



22 April 2022

**THE PHILIPPINE STOCK EXCHANGE, INC.**

6F Philippine Stock Exchange Tower  
5th Avenue corner 28th Street  
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**  
Officer In Charge – Disclosure Department

**PHILIPPINE DEALING & EXCHANGE CORP.**

29/F, BDO Equitable Tower,  
8751 Paseo de Roxas, Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**  
Head – Issuer Compliance and Disclosure Department (ICDD)

Dear Ms. Tom Wong and Atty. Lirio:

Please be advised that at the Annual Stockholders' Meeting of the Bank today, the following matters were taken up and favorably considered:

- a. Approval of the Minutes of the April 23, 2021 Annual Stockholders' Meeting;
- b. Approval of the Audited Financial Statements for the year ending 31st December 2021;
- c. Ratification of the Acts and Resolutions of the Board of Directors and Management for 2021;
- d. Appointment of SGV & Co. as the Bank's external auditor for the year 2022;
- e. Amendment of Article V, Section 1 of the Bank's By-Laws;
- f. Declaration of Nine Hundred Three Million, Seven Thousand, One Hundred Ninety Six Pesos and Twenty Three centavos (Php903,007,196.23) cash dividend or Php0.40 per share on the outstanding capital stock of the Bank of 2,249,975,411 shares, with a record date of May 11, 2022 and payment date of May 31, 2022.

The following were elected at the meeting as Directors of the Bank for the year 2022-2023:

1. Jonathan T. Gotianun
2. Antonio C. Moncupa, Jr.
3. Lourdes Josephine T. Gotianun-Yap
4. Mercedes T. Gotianun
5. Isabelle G. Yap
6. Wilson L. Sy
7. Imelda B. Capistrano (independent director)
8. Jose Maria G. Hofileña (independent director)
9. Gregorio U. Kilayko (independent director)
10. Cristina Q. Orbeta (independent director)
11. Armando L. Suratos (independent director)

**> EAST WEST BANKING CORPORATION**

The Beaufort, 5<sup>th</sup> Avenue corner 23<sup>rd</sup> Street, Fort Bonifacio Global City, Taguig City  
Telephone number: 575-3888 | Email: [service@eastwestbanker.com](mailto:service@eastwestbanker.com) | [www.eastwestbanker.com](http://www.eastwestbanker.com)  
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During the Organizational Meeting of the Board of Directors that was held immediately after the Annual Stockholders' Meeting, the following directors were elected/appointed to the position opposite their name, to wit:

Jonathan T. Gotianun	- Chairman of the Board
Antonio C. Moncupa, Jr.	- Vice-Chairman of the Board, President and CEO
Rafael S. Algarra, Jr.	- Treasurer
Benedicto M. Valerio, Jr.	- Corporate Secretary

The following Committees were constituted, and their respective members were appointed to the position opposite their name:

Name of Committees	Members	Position/Designation in Committee
Executive Committee	Jonathan T. Gotianun	Chairman
	Antonio C. Moncupa, Jr.	Member
	Lourdes Josephine T. Gotianun-Yap	Member
	Isabelle Therese G. Yap	Member
	Jacqueline S. Fernandez	Member
Risk Management Committee	Armando L. Suratos	Chairman
	Gregorio U. Kilayko	Member
	Cristina Q. Orbeta	Member
Audit Committee	Gregorio U. Kilayko	Chairman
	Cristina Q. Orbeta	Member
	Jose Maria G. Hofileña	Member
	Armando L. Suratos	Member
	Lourdes Josephine T. Gotianun-Yap	Member
Corporate Governance & Compliance Committee	Cristina Q. Orbeta	Chairman
	Jonathan T. Gotianun	Member
	Jose Maria G. Hofileña	Member
	Armando L. Suratos	Member
Related Party Transactions Committee	Jose Maria G. Hofileña	Chairman
	Jonathan T. Gotianun	Member
	Imelda B. Capistrano	Member
Trust Committee	Wilson L. Sy	Chairman
	Jonathan T. Gotianun	Member
	Imelda B. Capistrano	Member
	Antonio C. Moncupa, Jr.	Member
	Raul Victor M. De Guzman	Trust Officer



Name of Committees	Members	Position/Designation in Committee
Compensation Committee	Lourdes Josephine T. Gotianun-Yap	Chairman
	Jonathan T. Gotianun	Member
	Imelda B. Capistrano	Member
	Antonio C. Moncupa, Jr.	Member
	Gregorio U. Kilayko	Member

And lastly, consistent with the Bank’s Corporate Governance Manual, the list of the Principal Officers of the Bank was submitted to the Board. It was explained that as part of good governance, the senior officers will be periodically reviewed, their performance considered, and their position confirmed by the Board. After a brief discussion, the Board resolved to confirm the appointment of the following Principal Officers of the bank:

Name of Person	Position/Designation
Antonio C. Moncupa, Jr.	Vice-Chairman, President and Chief Executive Officer
Jacqueline S. Fernandez	SEVP and Chief Lending Officer
Gerardo Susmerano	SEVP and Head – Retail Banking
Rafael S. Algarra, Jr.	SEVP, Treasurer and Head – Treasury, Markets and Off-Balance Sheet Cluster
Cecilio Frederick M. Pusag	EVP, Chief Information Officer and Head – Information Technology
Pierre Leonard C. Monserrate	EVP and Head – Human Resources
Ivy B. Uy	SVP and Head – Regional Branch Banking
Richard Chester C. Tamayo	SVP and Head – Wealth Management
Mylene C. Subido	SVP and Head – Securities, Derivatives, Foreign Exchange Distribution
Salvador R. Serrano	SVP and Head – Central Branch Operations
Grace N. Ang	SVP and Chief Risk Officer
Amy Belen R. Dio	FVP and Chief Compliance Officer
Emma B. Co	FVP and Chief Audit Executive

Thank you.

Sincerely,

**Vincent A. Villanueva**  
Finance Officer



**MINUTES OF THE 2022 ANNUAL STOCKHOLDERS MEETING  
OF  
EAST WEST BANKING CORPORATION**

April 22, 2022, 8:30 a.m.  
Thru Webcast

Directors Present:

MR. JONATHAN T. GOTIANUN, Chairman  
MR. ANTONIO C. MONCUPA, JR., President and CEO  
MS. L. JOSEPHINE GOTIANUN-YAP  
MS. MERCEDES T. GOTIANUN  
MS. ISABELLE G. YAP  
MR. WILSON L. SY  
MR. GREGORIO U. KILAYKO  
ATTY. ARMANDO L. SURATOS  
ATTY. JOSE MARIA G. HOFIÑEÑA  
MS. IMELDA B. CAPISTRANO  
MS. CRISTINA QUE ORBETA

Directors Absent:

None

Also Present:

MR. JERRY NGO – Advisor to the Board  
ATTY. BENEDICTO M. VALERIO, JR. – Corporate Secretary  
MR. RAFAEL ALGARRA – Treasurer  
MS. JACQUELINE FERNANDEZ – Chief Lending Officer  
MR. GERRY SUSMERANO- Head, Retail Banking  
AMY BELEN R. DIO - Chief Compliance Officer  
EMMA B. CO - Chief Audit Executive  
MINDA L. CAYABYAB - Financial Controller  
CECILIO PUSAG - Chief Information Officer, Head Information Technology  
IVY UY – Head, Regional Branch Banking  
RICHARD CHESTER TAMAYO – Head, Wealth Management  
MYLENE C. SUBIDO – Head, Securities, Derivatives, Foreign Exchange Distribution  
RAUL VICTOR DE GUZMAN – Trust Officer  
VINCENT VILLANUEVA  
JASON YOUNG

## **I. NATIONAL ANTHEM**

The National Anthem was played at the beginning of the Annual Stockholder's Meeting.

## **2. CALL TO ORDER**

Mr. Jonathan T. Gotianun, Chairman of the Board welcomed the stockholders and guests to the Bank's 2022 annual stockholders' meeting, which was an online-only event because of the current circumstances, similar to last year's annual meeting. He took the opportunity to thank the Bank's shareholders who have participated in the meeting through the Bank's voting in absentia system or the appointment of the Chairman as proxy.

The Chairman called the meeting to order and presided over the same. He informed that with him is Mr. Antonio C. Moncupa, Jr., President and CEO and Atty. Benedicto M. Valerio, Jr., Corporate Secretary. He acknowledged the presence of the directors and senior officers of the Bank.

Atty. Benedicto M. Valerio, Jr, Corporate Secretary, took the minutes of the proceedings.

## **3. CERTIFICATION OF NOTICE**

The Chairman inquired from the Corporate Secretary about the sending of the required notice of meeting to the stockholders.

The Corporate Secretary, Atty. Benedicto M. Valerio, Jr., certified: That in accordance with the SEC Notice dated February 16, 2022, the Notice of the Meeting together with the copies of the Information Statement and Audited Financial Statement of the Bank were posted on the Bank's website and disclosed thru PSE EDGE; That the Notice of the Meeting was also published in the business section of the Business World and Manila Bulletin from March 31 to April 1, 2022; and, that he is in possession of the Affidavit attesting to the foregoing fact.

The Chairman directed the Corporate Secretary to attach the proof of compliance with the SEC Notice dated February 16, 2022 to the records of the meeting.

#### **4. DETERMINATION OF QUORUM**

The Chairman asked the Corporate Secretary about the presence of a quorum.

The Corporate Secretary certified to the Chairman that a quorum exists for the business at hand after determining that stockholders owning at least **1,879,514,002** shares representing 83.53% of the outstanding two billion , two hundred forty-nine million, nine-hundred seventy-five thousand four hundred eleven **2,249,975,411** total outstanding are present in the meeting, to wit:

Proxy	- 1,832,820,253
Voting <i>in absentia</i>	- 36,750
Via Web Broadcast	- 46,656,999

The Chairman directed the Corporate Secretary to attach in the Minutes of the Meeting the report showing the number of shares represented in the meeting, their mode of attendance and the percentage of the outstanding shares they own.

#### **5. RULES OF CONDUCT AND VOTING PROCEDURE**

Upon the instruction of the Chairman, the Corporate Secretary read the rules of conduct and procedure for voting in the meeting:

1. Stockholders who successfully registered under the shareholder registration system were provided the instructions to access the Bank's digital voting ballot as well as the virtual meeting;

2. The deadline for voting in absentia ad through proxy was on April 13, 2022;

3. After the voting, the Office of Corporate Secretary together with the Bank's Stock Transfer Agent tabulated all votes cast in absentia and well as via proxy.

4. The results of voting will be reported after each item is taken up during the meeting;

5. The stockholders were also given up to April 13, 2022, to submit any questions or comments they may have; and,

6. The video and audio of the entire proceeding will be recorded.

## **6. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING ON APRIL 23, 2021**

The next item of the Agenda is the approval of the minutes of the April 23, 2021, Annual Stockholders' Meeting. The Corporate Secretary certified that a copy of the aforesaid minutes was made available on the Bank's website and a copy thereof was attached to the Bank's Information Statement.

That based on the tabulation of the votes that were cast, shareholders owning 1,832,857,003 shares, or 97.52% of the total shares represented in the meeting voted to approve the minutes of the annual meeting on April 23, 2021.

The vote tabulation was shared on the screen of the web meeting:

Opinion	Votes cast	Percentage
For	1,832,857,003	97.52
Against	0	-
Abstained	46,656,999	2.48

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing approval by the shareholders of the minutes of the meeting:

### **STOCKHOLDERS RESOLUTION NO. 04-2022-01**

"RESOLVED, for the record, that the stockholders of the Bank approved the Minutes of the Bank's Annual Stockholders' Meeting held on April 23, 2021."

## **7. PRESIDENT'S REPORT BASED ON THE AUDITED FINANCIAL STATEMENT**

The next item in the Agenda is the President's Report:

The Covid-19 pandemic was difficult for the country, the banking industry, and EW. In 2020, we had the mitigating impact of the loose monetary policy the BSP put in place to alleviate the pandemic economic pain. This significantly lowered funding costs and consequently widened net interest margins and provided trading gains windfall to the

banks, including EW, of course. In addition, loose monetary policy offset the elevated levels of bad loans and the lower income from reduced banking transactions. In 2021, there was no more help from monetary policy action, and the cumulative impact of the pandemic was more clearly manifested.

### **Balance Sheet growth slows.**

The more direct impact is on our loan levels. In 2021, the average loan volume declined from the end-2019 levels, as shown on the screen.

- Business loans declined by 15.1% to PHP60.6Bn from PHP71.3Bn
- Auto Loans declined by 33.2% to PHP69.5Bn from PHP104.1Bn
- Credit Card Receivables declined by 6.1% to PHP33.1Bn from PHP35.3Bn
- Housing declined by 10.7% to PHP19.9Bn from PHP22.3Bn
- Personal Loans declined by 42.7% to PHP4.7Bn from PHP8.2Bn
- Salary Loans to DepEd teachers were flat, or barely increased by 0.4% to PHP28.1 from PHP28.0Bn

Fixed income securities portfolio was also lower. We thought that interest rates were still too low, and it will be more prudent to study carefully where the markets will go before, we recommit our liquidity.

The lower volume of loans was due to several factors and pandemic decisions we made

- Higher level of uncertainties. There was a higher level of uncertainties for most of the two-year pandemic. We did not know how the virus would behave over time. Will it get better? Worst? When? We thought the more prudent thing is to de-escalate the risk-taking activities and prioritize safety and balance sheet resiliency.
- Business slowed down, and banking followed next. There are also lesser opportunities for loans. Economic output (GDP) declined by 9.6% in 2020, recovered with a 5.7% growth in 2021 but still below pre-pandemic levels of Php19.3T. And where the economy goes, so does banking. Total business loans increased by 4.1% between end-2019 and end-2021 in nominal terms. Adjusted for inflation, it declined by 3.3% (discount it by inflation first 2020 by the inflation rate of 2020, and then 2021, by the inflation rate of 2021)



- Households hold off spending and borrowings. Again, these were driven by the uncertainties of the times, loss of jobs, and limited mobility.

The pandemic impact is more pronounced for EW because of our unique business model. As we know, EW's growth strategy is anchored on consumer loans. Its 72% consumer portfolio share is easily the highest in the industry, and no bank comes close to this proportion. While this is superior when the economy is growing, in bad economic times, like during the pandemic, this becomes a disadvantage.

- First, consumer loans are more prone to bad loans during an economic recession, and
- Second, consumer loans run off faster. There are periodic payments that reduce the portfolio. Loans to households also are discretionary, which gets held off or postponed during difficult times. Adjusted for inflation, total industry consumer loans declined from end-2019 levels by 8.4%.

**Balance sheet slowdowns translate to lower income.**

As a result of the significant slowdown and decline in our major earning assets – loans and fixed income securities, revenues declined. In 2021, (compare to 2020 this time) we fully felt the full impact of the 2020 decline and the continuing run-offs and risk-off response we have chosen to take.

- Interest income on loans and investments went down by 24.3% to P23.3Bn.
- NII lower. While interest expense also declined by P2.0Bn, this was not enough to offset the decline in interest income. As a result, NII was lower by 20.7% to Php21.0 B
- Fees and Commissions remained flat. Business volume and mobility has not returned to pre-pandemic levels hence lower opportunities to earn fees and commissions. Total fees and commissions ex-trading was flat at PHP3.7Bn. (Other note: This is still 29% lower than 2019 levels)
- Normalized Trading revenues. The decisive action from the BSP in 2020 also meant, not much loosening of financial condition happened in 2021. As a result, there were no longer trading opportunities in 2021. Total trading income declined by 64.7% to PHP1.9Bn. In context, total industry trading gains declined by 27.6% to PHP81.9B in 2021.

- In the meantime, Operating expenses were largely flat, slightly increasing by 1.8% to P16.5Bn in 2021.

### **Aggravating circumstance**

Aside from lower business volumes and the resulting lower revenues, your Bank was also adversely affected by the regulation that put a cap on credit card interest rates. This resulted in a Php2.7 billion reductions in gross interest income. This accounts for around 50% of the total decline in NII.

Net income was lower by 30.6% to Php4.5 billion with the ROE at 7.9%. This meant we failed to get our 5-peat of being one of top 3 banks in terms of ROE.

### **What is to be done?**

The question before us now, what is to be done? Management has two major broad priorities.

- Recover lost opportunity and resume growth plans
- Enhance existing capabilities

Now that the pandemic conditions are waning, your Bank restarted its business engines. We have wholly returned to the office, readjusted credit policies, and we are now executing the business plans in full steam. So far, the recovery is starting to gain traction. While there will be a lag of several months before we begin to see the results, we have started to book more auto loans, more salary loans to public school teachers, and process more loan availments and new business loan accounts. We are also intensifying our deposit generation activities now that our customers are likewise getting back to business. We are optimistic we can gain much ground in time as the organization remains intact and ready, and with our CET 1 ratio at the highest level in years at 14.1% and could take on higher level of risk assets.

At the same time, we have started implementing our digital efforts. We are reinstalling an upgraded version of our core banking application. This version, which can better handle digital micro-services, will complement the new digital customer experience platform we are also installing. While the core banking upgrade will take around two years to complete, and the new digital platform's initial launch will happen in Q3 this year, we believe that we are looking forward to a better digital offering in the market that should enhance our competitive position.

**What to expect in 2022.**

The full impact of the two Covid years will spill over this year 2022. Recovering lost loan volume has resumed, but it will take time for the impact to manifest. The pace of the recovery of the loans and rebuilding of our fixed-income portfolio will depend on market developments, particularly on

- how the pandemic will evolve,
- the geopolitical situation,
- inflation
  - and the impact of all these on global and PH recovery and growth

While there are headwinds, we remain positive that the worst of the pandemic is behind us now. We expect loan losses to continue its decline. We are also positive that the Philippine economy will fully recover its 2019 GDP level before the year ends, and it will grow somewhere 6.5% as the IMF project.

For EW, we see a challenging first half, particularly Q1. It will gradually get better as the year progresses, and we start to see the results of the recovery efforts. We expect the consumer focus strategy to revert to advantage now that the country is poised to resume its robust growth. The Philippines will likely be among the fastest-growing economies in the next few years. Pent-up demand from businesses and households should translate to more business for the banking industry.

By year-end, EW should be in a much better position. This is the commitment of every EWBanker.

**8. RATIFICATION OF THE 2021 AUDITED FINANCIAL STATEMENT**

The Chairman informed the shareholders that the next item of the Agenda is the ratification of the 2021 Audited Financial Statement of the Bank. He asked the Corporate Secretary if the shareholders were furnished with a copy of the Bank's 2021 Audited Financial Statement.

The Corporate Secretary certified that the Audited Financial Statement was posted in the Bank's website and was attached to the Bank's Information Statement and that 1,831,941,353 shares or 97.47% of the total shares of the Bank represented in the meeting voted in favor of its ratification.

The tabulation of the votes was shared on the screen of the web meeting:

Opinion	Votes cast	Percentage
For	1,831,941,353	97.47
Against	0	
Abstained	47,572,649	2.53

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing ratification by the shareholders of the 2021 Audited Financial Statement of the Bank:

#### **STOCKHOLDERS RESOLUTION NO. 04-2022-02**

"RESOLVED, for the record, that the stockholders of the Bank ratified its 2021 Audited Financial Statement."

#### **9. RATIFICATION OF ALL ACTS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS**

The next item in the Agenda is the ratification by the stockholders of all acts, resolutions and proceedings of the outgoing Board of Directors and Corporate Officers of the Bank for the year 2021. The Chairman directed the Corporate Secretary to explain the matter and report on the results of the voting thereon.

The Corporate Secretary explained that the Board and Management of the Bank is seeking the ratification of all the acts and resolution of the Board and its Committees which were adopted in for the year 2021. These acts and resolutions include the election of officers and members of the Board Committees, contracts and transactions entered into by the Bank, credit and loan transactions including related parties, projects and investments, internal policies including Related Party Transaction policy, treasury matters, manpower related decisions, corporate governance related actions and matters governed by disclosures to the Securities and Exchange Commission and the Philippine Stock Exchange.

Stockholders ratification is also being sought for the acts of the Bank officers to implement the resolutions of the Board and its Committees or made in the conduct of business.

The Corporate Secretary reported that stockholders owning 1,831,941,353 shares or 97.47% of the total shares of the Bank represented in the meeting voted in favor of its ratification.

The tabulation of the votes was shared on the screen of the web meeting:

Opinion	Votes cast	Percentage
For	1,831,941,353	97.47
Against	0	
Abstained	47,572,649	2.53

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing ratification.

#### **STOCKHOLDERS RESOLUTION NO. 04-2022-03**

"RESOLVED, for the record, that the stockholders of the Bank approved, confirmed and ratified all the acts, resolutions and proceedings of the outgoing Board of Directors and Corporate Officers of the Bank for the year 2021."

#### **10. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR 2022-2023.**

The next item of the Agenda is the election of the members of the Board of Directors of the Bank. The Chairman asked the Corporate Secretary if there were nominations for the Directors for the year 2022 to 2023,

The Corporate Secretary explained that the Corporate Governance and Compliance Committee earlier submitted the final list of all candidates who were nominated and pre-screened in accordance with the Company's Manual on Corporate Governance. They are:

MERCEDES T. GOTIANUN  
 JONATHAN T. GOTIANUN  
 L. JOSEPHINE GOTIANUN YAP  
 ISABELLE G. YAP  
 ANTONIO C. MONCUPA, JR.  
 WILSON L. SY  
 GREGORIO U. KILAYKO  
 JOSE MARIA G. HOFILENA  
 ARMANDO L. SURATOS  
 CRISTINA Que. ORBETA  
 IMELDA B. CAPISTRANO

That Messrs. GREGORIO U. KILAYKO, JOSE MARIA G. HOFILENA, ARMANDO L. SURATOS, CRISTINA Q. ORBETA, and IMELDA B. CAPISTRANO were also named by the Nomination Committee as nominees for the position of Independent Directors.

No other nomination for election of the Board of Directors was submitted to the Nomination Committee within the period allowed under the Revised Manual on Corporate Governance, as provided in the Information Statement furnished to the stockholders.

The Chairman asked the Corporate Secretary for the results of the election. The tabulation of the votes was thereafter shared on the screen of the web meeting:

Name of Director	Type	Opinion	Votes Cast
Mercedes T. Gotianun	Director	For Against Abstain	1,832,039,403 799,300 46,656,999
Jonathan T. Gotianun	Director	For Against Abstain	1,832,039,403 799,300 46,656,999
Antonio C. Moncupa, Jr.	Director	For Against Abstain	1,829,805,973 3,032,730 46,656,999
Josephine T. Gotianun	Director	For Against Abstain	1,830,369,073 2,469,630 46,656,999
Isabelle G. Yap	Director	For Against Abstain	1,832,857,003 - 46,656,999

Wilson L. Sy	Director	For Against Abstain	1,832,133,603 723,400 46,656,999
Gregorio U. Kilayko	Independent Director	For Against Abstain	1,831,403,573 1,453,430 46,656,999
Jose Maria G. Hofileña	Independent Director	For Against Abstain	1,832,857,003 - 46,656,999
Armando L. Suratos	Independent Director	For Against Abstain	1,832,857,003 - 46,656,999
Cristina Que Orbeta	Independent Director	For Against Abstain	1,832,893,603 - 46,656,999
Imelda B. Capistrano	Independent Director	For Against Abstain	1,832,893,603 - 46,656,999

The Corporate Secretary reported that each of the nominees garnered at least 1,829,805,973 of the votes or 97.36% of the votes as shown in the screen. He certified that with the aforesaid results of voting, each of the nominees has received enough votes for election to the Board.

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing action of the stockholders of the Bank.

#### **STOCKHOLDERS RESOLUTION NO. 04-2022-04**

RESOLVED, for the record, that the Stockholders of the Bank re-elected the following directors as members of the Bank's Board of Directors for the year 2021-2022, to wit:

JONATHAN T. GOTIANUN	Director
ANTONIO C. MONCUPA, JR.	Director
MERCEDES T. GOTIANUN	Director
LOURDES JOSEPHINE GOTIANUN-YAP	Director
ISABELLE G. YAP	Director
WILSON L. SY	Director
JOSE MARIA G. HOFIENÑA	Independent Director
GREGORIO U. KILAYKO	Independent Director

ARMANDO L. SURATOS  
 CRISTINA Que ORBETA  
 IMELDA B. CAPISTRANO

Independent Director  
 Independent Director  
 Independent Director

## **11. APPOINTMENT OF EXTERNAL AUDITORS**

The next item of the Agenda is the appointment of the External Auditor of the Bank for the fiscal year 2022. The Chairman reported that the Board, upon recommendation of the Company's Audit Committee, is endorsing that the shareholders re-appoint Sycip Gorres Velayo and Company as the external auditors of the Bank for the year 2022.

The Corporate Secretary reported that 1,829,658,253 shares or 97.35% of the total shares of the Bank represented in the meeting voted in favor of re-appointing Sycip Gorres Velayo and Company as the external auditor of the Bank for the year 2022.

The tabulation of the votes was shared on the screen of the web meeting:

Opinion	Votes cast	Percentage
For	1,829,658,253	97.35
Against	3,198,750	0.17
Abstained	46,656,999	2.48

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing action of the stockholders of the Bank.

### **STOCKHOLDERS RESOLUTION NO. 04-2022-05**

RESOLVED, for the record, that the stockholders of the Bank re-appointed Sycip Gorres Velayo and Company as the external auditors for the year 2022.

## **11. AMENDMENT OF THE BY-LAWS**

The Chairman informed the shareholders that the next item of the Agenda is the ratification and approval of the action of the Board of Directors of the Bank amending Article V, Section 1 of the By-laws of the Bank, to wit:



**RESOLUTION NO. 02-2022-11**

RESOLVED, to amend Section 1, Article V of the By-Laws of the Bank to read as follows:

**ARTICLE V**

Section 1. General Provisions. The officers of the Corporation shall be: a Chief Executive Officer, a President, one or more Executive Vice Presidents, or more Senior Vice Presidents, one or more First Vice Presidents, one or more Vice Presidents, the Treasurer, Internal Auditor, the Corporate Secretary and one or more Assistant Vice Presidents. These officers shall be appointed, and their duties and compensation determined, by the Board of Directors.

The President shall be director of the Corporation while the Chief Executive Officer and others need not be directors. Two or more offices may be held by the same person, provided they are not incompatible position.

**(Amended portion is underlined. Amended as of Feb. 24, 2022.)**

The Corporate Secretary reported that 1,832,857,003 shares or 97.52% of the total shares of the Bank represented in the meeting voted to ratify the action of the Board amending Article V, Section 1 of the By-laws of the Bank.

The tabulation of the votes was shared on the screen of the web meeting:

Opinion	Votes cast	Percentage
For	1,832,857,003	97.52
Against	0	
Abstained	46,656,999	2.48

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing action of the stockholders of the Bank.

**STOCKHOLDERS RESOLUTION NO. 04-2022-06**

"RESOLVED, for the record, that the stockholders of the Bank ratified Board Resolution No. 02-2022-11, to wit:

'RESOLVED, to amend Section 1, Article V of the By-Laws of the Bank to read as follows:

ARTICLE V

Section 1. General Provisions. The officers of the Corporation shall be: a Chief Executive Officer, a President, one or more Executive Vice Presidents, or more Senior Vice Presidents, one or more First Vice Presidents, one or more Vice Presidents, the Treasurer, Internal Auditor, the Corporate Secretary and one or more Assistant Vice Presidents. These officers shall be appointed, and their duties and compensation determined, by the Board of Directors.

The President shall be director of the Corporation while the Chief Executive Officer and others need not be directors. Two or more offices may be held by the same person, provided they are not incompatible position.

**(Amended portion is underlined. Amended as of Feb. 24, 2022.)'**

**12. OTHER MATTERS**

**A. Declaration of Dividends**

The Chairman informed the shareholders that the Board of Directors of the Bank in its Special Meeting, which was held earlier today, approved the declaration of PHP 903,007,196 cash dividend which is 20% of the Bank's last year's income or approximately Php 0.40 dividend per share which is about 5% of the latest stock price of the Bank to be paid to all stockholders as of record date May 11, 2022 and payment date May 31, 2022.

**13.Question and Answer**

The Chairman instructed the Corporate Secretary to read the questions that the Bank received from its shareholders:

1. Do you expect EW's 2022 net income to return to pre-pandemic levels?

The President, Mr. Moncupa, stated that the pre-pandemic income of the bank was about Php 6.5 billion. That the income of the Bank for 2022 will not reach that level. He explained that the impact of the pandemic on the Bank's loan portfolio is quite significant. Hence, the Bank needs to rebuild loans. He expects that the 2022 income is probably closer to its 2021 income but towards the end of 2022, the earning capacity of the Bank is expected to increase and its earning in 2023 should be closer to its 2019 income.

2. Does EW expect further increase in NPLs for 2022?

Mr. Moncupa answered that the Bank does not expect its NPL to increase in 2022. He believes that the pandemic will get better as the year progresses. So, the focus now of the Bank is more on rebuilding and getting more business than resiliency. That the Bank's balance sheet is strong enough to face the pandemic and the Bank will now harness the same balance sheet into producing more income by taking on more risk assets particularly on loans and fixed income securities.

3. Will the Bank continue to declare dividends on a regular basis?

Mr. Moncupa was informed of a question from Mr. Fernandez from Wealth Securities through the chat box: Given EW's recent dividend declaration, will the bank continue to declare dividends regularly moving forward?

In response, Mr. Moncupa explained that the policy of the Bank is to resume the payment of dividends. He explained that in the last few years, instead of going back to the stockholders for a follow-on offer, the Board decided to accumulate the earnings to build its capital. That the Bank is done with its capital build-up and that there is enough capital to fund its needs including the declaration of dividends. That the guidance of the Board is a dividend declaration of between twenty percent to thirty percent of the Bank's net income and the actual dividend rate will

depend on the opportunities that the Bank sees in the market because if there will be more growth opportunities and the Bank's shareholders will benefit by investing the income so that the Bank can grow bigger and faster, then the dividend declaration will be at the lower end of the aforesaid range. It is also the policy of the Bank to give fair returns to its shareholders. It is the balancing of the growth imperative and interest of the shareholders that will be taken into consideration.

#### **14. ADJOURNMENT**

The Chairman was informed that there are no other items in the Agenda of the meeting.

On behalf of the members of the Board of Directors and the Management of the Bank, the Chairman thank the shareholders for their continuing trust and confidence in the Bank and its management.

Upon motion was duly made and seconded and no objections being rendered during the discussions, no other matters were taken up for consideration, therefore, the meeting was adjourned.

#### **CERTIFIED CORRECT:**

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**ATTY. BENEDICTO M. VALERIO, JR.**  
Corporate Secretary

#### **ATTESTED TO:**

\_\_\_\_\_  
**JONATHAN T. GOTIANUN**  
Chairman of the Board

**ANNEX – Stockholders' meeting attendees list****EAST WEST BANKING CORPORATION  
ANNUAL STOCKHOLDERS' MEETING – APRIL 22, 2022****Board of Directors**

Jonathan T. Gotianun	Chairman
Antonio C. Moncupa, Jr.	Vice-Chairman, President & CEO
Lourdes Josephine Gotianun-Yap	Director
Mercedes T. Gotianun	Director
Isabelle G. Yap	Director
Wilson L. Sy	Director
Imelda B. Capistrano	Independent Director
Atty. Jose Maria G. Hofileña	Independent Director
Gregorio U. Kilayko	Independent Director
Cristina Q. Orbeta	Independent Director
Atty. Armando L. Suratos	Independent Director

**Officers**

Benedicto M. Valerio, Jr.	Corporate Secretary
Jacqueline S. Fernandez	SEVP and Chief Lending Officer
Gerardo Susmerano	SEVP and Retail Banking Head
Rafael S. Algarra, Jr.	SEVP, Treasurer, Treasury, Markets and Off-Balance Sheet Cluster Head
Cecilio Frederick M. Pusag	EVP, Chief Information Officer and Head of Information Technology
Ivy B. Uy	SVP and Regional Branch Banking Head
Richard Chester C. Tamayo	SVP and Wealth Management Head
Mylene C. Subido	SVP and Head of Securities, Derivatives, Foreign Exchange Distribution
Grace N. Ang	SVP and Chief Risk Officer
Amy Belen R. Dio	FVP and Chief Compliance Officer
Emma B. Co	FVP and Chief Audit Executive
Minda L. Cayabyab	FVP and Controller
Raul Victor De Guzman	FVP and Trust Officer
Alessandro L. Villaraza	FVP and Bank Marketing and Corporate Communications Head

**Stockholders and Visitors**

Julius Sanvictores	Shermin Peña	Ana Alba	Raadee Sausa
Roi Bonifacio	Phoevi Castalone	Aldo Gamboa	Glaiza Escano
Francis Gotianun	Thea Lacsamana	Pamela Peñafiel	Jasper Lim
Ivan Ramos	Martinita Eusebio Salvosa	Jarenc Liao	Joel Cortez
Jason Manly Young	Evelyn Carpio	Andrei Soriano	Jomar Lucinario
Vincent Villanueva	Elsie Paras	Pauline Tolentino	Michael Sabado
Paul John Lopez	Melody Yapson	Rastine Mackie	Miguel Camus
		Mercado	
Carmina Jeanne Roque	Mark Tom Mulingbayan	Chipongian Lee	Shane Torres
Estelito Vidaurreta	Patricia Pineda	Irma Isip	Vicky Salas
Mary Jane Alcala	Raymond Castaneda	Jerome Bayhon	Wilson Tan
Julianne Perez-Ayento	Ana Venus Mejia	Julius Macalagay	Veronica Arce
Marian Grace Dayo	Arlene San Juan	Krista Montealegre	
Gerald Belmonte	ND Fernandez	Lawrence Agcailli	
Loida Cordero	John Luciano	Likha Cuevas	
Maybelle Belza	Elizabeth Santiago	Luz Wendy Noble	
Lianne Fe Santos	Wendy Estacio	Mayvelin Caraballo	