

ARTICLES OF MERGER

Pursuant to Section 77 of Republic Act No. 11232, otherwise known as the Revised Corporation Code (the "Corporation Code"), this Articles of Merger is executed and entered into, this April 28, 2021, at Makati City, by and between:

BANK OF THE PHILIPPINE ISLANDS, a universal banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at BPI Building, 6768 Ayala Avenue, corner Paseo de Roxas, Barangay San Lorenzo, Makati City, represented herein by its President, Jose Teodoro K. Limcaoco (hereinafter "**BPI**")

And

BPI FAMILY SAVINGS BANK, INC. a thrift banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at BPI Family Bank Center, 109 Paseo de Roxas Avenue corner Dela Rosa St., Makati City, represented herein by its President, Maria Cristina L. Go (hereinafter "**BFSBI**")

(The above parties are hereinafter referred to singly as a "**Party**" and collectively as the "**Parties**").

NOW THEREFORE, the parties have mutually agreed to the following Articles of Merger:

1. The merger of BPI and BFSBI, with BPI as the surviving corporation, shall be pursuant to the Plan of Merger, attached hereto as Annex "A", dated March 23, 2021, approved by the majority vote of each of the board of directors of BPI and BFSBI at the meetings duly called for the purpose both held on February 24, 2021. The copies of the respective Secretary's Certificates of BPI and BFSBI are attached hereto as Annexes "B-1" and "B-2".
2. As of April 22, 2021, the respective authorized capital stock, total number of outstanding and issued shares, the par value of each share and the total paid-up capital for BPI and BFSBI are as follows:

BPI

	Number of Shares	Par Value in Philippine Pesos (Php)	Amount in Philippine Pesos (Php) (at Php10.00 par value per share)
Authorized Capital Stock	Common Shares: 4,900,000,000	10.00	49,000,000,000.00
	Preferred A: 60,000,000		600,000,000.00
Outstanding	Common Shares:	10.00	45,131,032,610.00

	Number of Shares	Par Value in Philippine Pesos (Php)	Amount in Philippine Pesos (Php) (at Php10.00 par value per share)
Capital Stock	4,513,103,261		
Total Paid-Up Capital	Common Shares: 4,505,366,338	10.00	45,053,663,378.84*

**Paid-up shares include those subscribed under the (a) employee stock purchase plan, where payment for subscription is made on an installment basis within a prescribed period; and (b) employee stock option plan, where shares are issued only upon exercise, based on the rules of the program.*

BFSBI

	Number of Shares	Par Value in Philippine Pesos (Php)	Amount in Philippine Pesos (Php) (at Php100.00 par value per share)
Authorized Capital Stock	Common Shares: 20,000,000	100.00	2,000,000,000.00
Subscribed Capital Stock	Common Shares: 10,000,000	100.00	1,000,000,000.00
Paid-Up Capital	Common Shares: 10,000,000	100.00	1,000,000,000.00

3. At the annual meeting of the stockholders of BPI held on April 22, 2021 via teleconferencing/through remote communication, at which quorum was present and acting throughout, the stockholders owning and/or representing at least two-thirds (2/3) of the total outstanding capital stock of BPI voted and approved the Plan of Merger, and stockholders of BPI present at such meeting representing 140 shares voted against it. The copies of the Minutes of the Annual Stockholders' Meeting and Secretary's Certificate are attached hereto as Annexes "C-1" and "B-1".
4. At the special meeting of the stockholders of BFSBI held on April 21, 2021 at Makati City/via teleconferencing/through remote communication, at which quorum was present and acting throughout, the stockholders owning and/or representing at least two-thirds (2/3) of the total outstanding capital stock of BFSBI voted and approved the Plan of Merger, and no stockholder of BFSBI present at such meeting voted against it. The copies of the Minutes of the Special Stockholders' Meeting and Secretary's Certificate are attached hereto as Annexes "C-2" and "B-2".
5. The respective stockholders of BPI and BFSBI, at their separate Stockholders' Meeting as stated above, authorized their respective Presidents to sign, execute and deliver this Articles of Merger and the Plan of Merger. They likewise authorized their respective Corporate Secretaries to certify this Articles of Merger.
6. The carrying amounts and fair values of the assets and liabilities of BPI and BFSBI as of 31 December 2020 is attached herein as Annex "D".

7. The method to be used in the merger of accounts of BPI and BFSBI is the pooling of interests method.
8. The provisional or pro forma values of BPI and BFSBI as merged using the pooling of interests method is attached herein as Annex "E".

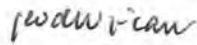
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IN WITNESS WHEREOF, the duly authorized representatives of BPI and BFSBI have executed the foregoing Articles of Merger this April 28 (Wednesday), 2021 at Makati City.

BANK OF THE PHILIPPINE ISLANDS

BPI FAMILY SAVINGS BANK, INC.

By:



JOSE TEODORO K. LIMCAOCO
President

By:



MARIA CRISTINA L. GO
President

Certified Correct by:

BANK OF THE PHILIPPINE ISLANDS

BPI FAMILY SAVINGS BANK, INC.

By:



ANGELA PILAR B. MARAMAG
Corporate Secretary

By:



ANGELA PILAR B. MARAMAG
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

1 APR 29 2021

BEFORE ME, a Notary Public for and in the City of Makati City, this ___ day of ___ 2021,
personally appeared:

Affiant	Competent Evidence of Identity	
	Type of ID	ID Number and Expiry Date (if applicable)
BANK OF THE PHILIPPINE ISLANDS	1	
	2	
By Jose Teodoro K. Limcaoco	1	
	2	
BPI Family Savings Bank, Inc.	1	
	2	
By Maria Cristina L. Go	1	
	2	
Angela Pilar B. Maramag	1	
	2	

who represented to me that they executed the foregoing Articles of Merger for the purposes
stated therein and acknowledged to me that the same is their free and voluntary act and deed
and of the corporations they represent.

WITNESS MY HAND AND SEAL on the date and place first herein above stated.

Doc. No. 373;
Page No. 76;
Book No. 137;
Series of 2021.

NOTARY PUBLIC

FELIPE I. LEDAN JR.
Notary Public for and in Makati City
Until Dec. 31, 2022, Appt. No. M-09
Roll No. 27625, TIN 136897808
Rm. 412, 4th Flr. VGP Center, Ayala, Makati City
2021 PTR No. Mla 9792919, 15/7/2020
IBP No. 119432, 06/17/2020
MCLE Compliance No. VI-0012050

ANNEXES

- A Plan of Merger**
- B-1 Secretary's Certificate on the BPI Board of Directors and
Stockholders' Approval of the Merger**
- B-2 Secretary's Certificate on the BFSBI Board of Directors and
Stockholders' Approval of the Merger**
- C-1 Minutes of the Annual Stockholders Meeting for BPI**
- C-2 Minutes of the Special Stockholders Meeting for BFSBI**
- D Carrying Amounts and Fair Values of the Assets and
Liabilities of BPI and BFSBI as of 31 December 2020**
- E Provisional or Pro Forma values of BPI and BFSBI, as
merged, using the Pooling of Interests Method**

ANNEX A
Plan of Merger

PLAN OF MERGER

This Plan of Merger (the “**Plan**”) is executed this 23rd of March 2021, at Makati City, to be implemented by and between:

BANK OF THE PHILIPPINE ISLANDS, a universal banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at 15/F Tower One, Ayala North Exchange, 6796 Ayala Ave. corner Salcedo St., Legaspi Village, Makati City, represented herein by its President, Cezar P. Consing (hereinafter “**BPI**”)

And

BPI FAMILY SAVINGS BANK, INC. a thrift banking corporation duly organized and validly existing by virtue of the laws of the Republic of the Philippines, with principal office address at BPI Family Savings Bank Center, Paseo de Roxas corner Dela Rosa St., Makati City, represented herein by its President, Maria Cristina L. Go (hereinafter “**BFSBI**”)

(The above parties are hereinafter referred to singly as a “**Party**” and collectively as the “**Parties**”).

WITNESSETH: That –

WHEREAS, the respective Boards of Directors of the Parties deemed it prudent and in the best interests of each bank and its respective stockholders that BPI and BFSBI engage in a business combination in order to advance their long-term strategic business interests;

WHEREAS, the respective Boards of Directors of the Parties have determined that the business combination of BPI and BFSBI shall be effected through a merger, which merger (the “**Merger**”) is in furtherance of and consistent with their respective business strategies and is in the best interest of their respective stockholders;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties have mutually agreed and hereby agree to accomplish the Merger as follows:

ARTICLE I **MERGER OF THE PARTIES**

1. Subject to the terms and conditions of this Plan of Merger and on the Effective Date (as hereinafter defined), the Parties agree to merge in accordance with Sections 75 to 79 of the Revised Corporation Code and Section 40(C)(2) of the Tax Code, with BPI as the surviving corporation and BFSBI as the absorbed corporation.
2. The Merger shall become effective upon the later of: (a) the issuance by the Securities and Exchange Commission (the “**SEC**”) of a Certificate of Merger or (b) 01 January 2022, subject to compliance with Article I, Section 4 of this Plan of Merger.



3. At and after the Effective Date, all of the legal consequences set forth in Section 79 of the Revised Corporation Code and those provided in this Plan, shall take effect with respect to the merger, including the following:
 - (a) BPI and BFSBI shall become a single corporation, with BPI as the surviving corporation. The separate corporate personality of BFSBI shall cease to exist;
 - (b) BPI shall continue to possess all its rights, privileges, attributes, immunities, franchises, and powers and shall continue to be subject to all its duties and liabilities, as those existing immediately prior to the merger;
 - (c) All the rights, privileges, immunities, franchises, and powers of BFSBI shall be deemed transferred to and possessed by BPI, in addition to those originally belonging to BPI;
 - (d) All the assets and properties of BFSBI, real or personal, tangible or intangible, and all receivables due on whatever account, including subscription to shares and choses in action, and all and every other interest of, belonging to, or due to BFSBI shall be deemed transferred to BPI without further act or deed; and
 - (e) All liabilities and obligations of BFSBI as of the Effective Date shall be transferred to and become the liabilities and obligations of BPI in the same manner as if BPI has itself incurred such liabilities and obligations, and in order that the rights and interest of creditors of BFSBI or liens upon the property of BFSBI shall not be impaired by the merger.
4. The effectivity of this Plan shall be subject to the approval of the Bangko Sentral ng Pilipinas (the "BSP"), the SEC, and the Philippine Deposit Insurance Corporation.
5. The Parties may file an application with the Bureau of Internal Revenue for the issuance of a ruling that the Merger qualifies as a tax-free merger under Section 40(C)(2) of the National Internal Revenue Code of 1997, as amended.

ARTICLE II

EXCHANGE OF SHARES

1. As of the Effective Date, BFSBI shall transfer all its assets and liabilities to BPI to implement an ordinary merger treated as such under Title IX of the Revised Corporation Code and Section 40(c)(2) in relation to Sec. 40(C)(6)(b) of the National Internal Revenue Code. BPI shall issue common shares as determined under Clause 2 hereof in exchange for such assets and liabilities of BFSBI.
2. The procedure for determining the number of BPI common shares that will be issued pursuant to the merger shall be as follows:
 - (a) The number of BPI common shares that will be issued pursuant to the Merger shall be determined using the Net Asset Value ("NAV") of BFSBI as of 31 December 2020 as reflected in its Audited Financial Statements and BPI's share price as of 29 December 2020 as follows:



$$\text{BPI Shares to be issued} = \frac{\text{BFSBI NAV as of 31 December 2020}}{\text{BPI Share Price as of 29 December 2020 (Php81.35)}}$$

- (b) Any fractional shares resulting from the application of the formula provided in Article II, Section 2(a) above shall be disregarded and rounded down to the nearest whole number of BPI common shares.
- 3. The investment in subsidiary account will accordingly be cancelled, and treasury account will be recognized for the newly issued BPI common shares.
- 4. Any excess in the value of the net assets of BFSBI acquired by BPI over the par value of the BPI common shares issued in accordance with Article II, Section 2 above shall be treated as additional paid-in capital in the books of BPI after the merger.
- 5. The results of operations and any change in the assets and liabilities of BFSBI from 01 January 2021 shall not affect the determination of the number of BPI common shares that will be issued pursuant to the merger, and adjustments shall not be made in the NAV per share and share price after 31 December 2020. Any net income earned by BFSBI from 1 January 2021 until the Effective Date shall be declared and paid as dividends to BPI and any net loss incurred by BFSBI during the same period shall be absorbed and for the account of BPI.

ARTICLE III

UNDERTAKINGS AND ADDITIONAL AGREEMENTS

- 1. BPI shall, simultaneous with the filing of the application for Merger, cause the amendment of its Articles of Incorporation, for purposes of increasing its authorized capital stock to ensure that it has sufficient unissued capital stock to cover the common shares that BPI will issue pursuant to Article II hereof.
- 2. The Parties hereby undertake to:
 - (a) Secure the conformity and approval of this Plan of Merger by their respective stockholders representing at least two-thirds (2/3) of their respective outstanding capital stock at their respective stockholders' meetings called for such purpose.
 - (b) Obtain any and all required consents, approvals, or waivers of other parties, including their respective creditors, to the Plan of Merger.
 - (c) Jointly exert their best efforts to secure the approval of the Merger and its related transactions from the government authorities as provided for in Article I, Section 4 hereof.
- 3. Prior to the Effective Date, the Parties shall conduct their respective businesses in substantially the same manner as previously conducted and shall continue to preserve said businesses as a going concern. However, each of BPI and BFSBI shall give each other immediate notice of any claim, event or transaction which could or does

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materially and adversely affect their respective businesses, properties or financial condition.

4. The Amended Articles of Incorporation and By-Laws of BPI approved as of the Effective Date shall continue to be the Articles and By-Laws of BPI until thereafter changed or amended in accordance with law.
5. The directors of BPI as of the Effective Date shall continue to be the directors of BPI, each to hold office in accordance with the Articles of Incorporation and By-Laws of BPI and applicable law, and until their respective successors are duly elected and qualified.
6. The Parties shall execute and deliver, or cause to be executed and delivered, all deeds and other instruments and shall take, or cause to be taken, all such other and further acts desirable in order to fully carry out the intent and purposes of this Plan of Merger.
7. Unless otherwise required by law or regulation or as may be agreed upon by the parties, each of the Parties will use its best efforts to keep confidential any information obtained from the other party, and in the event the Merger is abandoned or not consummated, BPI and BFSBI shall return all documents and other written information and materials obtained in connection herewith.
8. All fees, costs and expenses relating to the merger shall be borne by BPI.

ARTICLE IV **SPECIAL PROVISIONS**

1. This Plan of Merger has been approved by the respective Boards of Directors of the Parties and shall be submitted to their respective stockholders for approval in accordance with law and the respective By-Laws of BPI and BFSBI; provided, that the approval of this Plan of Merger by the stockholders of both Parties shall constitute an authorization to their respective Board of Directors by majority vote to correct typographical errors or clerical omissions in the Plan of Merger for the sole purpose of accurately reflecting the terms and conditions of the Plan of Merger as actually approved by the said stockholders.
2. As soon as practicable after the Effective Date, BPI shall take such steps or measures as it may deem necessary or advisable to substitute itself in all suits and proceedings where BFSBI is a party and to substitute its name for BFSBI in all titles and registers.
3. As soon as practicable after the approval of this Plan of Merger by the required votes of stockholders of BPI and BFSBI during their respective stockholders' meetings called for the purpose, BPI shall apply for and avail itself of the merger incentives or other similar incentives granted by the BSP and other government agencies, as may be applicable or allowed under existing law, rules and regulations.
4. Upon approval of this Plan of Merger by the required number of stockholders from both Parties during their respective stockholders' meetings called for the purpose, the attached Articles of Merger marked as Annex "A" hereof and made as an integral part

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of this Plan of Merger shall be executed by BPI and BFSBI, to be signed by the President and certified by the Corporate Secretary of each of BPI and BFSBI setting forth this Plan of Merger, the number of shares outstanding of BPI and BFSBI, and the number of shares voting for and against this Plan of Merger, respectively.

5. In the event that the Merger is not consummated for whatsoever reason, each of BPI and BFSBI, their respective stockholders, directors and agents, successors and assigns shall hold each other free and harmless from any and all liabilities and damages arising from or incurred by reason of the non-consummation of the Merger.

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IN WITNESS WHEREOF, the duly authorized representatives of BPI and BFSBI have executed the foregoing Plan of Merger this 23rd March 2021 at Makati City.

BANK OF THE PHILIPPINE ISLANDS BPI FAMILY SAVINGS BANK, INC.

By:


CEZAR P. CONSING
President

By:


MARIA CRISTINA L. GO
President

Certified Correct by:

BANK OF THE PHILIPPINE ISLANDS BPI FAMILY SAVINGS BANK, INC.

By:


ANGELA PILAR B. MARAMAG
Corporate Secretary

By:


ANGELA PILAR B. MARAMAG
Corporate Secretary

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

MAR 23 2021

BEFORE ME, a Notary Public for and in the City of Makati City, this ____ day of ____ 2021,
personally appeared:

Affiant	Competent Evidence of Identity	
	Type of ID	ID Number and Expiry Date (if applicable)
BANK OF THE PHILIPPINE ISLANDS By Cezar P. Consing		
BPI Family Savings Bank, Inc. By Maria Cristina L. Go		
Angela Pilar B. Maramag		

who represented to me that they executed the foregoing Articles of Merger for the purposes stated therein and acknowledged to me that the same is their free and voluntary act and deed and of the corporations they represent.

WITNESS MY HAND AND SEAL on the date and place first herein above stated.

Doc. No. 73 ;
Page No. 16 ;
Book No. 12 ;
Series of 2021.

ATTY GERVASIO B. ORTIZ JR.
Notary Public, City of Makati
Extended until June 30, 2021
NOTARY PUBLIC
Per B.M. No. 3795
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-183-(2019-2020)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg,
Brgy. Pio del Pilar, Makati City

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ANNEX B-1
**Secretary's Certificate on the BPI Board of Directors and Stockholders' Approval of
the Merger**

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI

) S.S.

SECRETARY'S CERTIFICATE

I, ANGELA PILAR B. MARAMAG, of legal age, Filipino, with office address at 14/F Ayala North Exchange, Tower 1, Ayala Ave. Corner Salcedo and Amorsolo Sts., Legaspi Village, Barangay San Lorenzo, Makati City, after being duly sworn in accordance with law, declare and state that:

1. I am the duly elected and incumbent Corporate Secretary of BANK OF THE PHILIPPINE ISLANDS, a universal banking corporation duly organized and existing under the laws of the Republic of the Philippines, with business address at the Ayala North Exchange Tower 1, 6796 Ayala Avenue cor. Salcedo St., Legaspi Village Makati City, Metro Manila 1229 (the "Bank");

2. At the regular meeting of the Board of Directors of the Bank held on 24 February 2021, the following resolutions were duly approved and adopted by a majority of the members of the Board of Directors of the Bank:

"RESOLVED, that the Bank hereby approves, 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, a copy of which is attached hereto as Annex "A", and, for this purpose, the Bank's President and/or the Chief Financial 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 to: (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;"

"RESOLVED, FINALLY, that the foregoing resolutions be submitted at the Annual Shareholders' Meeting on 22 April 2021 for approval by the stockholders of record of the Bank as of 05 March 2021 for their approval."

3. At the annual meeting of the stockholders of the Bank held on 22 April 2021, where a quorum was present and acting throughout, the aforementioned proposed merger between the Bank and BFSBI was likewise approved by the affirmative vote of stockholders

owning and/or representing at least two-thirds (2/3) of the outstanding capital stock of the Bank, to wit:

"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;"

[The remainder of this page is left intentionally blank.]

IN WITNESS WHEREOF, I have hereunto affixed my signature this _____ day of April 2021 at Makati City.


ANGELA PILAR B. MARAMAG
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 26 2021 day of April 2021 at Makati City, affiant who is personally known to me exhibiting to me her SSS No. 33-0928666-1.

Doc. No. 67 ;
Page No. 15 ;
Book No. 71 ;
Series of 2021.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Extended Until June 30, 2021
Per B.N. No. 3795
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-183-(2019-2020)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 48091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio del Pilar, Makati City

ANNEX B-2

**Secretary's Certificate on the BFSBI Board of Directors and Stockholders' Approval of
the Merger**

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI

) S.S.

SECRETARY'S CERTIFICATE

I, **ANGELA PILAR B. MARAMAG**, of legal age, Filipino, with office address at 14/F Ayala North Exchange, Tower 1, Ayala Ave. Corner Salcedo St., Legaspi Village, Barangay San Lorenzo, Makati City, after being duly sworn in accordance with law, declare and state that:

1. I am the duly elected and incumbent Corporate Secretary of **BPI FAMILY SAVINGS BANK, INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at BPI Family Savings Bank Center, 109 Paseo de Roxas corner Dela Rosa St., Makati City (the "Bank");

2. At the regular meeting of the Board of Directors of the Bank held on 24 February 2021, the following resolutions were duly approved and adopted by a majority of the members of the Board of Directors of the Bank:

"RESOLVED, that the Bank hereby approves, the merger between the Bank and the Bank of the Philippine Islands ("BPI") in accordance with the terms and conditions set forth in the Plan of Merger, a copy of which is attached hereto as Annex "A", and, for this purpose, the Bank's President, Ms. Maria Cristina L. Go, be, as she is 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 she may deem beneficial to the Bank; and in connection with the foregoing to: (a) 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) 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 "BTR"), 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) perform such other duties as may be incidental or related to the foregoing;

"RESOLVED, FINALLY, that the foregoing resolution be submitted at the Special Stockholders' Meeting on 21 April 2021 for the approval of the stockholders of record of the Bank as of 31 March 2021."

3. At the Special Meeting of the stockholders of the Bank held on 21 April 2021, where a quorum was present and acting throughout, the aforementioned proposed merger between the Bank and BPI was likewise approved by the affirmative vote of stockholders

owning and/or representing at least two-thirds (2/3) of the outstanding capital stock of the Bank, to wit:

"RESOLVED, that the Bank hereby approves, the merger between the Bank and the Bank of the Philippine Islands ("BPI") in accordance with the terms and conditions set forth in the Plan of Merger, a copy of which is attached hereto as Annex "A", and, for this purpose, the Bank's President, Ms. Maria Cristina L. Go, be, as she is 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 she may deem beneficial to the Bank; and in connection with the foregoing to: (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."

[The remainder of this page is left intentionally blank.]

IN WITNESS WHEREOF, I have hereunto affixed my signature this _____ day of 2021 at Makati City.


ANGELA PILAR B. MARAMAG
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 26 2021 day of 2021 at Makati City, affiant who is personally known to me exhibiting to me her SSS No. 33-0928666-1.

Doc. No. 66 :
Page No. 15 :
Book No. 71 :
Series of 2021.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Extended until June 30, 2021
Per B.M. No. 3795
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-183-(2019-2020)
PTR No. 8531011 Jan. 4, 2021
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio del Pilar, Makati City

ANNEX C-1
Minutes of the Annual Stockholders Meeting for BPI

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 3,485,246,728 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	0.0106%

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. Nollado
- (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. Nollado
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	3,358,946,004	54,101,931	71,721,476
2. Mr. Fernando Zobel de Ayala	3,285,477,213	54,122,068	145,170,130
3. Mr. Romeo L. Bernardo	3,378,426,371	57,234,835	49,108,205
4. Mr. Ignacio R. Bunye	3,474,263,778	4,230,315	6,275,318
5. Mr. Cezar P. Consing	3,421,790,486	31,031,313	31,947,612
6. Ramon R. del Rosario, Jr.	3,446,237,481	4,780,315	33,751,615
7. Mr. Octavio V. Espiritu	3,344,590,052	35,633,105	104,546,254
8. Ms. Rebecca G. Fernando	3,445,422,094	32,065,219	7,282,098
9. Mr. Jose Teodoro K. Limcaoco	3,421,930,263	54,101,931	8,737,217
10. Mr. Aurelio R. Montinola III	3,405,084,087	54,101,931	25,583,393
11. Ms. Mercedita S. Nollado	3,445,265,231	32,222,082	7,282,098
12. Mr. Antonio Jose U. Periquet	3,323,518,043	35,415,922	125,835,446

Directors	Voted in Favor	Voted Against	Abstained
13. Cesar V. Purisima	3,446,565,829	4,751,049	33,452,533
14. Mr. Eli M. Remolona, Jr.	3,482,976,911	-	1,792,500
15. Ms. Maria Dolores B. Yuvienco	3,478,494,093	-	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 C-2

Minutes of the Special Stockholders Meeting for BFSBI

MINUTES OF THE SPECIAL STOCKHOLDERS MEETING OF
BPI FAMILY SAVINGS BANK, INC.
21 APRIL 2021

(For approval at the 2021 Annual Regular Meeting of Stockholders)

In accordance with the By-Laws, the special meeting of the Stockholders of BPI Family Savings Bank, Inc. (BPI Family) was held at BPI Family Bank Center, 109 Paseo de Roxas Avenue corner Dela Rosa Street, Makati City, Metro Manila on 21 April 2021.

A. CALL OF MEETING TO ORDER

The Chairman of the Board, Mr. Cezar P. Consing, called the meeting to order at 4:00 P.M. The Corporate Secretary, Ms. Angela Pilar B. Maramag, recorded the minutes of the meeting.

B. NOTICE OF MEETING

The Secretary informed the Chairman and the assembly that the Stockholders of the Bank were notified of the time, date, place and purposes of the meeting.

C. ROLL CALL

On motion duly made and seconded, the roll call of Stockholders was dispensed with. However, for record purposes, the following Stockholders were present in person/by remote communication and by proxy at this special meeting.

Present in Person/by Remote Communication

Stockholder	No. of Shares Entitled to be Voted
Gerardo C. Ablaza, Jr.	1
Cezar P. Consing	1
Rebecca G. Fernando	1
Maria Cristina L. Go	1
Aurelio R. Montinola III	1
Mercedita S. Nollado	1
Antonio Jose U. Periquet	1
Jesus V. Razon, Jr.	1
Ma. Ysabel P. Sylianteng	1
Total	9

Represented by Proxy

Stockholder	Proxy	No. of Shares Entitled to be Voted
Bank of the Philippine Islands	Cezar P. Consing	9,999,991

Stockholder	Proxy	No. of Shares Entitled to be Voted
Total (Present in person/by remote communication & by proxy)		10,000,000

D. DECLARATION OF QUORUM

The Secretary reported to the Chairman and announced to the assembly that there were present at the meeting, in person/by remote communication and by proxy, Stockholders owning 10,000,000 (100%) outstanding shares of the capital stock of BPI Family.

Thereupon, the Chairman declared that a quorum was present and that the meeting was regularly convened and ready to transact business.

E. MERGER OF BPI AND BPI FAMILY

Management presented for approval of the Stockholders, the merger between the Bank of the Philippine Islands (BPI) and BPI Family Savings Bank, Inc. (BPI Family or the Bank), 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.

In view of the foregoing recommendation, the stockholders of the Bank approved the proposed merger between the Bank and BPI by the affirmative vote of stockholders owning and/or representing at least two-thirds (2/3) of the outstanding capital stock of the Bank, to wit:

RESOLUTION NO. BFB-SSM-2020-01

RESOLVED, that the Bank hereby approves, the merger between the Bank and the Bank of the Philippine Islands ("BPI") in accordance with the terms and conditions set forth in the Plan of Merger, a copy of which is attached hereto as Annex "A", and, for this purpose, the Bank's President, Ms. Maria Cristina L. Go, be, as she is 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 she may deem beneficial to the Bank; and in connection with the foregoing to: (a) 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) 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 "BTR"), 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) perform such other duties as may be incidental or related to the foregoing.

[Signature page follows]

ADJOURNMENT

There being no other business to transact, the meeting was, on motion duly made, seconded and adjourned.

ANGELA PILAR B. MARAMAG
Secretary of the Meeting

ATTEST:

CEZAR P. CONSING
Chairman of the Meeting

ANNEX D
Carrying Amounts and Fair Values of the Assets and Liabilities
of BPI and BFSBI as of 31 December 2020

In Millions of Pesos

	BPI (Parent)		BFSBI	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets	1,897,936	1,933,122	287,090	368,799
Liabilities	1,666,766	1,664,053	254,047	248,940

ANNEX E
**Provisional or Pro Forma values of BPI and BFSBI, as merged,
using the Pooling of Interests Method**

BANK OF THE PHILIPPINE ISLANDS STATEMENTS OF CONDITION (In Millions of Pesos) As of December 31, 2020	BPI Solo (Pre-Merger)	Merger Entries Total	Combined BPI/BFSBI (Post-Merger)
<u>ASSETS</u>			
CASH AND OTHER CASH ITEMS	35,912	1,004	36,916
DUE FROM BANGKO SENTRAL NG PILIPINAS	197,974	17,846	215,820
DUE FROM OTHER BANKS	36,605	4,936	41,541
INTERBANK LOANS RECEIVABLE AND SECURITIES			
PURCHASED UNDER AGREEMENTS TO RESELL	26,622	3,631	30,253
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	33,865	-	33,865
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER			
COMPREHENSIVE INCOME	120,300	6,803	127,103
INVESTMENT SECURITIES AT AMORTIZED COST, net	216,810	24,233	241,043
LOANS AND ADVANCES, net	1,175,071	219,637	1,394,708
ASSETS HELD FOR SALE, net	357	2,452	2,809
BANK PREMISES, FURNITURE, FIXTURES AND EQUIPMENT, net	16,131	1,792	17,923
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, net	11,039	(150)	10,889
ASSETS ATTRIBUTABLE TO INSURANCE OPERATIONS	-	-	-
DEFERRED INCOME TAX ASSETS, net	12,838	3,885	16,723
OTHER ASSETS, net	14,412	871	15,283
Total assets	1,897,936	286,940	2,184,876
<u>LIABILITIES AND CAPITAL FUNDS</u>			
DEPOSIT LIABILITIES	1,470,210	234,583	1,704,793
DERIVATIVE FINANCIAL LIABILITIES	5,657	-	5,657
BILLS PAYABLE AND OTHER BORROWED FUNDS	140,348	9,545	149,893
DUE TO BANGKO SENTRAL NG PILIPINAS AND OTHER BANKS	1,491	-	1,491
MANAGER'S CHECKS AND DEMAND DRAFTS OUTSTANDING	5,447	1,644	7,091
ACCRUED TAXES, INTEREST AND OTHER EXPENSES	6,510	1,734	8,244
LIABILITIES ATTRIBUTABLE TO INSURANCE OPERATIONS	-	-	-
DEFERRED CREDITS AND OTHER LIABILITIES	37,103	6,541	43,644
Total liabilities	1,666,766	254,047	1,920,813
CAPITAL FUNDS ATTRIBUTABLE TO THE EQUITY HOLDERS OF BPI			
Share capital	45,045	4,062	49,107
Share premium	74,764	28,981	103,745
Treasury Shares, at Cost	-	(33,043)	(33,043)
Reserves	196	32,893	33,089
Accumulated other comprehensive loss	(4,288)	-	(4,288)
Surplus	115,453	-	115,453
Total capital funds	231,170	32,893	264,063
Total liabilities and capital funds	1,897,936	286,940	2,184,876