger was approved by the respective Board of Directors of BPI and BPI Family on January 20, 2021, and the Plan of Merger subsequently approved on February 24, 2021. BPI Family shall merge with and into BPI, with BPI as the surviving corporation of the merger. The proposed merger transaction will help realize the following objectives: (1) rationalization of the branch network in light of ongoing digitalization, (2) alignment with BPI group strategy, and (3) improved operational efficiency.

The Corporate Secretary then presented the resolution, as proposed by management, and based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

RESOLUTION NO. ASM-2021-06

RESOLVED, that the merger between the Bank and BPI Family Savings Bank, Inc. ("BFSBI") in accordance with the terms and

conditions set forth in the Plan of Merger be approved, and for this purpose, the Bank's President and/or the Bank's Chief Finance Officer be, as they are hereby, authorized and empowered to do any and all acts, for and on behalf of the Bank for the purpose of implementing the aforementioned merger, upon such terms and conditions as they may deem beneficial to the Bank; and in connection with the foregoing: (a) to sign, execute, and deliver the aforementioned Plan of Merger and such other related documents, agreements and instruments, including but not limited to the Articles of Merger; (b) to act for and on behalf of the Bank, and designate such persons who will represent and act for and on behalf of the Bank, before the Securities and Exchange Commission (the "SEC"), the Bureau of Internal Revenue (the "BIR"), the Bangko Sentral ng Pilipinas (the "BSP"), Philippine Deposit Insurance Corporation ("PDIC"), the Philippine Competition Commission ("PCC"), the Philippine Stock Exchange ("PSE") and any other relevant regulatory agencies; and (c) to perform such other duties as may be incidental or related to the foregoing.

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,482,168,596	140	2,601,125
% of Voting Shares Present	99.91%	0.00%	0.07%
% of Total Outstanding Shares	77.16%	0.00%	0.06%

The next item for approval was the increase in authorized capital stock, in relation to the proposed merger, and corresponding amendment of the Bank's Articles of Incorporation.

The Corporate Secretary explained that in relation to the proposed merger of BPI Family Savings Bank to the Bank, it is proposed to increase the Bank's authorized capital stock, particularly the common stock, by 100 million shares, or from the current level of 4.9 billion shares to 5 billion shares, with a par value of Ten Pesos (P10.00) per share, and the amendment of Article Seventh of the Bank's Amended Articles of Incorporation to reflect the foregoing increase in authorized capital stock. The additional common shares will be subject to the same rights and privileges as the existing common shares. In accordance with the provisions of the Revised Corporation Code, there will be no pre-emptive rights for the common shares to be issued pursuant to the merger with BPI Family Savings Bank. Such shares will remain as treasury shares until such time as they are re-issued.

The Corporate Secretary reported the resolution, as proposed by Management, and as approved by the stockholders based on the following voting results:

RESOLUTION NO. ASM-2021-07

RESOLVED, that the Bank increase its authorized capital stock by One Billion Pesos (P1,000,000,000.00) by: (i) increasing the authorized Common Stock of the Bank from Forty Nine Billion Pesos (P49,000,000,000.00) divided into Four Billion Nine Hundred Million (4,900,000,000) Common Shares at Ten Pesos (P10.00) per share to Fifty Billion Pesos (P50,000,000,000.00) divided into Five Billion (5,000,000,000) Common Shares at Ten Pesos (P10.00) per share; and (ii) maintaining the authorized Preferred Stock of the Bank at Six Hundred Million Pesos (P600,000,000.00) divided into Sixty Million (60,000,000) Preferred "A" Shares at Ten Pesos (P10.00) per share;

RESOLVED, FURTHER, that Article SEVENTH of the Bank's Amended Articles of Incorporation be amended to read as follows:

FROM:

"SEVENTH. - That the Capital Stock of the Corporation is Forty Nine Billion Six Hundred Million Pesos (P49,600,000,000.00) divided into:

- *Common Stock consisting of Four Billion Nine Hundred Million (4,900,000,000) shares with a par value of Ten Pesos (P10.00) per share, not more than one and one half percent (1 ½%) of which is set aside for an Executive Stock Option Plan and another one and one half percent (1 ½%) for a Stock Purchase Plan for Employees and Officers of BPI and its Subsidiaries, over which shares the stockholders shall have no pre-emptive rights; and*
- *Preferred Stock consisting of Sixty Million (P60,000,000) Preferred "A" shares with a par value of Ten Pesos (P10.00) per share.*

Xxx."

TO:

"SEVENTH. - That the Capital Stock of the Corporation is Fifty Billion Six Hundred Million Pesos (P50,600,000,000.00) divided into:

- *Common Stock consisting of Five Billion (5,000,000,000) shares with a par value of Ten Pesos (P10.00) per share, not more than one and one half percent (1 ½%) of which is set aside for an Executive Stock Option Plan and another one and one half percent (1 ½%) for a Stock Purchase Plan for Employees and Officers of BPI and its Subsidiaries, over which shares the stockholders shall have no pre-emptive rights; and*
- *Preferred Stock consisting of Sixty Million (60,000,000) Preferred "A" shares with a par value of Ten Pesos (P10.00) per share.*

Xxx."

	Voted in Favor	Voted Against	Abstained
Number of Voted Shares	3,153,734,957	140	331,034,764
% of Voting Shares Present	90.49%	0.00%	9.50%
% of Total Outstanding Shares	69.88%	0.00%	7.33%

The Corporate Secretary further stated that with stockholders representing at least two-thirds of the total outstanding shares having voted for the said merger, the increase in authorized capital stock and corresponding amendment to the Bank's Articles of Incorporation, the Resolutions have been approved.

X. **Consideration of Such Other Business as May Properly Come Before the Meeting**

After confirming with the Corporate Secretary that there were no other matters that require consideration by the stockholders, the Chairman requested Ms. Lukban, the Head of Corporate Strategy, Investor Relations and Sustainability to read aloud the questions and comments together with the names of the stockholders who sent them.

Ms. Eliza May Taco, a stockholder, mentioned that COVID-19 has changed the business landscape for everyone. She then asked if COVID-19 has changed the strategy of the Bank. Mr. Consing replied that COVID-19 has reinforced the Bank's digitalization initiatives. He recognized the importance to double down on digitalization and that this will move from payments/remittances to higher value products like loans. With digitalization, our branches will become more advisory/sales centers, although they will maintain their service capabilities. And obviously COVID-19 has made banks change their work arrangements – work from home or work from anywhere is now a feature of our strategy.

Mr. Jose Victor Montenegro, a stockholder, asked what the rationale is behind the BPI and BPI Family Savings Bank (BFSB) merger. He also asked what benefits can be expected from this, why only now, and is BPI Direct Banko included in the merger. Mr. Consing replied that in view of the merger, customers will be able to transact in more branches; each branch will be able to offer full suite of products/services. Employees will have more job options and career opportunities – job rotations, cross-postings. Shareholders will see the benefit of added value. Significant revenue and cost synergies produced by having unified channels – both physical and digital – and a completely unified workforce. On timing, Mr. Consing explained that now is where they have seen a reduction in the reserve requirement differential between commercial banks and thrift banks. And at this point, the digitalization platform is held by having a common platform across all BPI banks. And to the last point, whether this will include BPI Direct Banko, Mr. Consing responded that Banko will not be included and will remain a separate entity.

Mr. Jericho Dee, a stockholder, inquired on the role of banks in the country's economic recovery. The Chairman replied that financial institutions, including BPI, have been part and parcel on the development cycle of any country and certainly the Philippines, where BPI has played a major role for 170 years. As GDP grows, banks are a key component of that process. Bank lending will spur growth and be part and parcel of growth when the economy springs like it has. Banks will always be a key growth component of any economic model and certainly the Philippines. BPI has participated in infrastructure lending and has been very involved in the sustainability initiatives (green energy), SMEs, microfinance, and household financing (mortgage, auto, credit cards). He said that these are all part and parcel of an economy that grows. The Chairman concluded that the Bank will be part and parcel of the country's economic recovery and will play these various roles, including many others – investment bank, asset management and hoped that those GNP and GDP numbers come back to where they were before.

Ms. Lady Janelle Monsanto asked what the Bank's commitments are or immediate initiatives in addressing Sustainability. She also asked if BPI will still finance new coal plants in the Philippines. Mr. Consing stated that at the outset, in terms of ESG ratings, BPI is among the top rated banks in the country. BPI contributes initiatives to 14 of the 17 UN Sustainable Development Goals, ranging from No Poverty to Gender Equality to Climate Action. In 2020, BPI has set up a Sustainability Office and updated its Sustainability Strategy, with a focus on Responsible Banking and Responsible Operations. This year, each of the Bank's businesses has ESG targets, and the achievement of these targets will be integrated into the performance appraisal process. As for coal financing, Mr. Consing said that it is the Bank's intent to achieve "zero coal" in line with the Paris Agreement target of 2037 for non-OECD Asia. He added that they believe that they will be able to half the amount of the Bank's outstanding coal loans by the end of 2026.

Mr. Ishmael Sam Canua, a stockholder, mentioned that the central bank governor pushes to certify the amendment of Bank Secrecy Law as urgent and also the amendments of PDIC charter to raise the deposit insurance from P500K to P1Mn. Also, there are some proposals to amend the economic provisions in the 1987 constitution, including the 60/40 equity (foreign ownership). There are some bills that have already passed into law, the CREATE and FIST Laws. He asked, "What is the response of the bank to these amendments and proposals?" On the Bank Secrecy Law, Mr. Consing said that the Bank is completely supportive of this, the amendment will put the Bank in line with international standards, and will make it less of a target for money laundering. On amendments to PDIC, the Bank is supportive with it falling under the ambit of the BSP. However, he said that what they are studying now is if it makes sense to increase the insurance limit from half a million to a million pesos, as 97% of all bank depositors are already fully insured under the current limit. On the 60/40 equity, Mr. Consing said that this is constitutional and for some industries, this makes a lot of sense. As for the CREATE law, this is GDP positive, it is expansionary and the Bank is also supportive of that. As for the FIST law, Mr. Consing said that this will make it easier for banks to transfer non-performing assets to third parties, which they think will be good for the banking system, it will free up capital, and create impetus for more lending.

XI. **Adjournment**

The Chairman, on behalf of BPI's Board of Directors, expressed immense gratitude to Mr. Xavier P. Loinaz, who for health reasons stepped down from the board in October of last year:

"Xavier was President and CEO of BPI for 22 years, from 1982-2004. He guided the bank throughout some of the most tumultuous times in Philippine history, book-ended by the country's debt crisis in the early 1980s and the Asian Financial crisis in the late 1990s. Despite the difficult external environment, Xavier's leadership tenure was marked by innovation and growth. BPI introduced ATMs in the early 1980s, the first Philippine bank to do so, and launched internet banking in 1999. Xavier also presided over some of the most significant acquisitions undertaken by BPI, including Family Bank in the mid-80s, Citytrust in the mid-90s and Far East Bank at the turn of the century. These acquisitions solidified BPI's leadership position in the banking industry. On a related note, Xavier's acquisition of life and property and casualty insurance companies marked the beginning of bancassurance in the Philippines.

Xavier left a legacy of steady and disciplined approach to the management of risks. This approach has continued to serve the bank well.

After Xavier retired as CEO, he continued to serve the bank as a Board Director, most recently as Chair of our Audit Committee. Xavier served on BPI's board for 40 years.

Xavier was instrumental in the creation of the modern BPI. We thank him for his vision, passion and leadership and wish him the very best."

There being no other comments or questions from the stockholders and no other matters to discuss, the meeting was adjourned. The Chairman reminded that stockholders may raise any issues, clarifications, and concerns regarding the conduct of the meeting by sending an email to bpi-asm@bpi.com.ph.

The Chairman again thanked everyone who joined the meeting.

PREPARED BY:

ATTESTED BY:

ANGELA B. MARAMAG
Corporate Secretary and Secretary
of the Meeting

JAIME AUGUSTO ZOBEL DE AYALA
Chairman of the Board and Chairman
of the Meeting

ANNEX A				
Attendance of Stockholders				
	Stockholder	Type of Shares	No. of Shares	Appointee/Beneficial Owner
1	DEUTSCHE BANK AG MANILA BRANCH		272,059,076	Chairman of the Meeting
2	HSBC10 ACCOUNT - MNL CNC NOM 21/0296		208,168,375	Chairman of the Meeting
3	HSBC20 ACCOUNT - MNL CNC NOM 21/0297		27,906,704	Chairman of the Meeting
4	STANDARD CHARTERED BANK		64,590,076	Chairman of the Meeting
5	CITIBANK, N.A. MANILA		175,634,922	Chairman of the Meeting
6	AYALA CORPORATION		1,000,261,934	Chairman of the Meeting
7	MICHIGAN HOLDINGS, INC.		92,684,989	Chairman of the Meeting
8	AC INTERNATIONAL FINANCE, LTD.		390,269,162	Chairman of the Meeting
9	LIONTIDE HOLDINGS, INC.		904,194,682	Chairman of the Meeting
10	ROMAN CATHOLIC ARCHBISHOP OF MANILA		328,433,639	Chairman of the Meeting
11	BPI-ESPP 2019		5,758,830	Chairman of the Meeting
12	BPI-ESPP 2018		3,985,340	Chairman of the Meeting
13	BPI-ESPP 2017		3,096,100	Chairman of the Meeting
14	BPI-ESPP 2016		1,715,090	Chairman of the Meeting
15	BPI-ESPP 2015		348,389	Chairman of the Meeting
16	BPI-ESPP 2014		68,150	Chairman of the Meeting
17	BPI-ESPP 2013		40,022	Chairman of the Meeting
18	BPI STOCK PURCHASE PLAN 2001		29,238	Chairman of the Meeting
19	BPI EMPLOYEES SPP 1997		14,386	Chairman of the Meeting
20	BPI GROUP OF COMPANIES RET. FUND		4,174,243	Chairman of the Meeting
21	GARROBO, ALICE VERGARA		52	Chairman of the Meeting
22	REYES, ANGELICA RODRIGUEZ		922	Chairman of the Meeting
23	VICTOR H. BOCALING		199,272	Chairman of the Meeting
24	EDGARDO I. BERNARDO		673	Chairman of the Meeting
25	ELI C. CAPAPAS		268	Chairman of the Meeting
26	MA. CRISTINA CARMINA B. GREGORIO		700	Chairman of the Meeting
	Sub-Total (Proxy)		3,483,635,234	
27	BPI SECURITIES CORPORATION		140	Alvin V. David
28	COL FINANCIAL GROUP, INC.		10	ANTHONY GILBERT L. ANTIQUIERA
29	DANIEL GABRIEL M. MONTECILLO		10	-
30	FIRST METRO SECURITIES BROKERAGE CORP.		180	Anna Dominique AD. Cudia
31	FIRST METRO SECURITIES BROKERAGE CORP.		1	Ishmael Sam D. Canua
32	SOLOMON HERMOSURA		109	-
33	BERNARDO, ROMEO LOPEZ		12	
34	BUNYE, IGNACIO RIVERA		10	
35	CONSING, CEZAR PERALTA		172	
36	DEL ROSARIO, RAMON R.		2,287	
37	ESPIRITU, OCTAVIO VICTOR REYES		1,062,453	
38	FERNANDO, REBECCA GUANCO		18	
39	LIMCAOCO, JOSE TEODORO KATIGBAK		10	
40	MONTINOLA, AURELIO III REYES		49,520	
41	NOLLEDO, MERCEDITA SANTIAGO		120	
42	PERIQUET, ANTONIO JOSE UY		10	
43	PURISIMA, CESAR V.		10	
44	REMOLONA, ELI M. JR.		10	

ANNEX A				
Attendance of Stockholders				
	Stockholder	Type of Shares	No. of Shares	Appointee/Beneficial Owner
45	YUVIENCO, DOLORES BORDADOR		110	
46	ZOBEL DE AYALA, JAIME AUGUSTO		283	
47	ZOBEL DE AYALA, FERNANDO		120	
48	JAVIER, MARIA THERESA MARCIAL		19,022	
49	JOCSON, RAMON LOCSIN		10	
	Sub-Total (Present/Voted in Person)		1,134,627	
50	ASIS, MA. CRISTINA		6,404	
51	GARCIA, MARIA PAZ		5,520	
52	GALVEZ, MARWIN		1,656	
53	SANTAMARIA, MARY CATHERINE ELIZABETH		5,520	
54	GAYARES, MARITA SOCORRO		5,520	
55	MARQUEZ, PILAR BERNADETTE		12,000	
56	AMY BELEN R. DIO		25,184	
57	MARIE ANTOINETTE SALES CORTEZ		3,033	
58	BERNADETTE BATAO OCAMPO		1,500	
59	CARLO CARMELO S GATUSLAO		27	
60	CARMENCITA BILOG GOZAR		12,132	
61	CATHERINE Y. FERANIL		3,312	
62	CRISTINA JAVELLANA SY		537	
63	ELISA MITRA SILVA		23,663	
64	ERICSON H. BARROQUILLO		20	
65	IRENE G. ANG		268	
66	JANETTE BAGASAO TAGUBA		4,756	
67	JO ANN BUENO EALA		17,275	
68	JOSE BENJAMIN AUGUSTO P. AQUINO JR.		1,656	
69	JOSEPHINE B. FERRER		22,462	
70	LOURDES SUZANNE SEBASTIAN CAMPOS		3,312	
71	LUIS ANTONIO P. ZIALCITA		172	
72	MA CRISTINA L. SAN DIEGO		10,670	
73	MARI MARGARET Z. CATALAN		1,550	
74	MA CRISTINA ABELLA BASILIO		3,312	
75	MARIA ANA M. LUNA		9,444	
76	MARIA TERESA ANNA K. LIM		10,155	
77	MARIBETH G. SEGUI		4,812	
78	MARY JANE YOUNG LAQUINDANUM		7,761	
79	MAYA B. SAMPANG		1,550	
80	MYRA LIZA D. CATINDIG		2,254	
81	RHODA A. SORIANO		1,656	
82	RHODORA ADELAIDA C. PAGULAYAN		7,487	
83	KRISTINE JOY V. SANTOYO		750	
84	ANNA CHRISTINA U. DEL FIERRO		3,732	
85	VILMA LORENZO ROXAS		4,085	
86	ADELBERT A. LEGASTO		113,797	
87	ANGEL E. SANTOS		5,221	
88	ARTEMIO V. PANGANIBAN		11	
89	CESAR A. TEJADA		8	
90	GERARDO C. ABLAZA JR		193	
91	OSCAR S. REYES		1,076	
92	SIMON ROCES PATERNO		10	
93	ARLENE D. MERCADO		1,656	

ANNEX A				
Attendance of Stockholders				
	Stockholder	Type of Shares	No. of Shares	Appointee/Beneficial Owner
94	CARLA JASMIN S. GAMBOA		220	
95	CHRISTINE MARIE R. TOLEDO		450	
96	MA. DANA PATRICIA P. SOLIDUM		250	
97	EDGAR CUBACUB HASEGAWA		1,356	
98	ELVIRA V. MAYO		40,319	
99	FREIDA LISA B. PESTIO		1,336	
100	GRACE PACITA ALIGA SAULOG		11,642	
101	JONATHAN VALBUENA TRINIDAD		1,656	
102	JULIUS J. SANVICTORES		30	
103	LEONCIO A. SONG JR.		1,500	
104	MARIA ISABEL RAMOS PEREY		932	
105	MA. LUISA L. CRUZ		25,150	
106	MA. CARMINA A. YMSON		220	
107	MA. KATHLEEN S. AQUINO		950	
108	MARIA ANGELIQUE M. RUALO		570	
109	MA. CRISTINA G. LIWANAG		20	
110	MARIA CRISTINA REYES PENARANDA		990	
111	MARIA EMELIE R. MASCARINAS		3,100	
112	MARIBETH A. RAYMUNDO		1,659	
113	MARK CHAN YANG		7,991	
114	MICHAEL D. CALLEJA		37,829	
115	MICHELLE EDNA M. CASTILLO		1,628	
116	MONA CHU TANLIM		1,036	
117	PAULO R. ESMAQUEL		70	
118	JOHN CHRISTOPHER V. CLAVESILLAS		220	
119	VALERIE MARY ANNE C. ABLAN		958	
120	VIVIAN QUE AZCONA		10	
121	VIVIAN DOMINGO MONTES		1,656	
	Sub-Total (Remote Communication)		490,867	
	Total		3,485,260,728	