



Minutes of the Annual Stockholders' Meeting
Via Pro Version License Zoom Application Video Conferencing
Zoom Host at 24th Floor Board Room, San Miguel Properties Centre
No. 7 Saint Francis Street, Mandaluyong City
On **April 27, 2021**
At 2:00 P.M.

PRESENT (via Zoom):

BANK OF COMMERCE TRUST SERVICES as TRUSTEE for BOC RETIREMENT PLAN
CABIEN CORPORATION
CARITAS HEALTH SHIELD, INC.
EQUITABLE BANKING CORPORATION (BDO)
Q-TECH ALLIANCE HOLDINGS, INC.
SMC EQUIVEST CORPORATION
SAN MIGUEL CORPORATION RETIREMENT PLAN
SAN MIGUEL PROPERTIES INC.

KPMG – R.G. Manabat & Co. Representatives:
Ms. Shiela Dioso
Mr. John Irlmari Saturno

ALSO PRESENT:

Jose T. Pardo	-	Chairman
Francis C. Chua	-	Vice Chairman
Michelangelo R. Aguilar	-	Member, President & CEO
Aniano A. Desierto	-	Member
Roberto C. Benares	-	Member
Marito L. Platon	-	Member
Melinda S. Gonzales-Manto	-	Member
Benedicta A. Du-Baladad	-	Member
Jose C. Nograles	-	Member
Alexander R. Magno	-	Member
Carolina G. Diangco	-	Member
Fe B. Barin	-	Member
Mariano T. Katipunan, Jr.	-	Member
Rebecca Maria A. Ynares	-	Member
Ricardo D. Fernandez	-	Member
Aurora T. Calderon	-	Board Adviser
Ferdinand K. Constantino	-	Board Adviser
Cecile L. Ang	-	Board Adviser
Antonio M. Cailao	-	Board Adviser
Evita C. Caballa	-	Corporate Secretary
Felipe Martin F. Timbol	-	EVP & Head, Treasury Management Group
Manuel A. Castaneda, III	-	EVP & Head, Corporate Banking Group I
Joel T. Carranto	-	SVP & Head, Branch Banking Group (BBG)
Gamalielh Ariel O. Benavides	-	SVP & Chief Trust Officer, Trust Services Division
Antonio S. Laquindanum	-	SVP & Chief Financial Officer/Finance &

		Controllership Group Head
Ma. Katrina A. Felix	-	SVP & Credit Card Group Head
Anna Marie A. Cruz	-	SVP & Division Head, PDMSCCD
Mary Assumpta Gail C. Bautista-		SVP & Transaction Banking Group Head
Donald Benjamin G. Limcaco	-	SVP/Chief Technical Officer
Jay S. Velasco	-	FVP & Head, Operations Group
Reginald C. Nery	-	FVP & Chief Audit Executive & Head, Internal Audit Division (IAD)
Jose Mari M. Zerna	-	FVP & Head, Consumer Group
Ma. Leticia DG. Madridejos	-	FVP & Division Head, Corporate Banking I, CBG
Marie Kristin G. Mayo	-	FVP & Human Resources Management & Development Division Head
Louella P. Ira	-	FVP & Legal Services Division Head
Ma. Ana P. De la Paz	-	VP & Credit Group Head
Jeremy H. Reyes	-	VP & Chief Risk Officer, Risk Management Division
Corazon T. Llagas	-	VP & Chief Compliance Officer
Angelyn S. Lorenzo	-	SM/Executive Secretary to the President
Janz Hanna Ria N. Serrano	-	M/Assistant of the Corporate Secretary
Rhea T. Diomampo	-	AM/Corporate Secretary Officer

For this year 2021, the Bank's Annual Stockholders' Meeting was held via video conference using the Pro Version License Zoom Application due to the Community Quarantine policy ordered by the government to stop the spread of the Coronavirus Disease (COVID-19). Presenters of the accounts used the same media.

Materials were earlier furnished to the confirmed attendees through PDF files sent to their respective e-mail addresses on record for their reference.

1. CALL TO ORDER

The Chairman of the Board, Mr. Jose T. Pardo called the meeting to order and presided over the same. Atty. Evita C. Caballa, the Corporate Secretary, recorded the minutes of the meeting.

2. NOTICE/QUORUM

Atty. Caballa certified that notices of the meeting were duly sent to all stockholders-of-record, and out of the total outstanding capital stock of 112,241,112 common shares as of April 15, 2021, there are **108,321,550** common stocks or **96.51%** counted as present or represented by proxy through remote communication. Therefore, there was a quorum to conduct the annual stockholders' meeting.

3. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING HELD ON JULY 28, 2020

Chairman Pardo proceeded to the first item in the agenda, which is the approval of the minutes of the regular stockholders' meeting held on July 28, 2020 via Pro License Zoom Application Video Conferencing.

Director Marito L. Platon moved to approve the minutes as presented, seconded by Director Mariano T. Katipunan, Jr. Thus, the stockholders unanimously approved:

Resolution No. 21-01

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the minutes of the Bank's Annual Stockholders' Meeting held on July 28, 2020.”

4. PRESIDENT'S ANNUAL REPORT

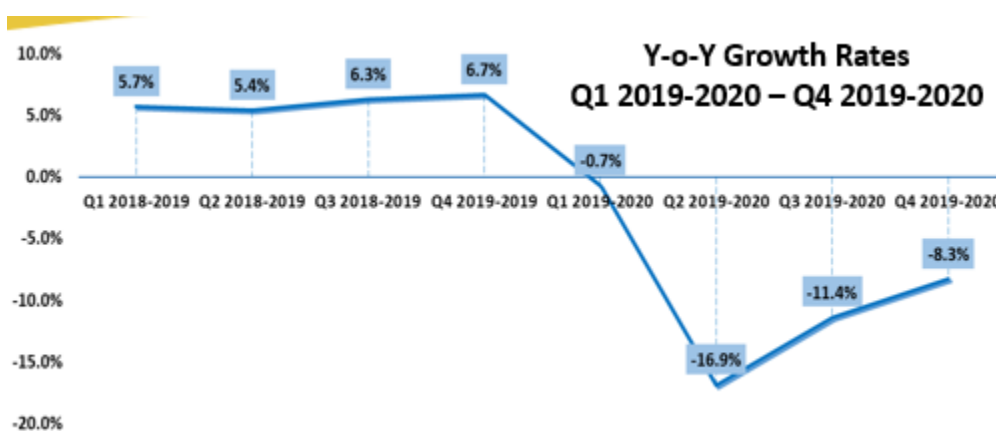
President and CEO Mr. Michelangelo R. Aguilar presented to the stockholders the country's macroeconomic standing, banking industry updates, the Bank's financial highlights during the past year, and the Bank's outlook and strategies moving forward.

President Aguilar reported the Bank's 20% increase in its 2020 net income to Php784.4 million. The substantial growth was driven by the increase in the Bank's Net Interest Income (NII) to Php5.1 billion, brought about by the considerable drop in interest expense on deposits, and the sizable increase in Trading and Investment Securities gains which largely offset the substantially larger NPL loss provisioning of Php962.5 million. On a compounded annual basis, NII grew by 13% from 2016 to 2020, while growth versus previous year was at 23.5%, a testament to the Bank's existing portfolio and proactive liquidity management.

Highlights of the annual report are as follows:

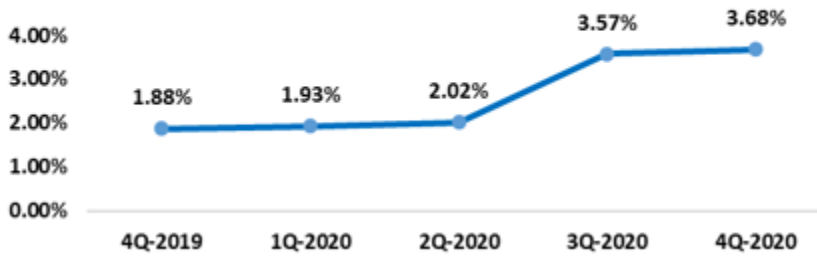
2020 Market Conditions

The COVID pandemic led to a significant decline in the country's Gross Domestic Product (GDP) triggering an increase in non-performing loans across the banking industry. Due to the consecutive quarterly declines, full year 2020 GDP decreased by 9.5%.



While Bank of Commerce NPL grew to 3.0%. Bank of Commerce booked P 962M in provisions to maintain a Non-Performing Loan coverage ratio of 112% vs the industry 104% average.

Gross NPL Ratio by Industry



2020 PhP/USD Exchange Rates: Peso Strengthened even as remittances declined

The Philippine Peso closed at 48.02:\$1 at the last trading day of 2020 appreciating by P2.61 from its P50.64 finish on Dec. 29, 2019.

USD/Php



Remittances mirrored a decline in a majority of Transaction Banking and Branch servicing fees. Together with the impact of additional credit provisions this reduced **median ROEs of UB/KBs** declined from **4.13%** to **3.66%**.

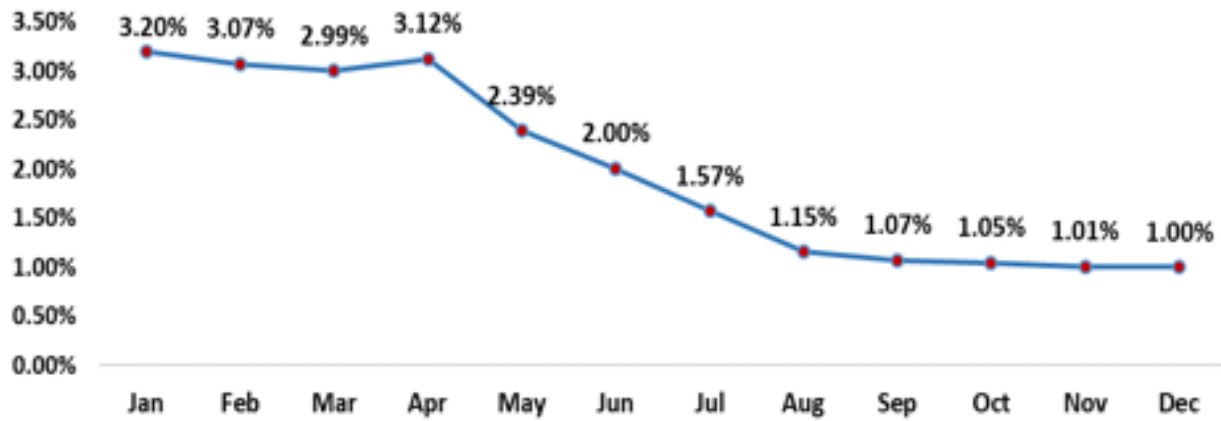
REMITTANCES



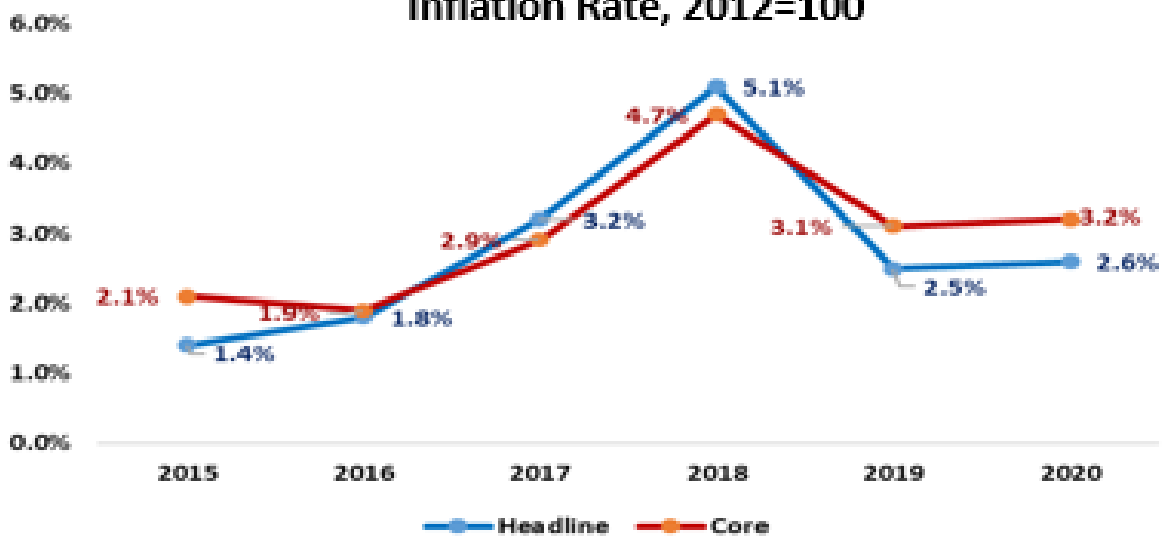
Interest Rates Declined Due To BSP's Actions

Interest Rates declined significantly as the BSP acted to ensure liquidity during the pandemics. Even with lower rates, Inflation rates in 2020 stayed benign. The combination of low rates and benign inflation increased the value of the Securities held by many banks.

2020 Market Interest Rates Bval 1Month



Inflation Rate, 2012=100




2020 Highlights








Protecting our Stakeholders

Protecting BankCom Employees' health & livelihood

-  **Full wages for the employees** (including those unable WFH)
-  **Gratuity or Gas Allowances** (for SWS in areas under ECQ & MECQ)
-  **Communication Allowance** (for WFH employees)
-  **Transportation Allowance** (for augment travelling cost)
-  **COVID-19 Testing** (for all employees)

Continuous banking services to our customers

-  **Incessant review of capacity & organization of the Bank**
-  **Continuous branch operations** (in key areas with reduced hours)
-  **Cash availability in ATM** (monitored to ensure cash supply)
-  **Safe banking environment to mitigate the spread of COVID-19**



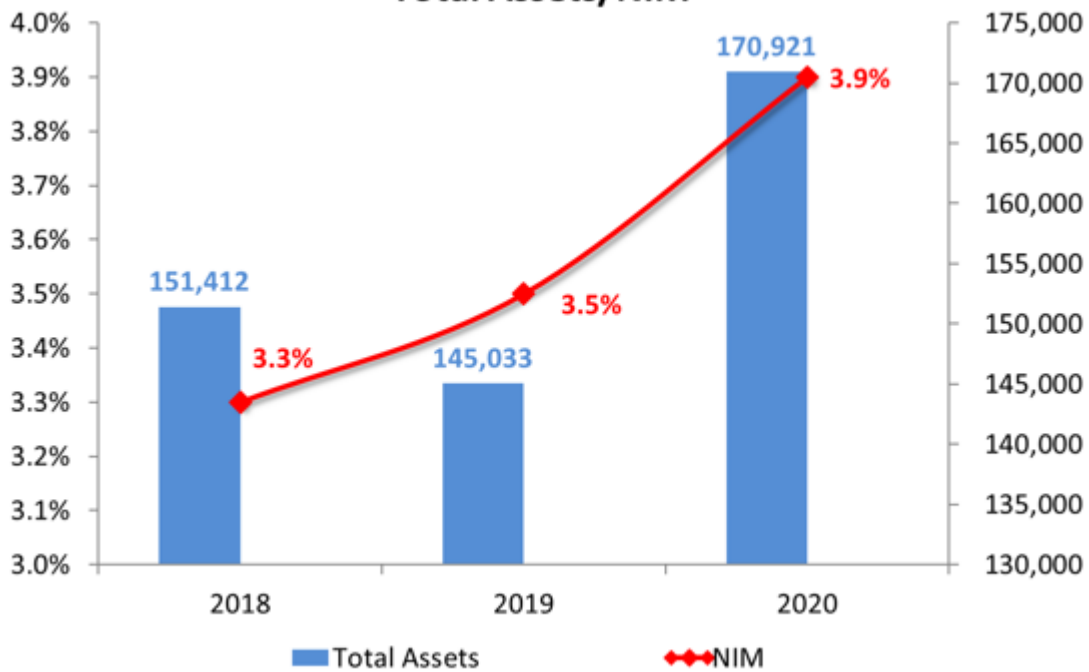
Aurora R. Del Rosario
Vice President & Quezon City Head



Richard L. Dela Cruz
BankCom Employee, Union President

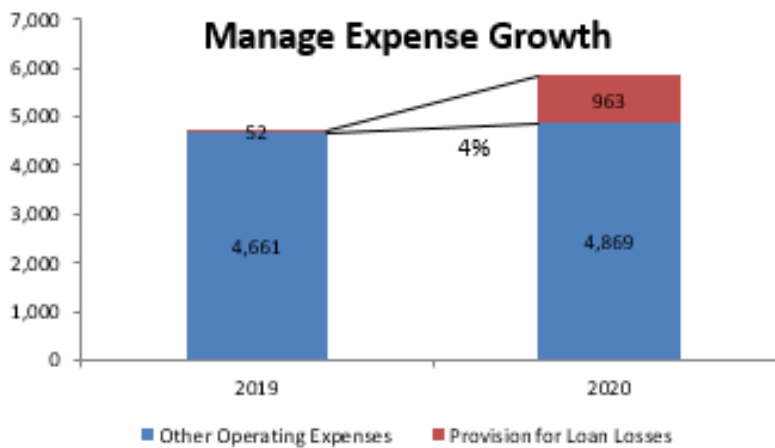
"The Legacy of heroes – the memory of a great name, and the inheritance of a great example."
- Benjamin Disraeli

**2020 Ecosystem Strategy continues to bear fruit
Total Assets/NIM**



2020 Proactively offsetting higher Provision Costs

Outside of Provision Charges, Management limited expense growth to 4% by working closely with the Union to defer CBA discussions to 2021 and closely managing other expenses.



Trading Revenue grew by 300%+ as the Treasury team profited from the Interest Rate environment.



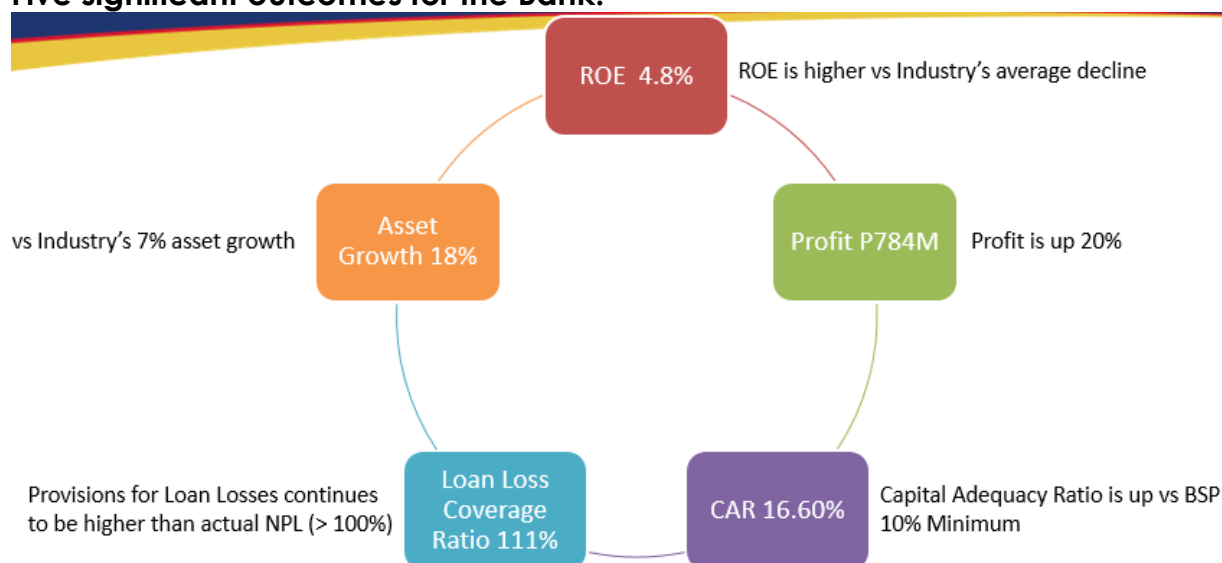
Balance Sheet

	December 2020	December 2019	%
<i>(in millions)</i>			
Cash and Cash Equivalents	49,691	22,709	118.8%
Reserves	15,356	15,123	1.5%
Securities (Net)	25,836	24,991	3.4%
Loans & Receivables (Net)	71,628	73,742	-2.9%
Other Assets	8,410	8,468	-0.7%
Total Assets	170,921	145,033	17.8%
Total Liabilities	154,154	128,938	19.6%
Total Equity	16,767	16,095	4.2%

Income Statement

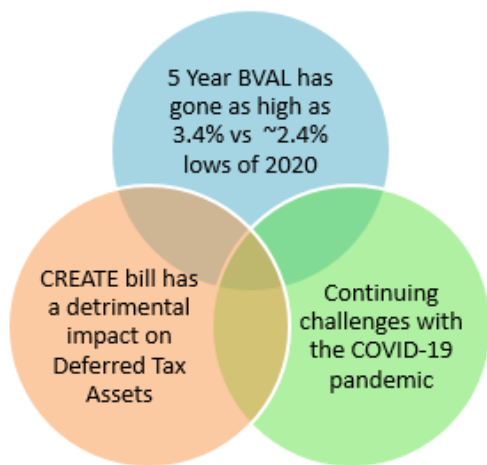
	December 2020	December 2019	%
<i>(in millions)</i>			
Net Interest Income	5,109	4,136	24%
Non-Interest Income	1,765	1,697	4%
Total Revenues	6,874	5,833	18%
Total Operating Expenses	4,870	4,664	4%
Profit Before Taxes & Provisions	2,004	1,169	71%
Credit and Impairment Losses	963	52	1748%
Provisions for Taxes	257	464	-45%
Profit After Taxes	784	653	20%

Five significant outcomes for the Bank:



2021 Outlook and Strategy

2021: Strategies To Overcome The Challenges That Remain

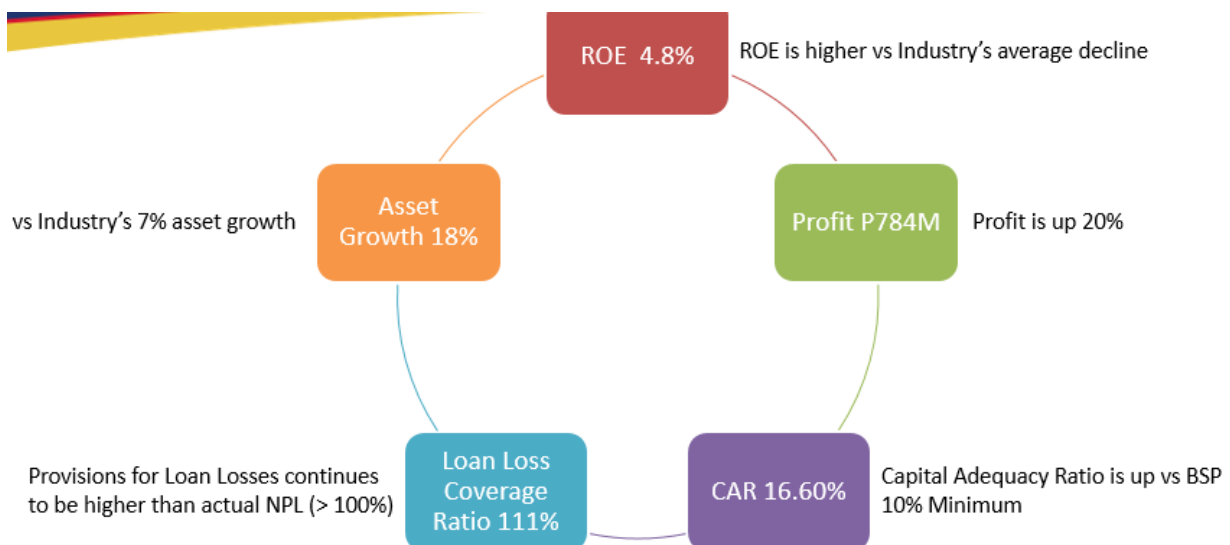


- Continue to build accrual income
- Focus on FX sales
- Restart ROPA sales initiatives

2021: Restarting IT projects



Bank Remains Confident It Can Perform In A Challenging Environment



After the presentation, Chairman Pardo opened the floor for any question or clarification with regard to the annual report. There being none, Director Francis Chua moved to approve the report, duly seconded by Director Rebecca Marie A. Ynares. Thus, the stockholders approved:

Resolution No. 21-02

"RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Report of the President on the performance of the Bank for the year 2020."

5. RATIFICATION OF CORPORATE ACTS

The Corporate Secretary, Atty. Evita C. Caballa reported to the stockholders that all acts of the Board of Directors, the Executive Committee and other committees and officers of the Bank are on file, to which each and every stockholder is entitled to access. Atty. Caballa further reported that these acts were performed in the year 2020 taking into consideration the appropriate authorities granted and the relevant provisions of the articles of incorporation and by-laws of the Bank and existing laws and regulations.

Considering the above report, Director Fe B. Barin moved to approve, confirm, and ratify all acts of the Board of Directors, the Executive Committee and other committees and officers of the Bank performed in 2020. Director Melinda Gonzales-Manto seconded the motion.

Thus, the stockholders approved:

Resolution No. 21-03

"RESOLVED, AS IT IS HEREBY RESOLVED, to approve, confirm, and ratify all acts of the Board of Directors, the Executive Committee and other committees and officers of the Bank performed in the year 2020."

6. CONFIRMATION OF BANK'S SIGNIFICANT TRANSACTIONS WITH ITS DOSRI AND RELATED PARTIES

The next item in the agenda is the confirmation of the bank's significant transactions with its DOSRI and related parties.

Pursuant to the provisions of BSP Circular No. 895 series of 2015 Guidelines on Related Party transactions, Director Ricardo D. Fernandez moved to confirm and approve all significant transactions of the Bank with its DOSRI and related parties in 2020. These transactions are reflected in pages 98 to 102 of the Notes to the Bank's Audited Financial Statements as of December 31, 2020, copies of which have been furnished to the confirmed attendees prior to the meeting for their perusal and reference.

Director Carolina G. Diangco seconded the motion.

Thus, the stockholders of the Bank approved:

Resolution No. 21-04

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve, confirm, and ratify all significant transactions of the Bank with its Directors, Officers, Shareholders, and their Related Interests (DOSRI) and Related Parties in 2020, as reflected in pages 98 to 102 of the Notes to the Bank’s Audited Financial Statements as of December 31, 2020.”

7. ELECTION OF BOARD OF DIRECTORS

Chairman Pardo then proceeded to the next item in the agenda, the election of the Board of Directors. Atty. Caballa informed the stockholders that pursuant to the amended By-laws of the Bank, the Nomination Compensation and Remuneration Committee duly conducted the required screening procedure of all nominees.

The following were duly qualified and recommended for nomination to the Board of Directors:

1. JOSE T. PARDO, Chairman
2. FRANCIS C. CHUA, Vice Chairman
3. MICHELANGELO R. AGUILAR, Member
4. ROBERTO C. BENARES, Member
5. MARITO L. PLATON, Member
6. CAROLINA G. DIANGCO, Member
7. MELINDA S. GONZALES-MANTO, Member (*Independent Director*)
8. ANIANO A. DESIERTO, Member (*Independent Director*)
9. JOSE C. NOGRALES, Member (*Independent Director*)
10. BENEDICTA A. DU-BALADAD, Member
11. FE B. BARIN, Member
12. ALEXANDER R. MAGNO, Member
13. REBECCA MARIA A. YNARES, Member (*Independent Director*)
14. MARIANO T. KATIPUNAN, JR., Member
15. RICARDO D. FERNANDEZ, Member (*Independent Director*)

Mr. Jose C. Nograles moved to close the nominations, duly seconded by Mr. Aniano A. Desierto. There being no objections thereto, the stockholders unanimously approved:

Resolution No. 21-05

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the following as members of the Board of Directors of the Bank of Commerce for the year 2021:

1. JOSE T. PARDO, Chairman
2. FRANCIS C. CHUA, Vice Chairman
3. MICHELANGELO R. AGUILAR, Member
4. ROBERTO C. BENARES, Member
5. MARITO L. PLATON, Member
6. CAROLINA G. DIANGCO, Member
7. MELINDA S. GONZALES-MANTO, Member (*Independent Director*)
8. ANIANO A. DESIERTO, Member (*Independent Director*)

9. JOSE C. NOGRALES, Member (*Independent Director*)
10. BENEDICTA A. DU-BALADAD, Member
11. FE B. BARIN, Member
12. ALEXANDER R. MAGNO, Member
13. REBECCA MARIA A. YNARES, Member (*Independent Director*)
14. MARIANO T. KATIPUNAN, JR., Member
15. RICARDO D. FERNANDEZ, Member (*Independent Director*)

Atty. Caballa advised the newly-elected members of the Board of Directors that their election will be submitted to the Monetary Board of the *Bangko Sentral ng Pilipinas* for its approval and confirmation.

Thereafter, Atty. Caballa also reported the appointment of the following as advisers to the Board of Directors of the Bank for the ensuing year 2021:

1. AURORA T. CALDERON
2. FERDINAND K. CONSTANTINO
3. CECILE L. ANG, and
4. ANTONIO M. CAILAO

Ms. Benedicta Du-Baladad moved to note the appointment of MS. AURORA T. CALDERON, MR. FERDINAND K. CONSTANTINO, MS. CECILE L. ANG, and MR. ANTONIO M. CAILAO as advisers to the Board of Directors for the year 2021, which motion was seconded by Ms. Rebecca Marie Ynares. Thus, the stockholders approved:

Resolution No. 21-05-A

“RESOLVED, AS IT IS HEREBY RESOLVED, to note appointment of the following as advisers to the Board of Directors of the Bank for the ensuing year 2021:

1. AURORA T. CALDERON
2. FERDINAND K. CONSTANTINO
3. CECILE L. ANG, and
4. ANTONIO M. CAILAO

8. APPOINTMENT OF EXTERNAL AUDITOR

The last item in the agenda is the appointment of the Bank’s external auditor. Ms. Melinda Gonzales-Manto moved to appoint R.G. Manabat & Co. as the external auditor of the Bank of Commerce for the year 2021, duly seconded by President Aguilar.

There being no objections to the motion as raised, the stockholders approved:

Resolution No. 21-06

“RESOLVED, AS IT IS HEREBY RESOLVED, to approve the appointment of KPMG-R.G. MANABAT & CO. as the external auditor of Bank of Commerce for the year 2021.”

9. OTHER MATTERS

Chairman Pardo then asked the Corporate Secretary Atty. Caballa if there are other matters to be discussed. Atty. Caballa declared that there are no other matters for discussion.

10. ADJOURNMENT

There being no other matter to be discussed, upon motion duly made and seconded, the meeting was adjourned at 2:25P.M.



EVITA C. CABALLA
Corporate Secretary

Attested by:



JOSE T. PARDO
Chairman



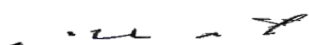
FRANCIS C. CHUA
Vice Chairman



MICHELANGELO R. AGUILAR
Director, President & CEO



ROBERTO C. BENARES
Director



MARITO L. PLATON
Director



JOSE C. NOGRALES
Director



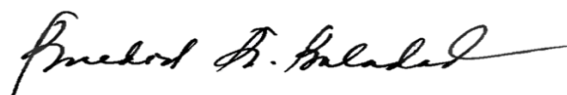
FE B. BARIN
Director



CAROLINA G. DIANGCO
Director



ANIANO A. DESIERTO
Director



BENEDICTA DU-BALADAD
Director



ALEXANDER R. MAGNO
Director



MELINDA S. GONZALES-MANTO
Director



MARIANO T. KATIPUNAN, JR.
Director



REBECCA MARIA A. YNARES
Director



RICARDO D. FERNANDEZ
Director