



23 April 2021

THE PHILIPPINE STOCK EXCHANGE, INC.

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

Attention: **Ms. Janet A. Encarnacion**
Head – 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. Encarnacion 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 June 11, 2020 Annual Stockholders' Meeting;
- b. Approval of the Audited Financial Statements for the year ending 31st December 2020;
- c. Ratification of the Acts and Resolutions of the Board of Directors and Management for 2020;
- d. Appointment of SGV & Co. as the Bank's external auditor for the year 2021;

The following were elected at the meeting as Directors of the Bank for the year 2021-2022:

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. Nelson M. Bona
8. Jose Maria G. Hofileña (independent director)
9. Francis H. Jardeleza (independent director)
10. Gregorio U. Kilayko (independent director)
11. Armando L. Suratos (independent director)

> EAST WEST BANKING CORPORATION

The Beaufort, 5th Avenue corner 23rd Street, Fort Bonifacio Global City, Taguig City
Telephone number: 575-3888 | Email: service@eastwestbanker.com | 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
	Wilson L. Sy	Member
Audit Committee	Gregorio U. Kilayko	Chairman
	Francis H. Jardeleza	Member
	Jose Maria G. Hofileña	Member
	Armando L. Suratos	Member
	Lourdes Josephine T. Gotianun-Yap	Member
Corporate Governance & Compliance Committee	Francis H. Jardeleza	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
	Francis H. Jardeleza	Member
Trust Committee	Wilson L. Sy	Chairman
	Jonathan T. Gotianun	Member
	Nelson M. Bona	Member
	Antonio C. Moncupa, Jr.	Member
	Raul Victor M. De Guzman	Trust Officer

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Name of Committees	Members	Position/Designation in Committee
Compensation Committee	Lourdes Josephine T. Gotianun-Yap	Chairman
	Jonathan T. Gotianun	Member
	Mercedes T. Gotianun	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
Pierre Leonard C. Monserrate	EVP and Head – Human Resources
Cecilio Frederick M. Pusag	EVP, Chief Information Officer and Head – Information Technology
Ivy B. Uy	SVP and Head – Regional Branch Banking
Richard Chester C. Tamayo	SVP and Head – Wealth Management
Salvador R. Serrano	SVP and Head – Central Branch Operations
Grace N. Ang	SVP and Chief Risk Officer
Eleanor B. Rivera	SVP and Chief Compliance Officer
Eloida F. Oquialda	SVP and Chief Audit Executive
Angel Marie L. Pacis	SVP and Special Projects Officer

Thank you.

Sincerely,

Vincent A. Villanueva
Finance Officer



**MINUTES OF THE 2021 ANNUAL STOCKHOLDERS MEETING
OF
EAST WEST BANKING CORPORATION**
April 23, 2021, 8:30 a.m.
Thru Webcast

I. NATIONAL ANTHEM

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

2. CALL TO ORDER / NOTICE OF MEETING

The meeting was called to order by the Chairman, Mr. Jonathan T. Gotianun, who presided over the same.

The Corporate Secretary, Atty. Benedicto M. Valerio, Jr., certified: That in accordance with SEC Notice dated March 16, 2021, 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 29 to March 30, 2021; 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 March 16, 2021 to the records of the meeting.

3. DETERMINATION OF QUORUM

The Corporate Secretary certified to the Chairman that a quorum exists for the business at hand after determining that stockholders owning **1,911,835,797** shares representing 84.97% of the outstanding **2,249,975,411** common shares of stock outstanding are present in the meeting, to wit:

Proxy	-	1,865,657,937
Voting <i>in absentia</i>	-	15,090
Via Web Broadcast	-	46,162,770

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.

4. VOTING PROCEDURE

Upon the instruction of the Chairman, the Corporate Secretary read the 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 16, 2020;

3. After the deadline for 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 16, 2021 to submit any questions or comments they may have; and,

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

5. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING ON JUNE 11, 2020

The next item of the Agenda is the approval of the minutes of the June 11, 2020 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 1,865,664,027 shares, or more 99.99% of the total shares represented in the meeting voted to approve the minutes of the annual meeting on June 11, 2020.

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. 04-2021-01

“RESOLVED, for the record, that the stockholders of the Bank approved the Minutes of the Bank’s Annual Stockholders’ Meeting held on June 11, 2020.”

6. PRESIDENT’S REPORT

The next item in the Agenda is the President’s Report. The video and audio recording of the report is posted on the Website of the Bank and is available to the public. The following are its highlight:

Covid Impact

1. Economic Contraction
 - Focus shifted toward resiliency as opposed to growth
 - Lockdowns reduced the overall level of activity and loan bookings
2. Loose Monetary Policy
 - Lower cost of funding for deposits
 - Higher trading income from low interest rate environment
3. Bayanihan Act
 - Modification loss due to change in payment terms
 - Lower fee income

2020 Results***1. Balance Sheet***

- *Defensive Posture*
 - Asset growth was lowest in the last five year at 0.5%
 - Liquid Assets significantly grew by 79%
 - Loan Receivables shrank by 9%
 - High deposit supply as CASA deposits grew by 22.5%. The CASA growth along with low cost asset growth, caused by the 15% decline in high-cost deposits
 - All loan types shrank due to the defensive stance by the Bank with DepEd loan being the only exception
 - Business Loans and Consumer Loans shrank by 17.5% and 5.6%, respectively.

2. Revenues

- Net Interest Income
 - Slowest growth in interest income in the last five years at 3.2%
 - Primarily driven by the reduction in interest expense of 49.3%
- To further build our buffers in light of pandemic, significant Trading Income of P5.4Bn was booked made possible by lower interest rate environment
- Fee and Commissions was down by 29% due reduced banking activity and Bayanihan Act
- Other Income declined primarily because of the P2.7 Bn Modification Loss

3. Expenses

- Operating expense declined by 1.1% but not much lower as compared to the drop of business volumes and transaction count
- Health and Safety was prioritized. The Bank also looked forward to the recovery and took the temporary hit on our productivity levels.
- The Bank booked P9.8 Bn of provisions which is equivalent to 3.8% of loans

4. Net Income

- The booked a Net Income of P6.5 Bn for 2020 which is 4.3% better from 2019 levels for an ROE of 12.3%
- As a result of income level and minimal growth in asset, our capital remains accretive with our CET1 ratio increasing to 12.6%

5. Summary

- 2020 was a very challenging year for the Bank. Despite this, EW still has the one of the highest ROEs in the industry
- The Bank has built buffers to withstand the effects of the pandemic
- The Bank workforce is largely intact and stands ready to resume normal business as soon as the recovery becomes clear.

- CET1 ratio has increased and completes the capital build-up program that will allow the Bank to start implementing its dividends policy which was planned for 2022 unless the virus takes a turn for the worst.

7. APPROVAL OF THE AUDITED FINANCIAL STATEMENT

The next item of the Agenda is the ratification of the 2020 Audited Financial Statement of the Bank. 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 1,864,607,977 shares or 99.94% of the total shares of the Bank represented in the meeting voted in favor of its ratification.

The Chairman instructed the Corporate Secretary to assign a Resolution Number as record for the forgoing ratification by the shareholders of the 2020 Audited Financial Statement of the Bank:

STOCKHOLDERS RESOLUTION NO. 04-2021-02

“RESOLVED, for the record, that the stockholders of the Bank ratified its 2020 Audited Financial Statement.”

8. 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 2020. These acts and resolution include the election of officers and members of the Board Committees, contracts and transactions entered into by the Bank, credit and loan transactions including those involving Material Related Party Transaction approved during the year, projects and investments, 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 was also 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 1,864,616,977 shares or 99.94% of the total shares of the Bank represented in the meeting voted in favor of its ratification.

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

STOCKHOLDERS RESOLUTION NO. 04-2021-03

“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 2020.”

9. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR 2021-2022.

The next item of the Agenda is the election of the members of the Board of Directors of the Bank. 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
NELSON M. BONA
GREGORIO U. KILAYKO
JOSE MARIA G. HOFIÑEÑA
FRANCIS H. JARDELEZA
ARMANDO L. SURATOS

That Messrs. GREGORIO U. KILAYKO, JOSE MARIA G. HOFIÑEÑA FRANCIS H. JARDELEZA and ARMANDO L. SURATOS 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 Corporate Secretary reported that all of the nominees garnered at least 95.12% of the votes enough for each of them to be elected as members of the Board of Directors of the Bank.

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. 04-2021-04

RESOLVED, for the record, that the Stockholders of the Bank re-elected the following persons as members of the Bank's Board of Directors for the year 2020-2021, 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
NELSON M. BONA	Director
JOSE MARIA G. HOFIÑEÑA	Independent Director
GREGORIO U. KILAYKO	Independent Director
FRANCIS H. JARDELEZA	Independent Director
ARMANDO L. SURATOS	Independent Director

10. APPOINTMENT OF EXTERNAL AUDITORS

The next item of the Agenda is the appointment of the External Auditor of the Bank for the fiscal year 2021. The Chairman reported that the Board, upon recommendation of the Company's Audit Committee, is recommending that the shareholders re-appoint SyCip Gorres Velayo and Company as the external auditors of the Bank.

The Corporate Secretary reported that 1,787,690,708 shares or 95.82% 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 2021.

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. 04-2021-05

RESOLVED, for the record, that the stockholders of the Bank re-appointed Sycip Gorres Velayo and Company as the external auditors for the year 2021.

11. ANSWER TO THE QUESTIONS SENT BY THE SHAREHOLDER

The Chairman instructed the Corporate Secretary to read the questions that were sent by the shareholders, all of which were answered by Mr. Moncupa --

1. Comments from F. Yap Securities.

“Congratulations to management for the good performance and continuous profitable management of the bank. You have done a good job in steering the bank’s resilience as to where it is today. And I am sure you are all more than adequately rewarded given the performance of EW.

With the current pandemic, it is a growing concern for stockholders to focus how they are rewarded in terms of EW’s dividend policy. Dividends provide hope to small investors, especially those who may have been displaced, or are unable to cope up with daily expenses for necessities, especially in this time of pandemic.

It has been three years already, and we have received numerous complaints from our investors on this matter,

Therefore, may I suggest to the board for a resolution to pay at least 25%-30% previous yearly net income as dividend like what other big banks are doing.

I sincerely believe that this will help investors’ interest in our stock & help lift up the market price.

Appreciate your swift attention on this matter, thank you.”

- The Board and management are fully cognizant of implementing its dividends policy which was previously announced at the range of 20% to 30% of the previous year’s income.
- The foregoing is part of the 2016 5-year plan: instead of a stock rights offering to ramped-up growth, the Bank decided to internally finance the needed growth capital which meant that it has to accumulate earnings to finance the planned growth, which is supposed to be sufficient by end of 2021 so that the dividend pay-out will start in 2022.
- The plan is still on and if the virus could be controlled, the Bank will still dividends declaration in 2022 as its CET1 capital has reached a level in which the Bank could declare dividends safely.

2. Does EW expect further increase in NPLs for 2021?

- From the 2020 level, the Bank does not expect any increase in the level of NPLs for 2021
- NPLs and provisioning is expected to go back to the normal range
- The normal range is in the vicinity of P3Bn given that the Bank's portfolio is mostly consumer loan, but they are seasoned and way past the high NPL rate
- Using adjusted model for 2020 taking into consideration the pandemic, the Bank booked what was provided in the model which it believed was adequate, perhaps erring on the conservative side.
- However, much will depend on how the pandemic will be controlled and the resulting government action as this will affect the economy and eventually banking and the level of NPLs.
- All told, NPL is expected to be lower in 2021 compared to 2020 and definitely much better for 2022.

3. What did EW do to help its borrowers cope with the pandemic?

Mr. Moncupa explained what the Bank is doing to help its borrowers cope with the pandemic:

- The Bank and its borrowers have a shared objective – for the borrowers to through this pandemic. What is good for the borrowers is good for the Bank
- The Bank has exerted effort to help its borrowers that deserved to be help through loan rewrites or loan modifications such as extending payment terms, temporary payment holidays, leeway on penalties and charges, tender-fitting loan amortization or servicing timing according to the borrower's cash flows and anything that would enhance the probability of recovery and eventually settling their loan
- The Bank also continue to finance borrowers that are resilient to the pandemic.

4. Most listed banks have reported lower income in 2020. In fact, there are only two listed banks that reported higher income, EastWest and China Bank.

a. Can you share your analysis on this?

- The Bank is among the top 3 listed banks in terms of ROE for the last 4 years and this is attributable to the unique business model of the Bank – the most consumer focus universal bank that give it consistently the highest margin in the industry as a result, the higher ROE
- The foregoing works well during the times when rates are low or getting lower which also meant higher levels of NPL
- In 2020 interest rate went lower and because the rate of consumer loans is fixed, it resulted in higher margins for the Bank.

- Other banks have more business loans in proportion to their total loans which typically have variable rates, i.e., as interest rate goes down, the interest of the loan also adjust down, hence the lower margin

b. How do you expect the banking industry to perform in 2021?

- Most of the analyst believes that the income will probably be lower for the industry in 2021 compared to 2020
- The Bank also does not expect much opportunity for trading income in 2021 because of lag-effect of slow loan growth which will be felt this year
- For those that have adequate loan loss provisioning for 2020, loan loss provisioning this year will be lower
- The banking industry is very strong. The country has no debt overhang. The industry will recover from the pandemic in good shape even if profitability in 2021 may have a temporary setback.
- The industry is in a better position than in the last crisis of 1997

5. Is EW interested in acquiring Citibank Philippines retail business after recent news of their intent to exit this business?

- The announcement triggered a lot of curiosity because Citibank is among the largest credit card issuer in the country and also has a very significant retail wealth management business
- The foregoing businesses are among the businesses that EW wants to grow
- EW does not know enough details to give a categorical answer to the foregoing question
- EW is very interested to know more about this opportunity and see how it fits towards its growth, profitability, and sustainability

6. What are your expansion initiative moving forward?

- The main thrust of the Bank is not on expansion in terms of new branches/stores but rather bring into full capacity its existing structure
- The Bank's infrastructure is good to handle until its balance sheet is about P1 trillion.
- The thrust is to grow so that the Bank could improve its economies of scale
- The Bank does not see any increase in overhead in proportion to its planned increased in its assets
- The expansion will focus more, aside from improving sales and marketing effort, on improving its digital offering.

12. ADJOURNMENT

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:

ATTY. BENEDICTO M. VALERIO, JR.
Corporate Secretary

ATTESTED TO:

JONATHAN T. GOTIANUN
Chairman of the Board