

DRAFT
For Stockholders' Approval

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF

ASIA UNITED BANK CORPORATION

Held on 25 June 2021 at 9:00 a.m.
via Zoom Webinar

TOTAL NUMBER OF SHARES OUTSTANDING	485,310,538
TOTAL NUMBER OF SHARES PRESENT/REPRESENTED AND ENTITLED TO VOTE	370,143,352 (76.27%)

Before the start of the meeting, the following members of the Board of Directors present were introduced:

ABRAHAM T. CO
MANUEL A. GOMEZ
RAMON Y. SY
JACOB C. NG
GEORGE T. CHUA
ATTY. LILY K. GRUBA
JUSTICE ADOLFO S. AZCUNA
ATTY. MARIA GRACIA M. PULIDO TAN
ATTY. ROMERO FEDERICO S. QUIMBO

The presence of the executive officers present were also acknowledged.

Representatives of SyCip Gorres Velayo & Co., the Bank's external auditors, were likewise in attendance.

I. CALL TO ORDER

After the National Anthem, the Chairman of the Board of Directors, Mr. Abraham T. Co, called the meeting to order and presided over the same. The Corporate Secretary, Mr. Jason C. Nalupta, recorded the minutes of the proceedings

II. CERTIFICATION OF NOTICE AND QUORUM

The Secretary advised the Chairman that notices for the meeting were sent to stockholders fifteen (15) business days prior to the date of the meeting, as required by the Securities Regulation Code. The notice was likewise posted on the Bank's website. The stockholders as of 27 May 2021, the Record Date set for this year's meeting, are participating, in person or by proxy, at the virtual meeting.

The Chairman instructed the Secretary to ensure that the Certification on Sending of Notices formed part of the records of this meeting. Thereafter, the Secretary certified that, based on the register of attendees and proxies as tabulated by the Stock Transfer Agent, out of Four Hundred Eighty-Five Million Three Hundred Ten Thousand Five Hundred Thirty-Eight (485,310,538) shares of the total outstanding capital stock of the Bank, holders of a total of Three Hundred Seventy Million One Hundred Forty-Three Thousand Three Hundred Fifty-Two (370,143,352) shares were participating in the virtual meeting either in person or by proxy, representing an attendance of 76.27% of the total outstanding capital stock of the Bank. Accordingly, the Secretary certified that a quorum existed for the transaction of the business at hand.

III. RULES OF CONDUCT AND VOTING PROCEDURES

The Chairman then informed the Body that, while the meeting was being held in a virtual format, the Bank extended to the shareholders every opportunity to participate therein to the same extent possible as in an in-person meeting. He then requested that a brief explanation of the rules of conduct and the voting procedures be made, which were as follows:

- 1. Stockholders who notified the Bank of their intention to participate in this meeting by remote communication and are not participating through the livestream may send their questions or comments through the Q&A function of Zoom Webinar.
- 2. Some of the questions or comments received will be read out during the Open Forum period, after all matters in the agenda are concluded. However, as the time dedicated for the meeting is not unlimited, the questions and comments which will not be read out and respondent to during the meeting will be answered by the Investor Relations Group via electronic mail.
- 3. Resolutions will be proposed for adoption by the stockholders for each of the items in the Agenda. Each proposed resolution will be shown on the screen as the same is being taken up.
- 4. The proxies received and the votes cast have been tabulated by the Corporate Secretary, together with the Head of the Investor Relations Group.

IV. APPROVAL OF THE MINUTES OF THE LAST STOCKHOLDERS' MEETING

The Secretary advised the Body that the minutes of the last stockholders’ meeting held on 03 September 2020 was immediately made available to the stockholders for viewing in the Bank’s website soon after the last meeting. The same was also made part of the documents that were recently made available to the stockholders in connection with the 2021 meeting.

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:

Resolution No. S-01-2021

“**RESOLVED**, that the Minutes of the Special Meeting of the Stockholders of **ASIA UNITED BANK CORPORATION** held on 03 September 2020 is hereby approved.”

The votes for the Resolution on the approval of the Minutes of 2020 Special Stockholders’ Meeting are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of Minutes of the Previous Meeting of Stockholders	370,143,102 (76.27%)	0 (0.00%)	200 (0.00%)

V. PRESIDENT’S REPORT AND PRESENTATION OF AUDITED FINANCIAL STATEMENTS

Upon the request of the Chairman, the President, Mr. Manuel A. Gomez, presented the President’s Report on the Bank’s 2020 Operations and the Audited Financial Statements.

Mr. Gomez reported as follows:

Welcome to our Annual Stockholders Meeting.

Once again, we are prevented from holding a public gathering due to quarantine restrictions, and like last year, we will overcome this limitation by using new communication technology.

2020 was a profound year by any measure.

The pandemic thrust our generation into its greatest challenge ever. And while we had to cope with our unique challenges, it was also a time when we endured.

Courage and strength are found in moments of great uncertainty.

While we acknowledge the hardships caused by the pandemic, we also recognize the opportunities given to us.

For this, we still see much reason to celebrate our successes of the previous years and the promise that tomorrow brings. The difficulties of 2020 gave us the chance to create and reinvent many of the things we do.

As we move forward, let me offer words of reassurance and optimism. We have gone thru this pandemic stronger than ever before. We hope the worst of the pandemic has passed and, as always, we stand ready to face the challenges of an ever-changing business environment.

Founded on our core values we are certain that, as we embrace changes that come, we will continue to add value to our shareholders and to society.

Our confidence in the future comes from experience.

The Bank was able to confidently navigate through trying times from the Asian Financial Crisis, The Great Recession and now, Covid-19. This is due in large part to the unwavering support of our shareholders, a battle-tested and very capable management team, and a committed workforce armed with the right tools and technology.

Containing the spread of Covid-19 was critical to the nation's survival. However, the imposed restrictions on travel and commerce dampened the economic activity. After enjoying 84 consecutive quarters of growth, the Philippines' GDP dove 9.5% in 2020 – the worst economic contraction since 1981 – and plunged the country into economic recession.

All economic indicators went into the red zone, such as trade activity, consumer demand, business sentiment and job statistics as the rest of the world quarantined and tended to their own outbreaks. These external factors made the operating environment difficult for everyone.

Amidst these challenges, the Group managed to generate P3 billion in net income in 2020.

While this was 32% lower than the previous year's P4.4 billion, this was primarily due to loan loss provision. We aggressively set aside P4.4 billion in provision for loan losses — five times higher than the P1.1 billion we

allocated in 2019.

Even amidst the pandemic, our subsidiary Rural Bank of Angeles managed to post a double-digit growth. Its net income rose by 47% to P172.7 million from P30 million in the prior year. On the other hand, Cavite United Rural Bank, Asia United Leasing and Finance and its subsidiary, and RediMoney Express PTE Ltd. In Singapore all saw growth contractions.

With our stable growth, we remain well ranked among our peers in business size and Capital. Based on the consolidated figures of the top 10 universal banks reported to the SEC and PSE, AUB ranked: 2nd in Net Interest Margin, 4th in Return on Equity, 4th in Return on Assets, 3rd in Capital Adequacy Ratio, 1st in Cost-Income Ratio, 1st in deposit growth having grown our deposits by 22% versus 2019, 1st in total assets having grown our assets by 19% versus prior year.

Last year prestigious global award-giving bodies validated AUB's excellence with the following awards:

1. First, One among 200 of Forbes Asia's 2020 Best Under a Billion.
2. Second, 3rd in the Philippines and 52nd in Asia Pacific among 500 Strongest Banks in Asia: given by Singapore-headquartered TAB International Pte. Ltd., in its publication, The Asian Banker
3. Third, By the CFA Society of the Philippines with the Best Managed Fund Award for the Equity Peso Category including Best Dollar Medium Term Bond Fund for four years in a row since 2016.
4. Lastly, Best Cash Management Bank Awards from The Annual Global Business Outlook Awards for our pioneering Cash Management Solution, AUB BizKit.

Apt to the times and in true AUB character, we answered the call to be agile:

We promptly executed key innovations that focused on strengthening our mobile banking services

We reduced many physical and redundant touch points that enabled our customers to transact conveniently, securely and safely from wherever they are.

Some of our significant milestones in 2020 are the following:

1. PayMate Botty, for AUB PayMate's 15,000 merchants to do end to end business with the retail sector from accepting dine in and pick up orders to processing payments and fulfilling orders.
2. HelloMoney, our digital wallet for consumers to carry out practically all normal day to day payment and fund transfer transactions.
3. Entrust Soft Token App, that added layers of security for remote transactions
4. Postdated Check or PDC Management, for clients to view PDC details and effect PDC instructions
5. Mobile Banking Enrollment through the AUB Mobile App for clients to enroll their Preferred Accounts without visiting our branch;
6. Lastly, Scan to Pay feature, for contactless transactions between AUB PayMate's accredited merchants and their clients

These were all accomplished while as much as 70% of our workforce was working from home. This is truly a testament to the commitment, hard work, and grit of AUB's skilled personnel.

While our business managed to survive and, in some ways, thrived in 2020, recovery will not follow a straight line.

We have yet to feel the full effects of the pandemic to personal incomes and business viability. We must still brace ourselves for some pockets of turbulence. We will stay vigilant in safeguarding our balance sheet so we can continue to deliver positive returns to our shareholders this year.

We must also be prepared for tightening regulations and increasing credit costs as the Bangko Sentral tries to stave off inflationary pressures and significant stress on the banking system.

We see more banks, as well as non-banks, joining the fray in digitalization even if the government relaxes mobility and quarantine restrictions.

Digital and cashless payments will increase and continue to proliferate in 2021 and beyond.

For a bank, this means several things: intensifying competition in the digital space, growing cybersecurity and data privacy risks, as well as greater opportunity for customer engagement and focus using data analytics.

For AUB, these are not unfamiliar territory. We are positioned well to meet these challenges even before the pandemic began. The Bank showed resiliency despite this historic downturn.

We achieved this by staying true to our foundations while being adaptive to new norms.

As the saying goes, the more things change the more, some remain the same.

We are proud to be ascertained of our values and we will build on these to discover the great potential we can achieve towards a much different tomorrow.

The road to recovery will be long and arduous and we foresee the future to be much different in so many ways.

However, we remain committed to our core, to be your Bank of Choice, driven by innovation and centered around our most valuable asset – our people.

On behalf of AUB, we thank you for your invaluable support

For the highlights of the Bank's Audited Financial Statements for year ended 31 December 2020, the President reported as follows:

I would now like to report on our bank's financial highlights for the year 2020. Let us begin with a snapshot of the Philippine economy and the Banking industry.

In spite of the pandemic, and even as GDP plunged 9.5% from P19.4T in 2019 to P17.5T in 2020, total assets of big banks still grew (although the lowest in 12 years at 5.6%), from P17.9 trillion in 2019 to P18.9 trillion in 2020.

Amidst the coronavirus pandemic, and as profits fell and soured loans increased, the country's biggest banks lent less to firms and households. Our esteemed shareholders, the next 2 slides were my last 2 when I reported to you last year.

The slides highlighted the directions AUB would take in 2020.

This morning, I am happy to report to you that we have done well on these key endeavors.

Even before the pandemic, AUB has already been enhancing its online banking and AUB Mobile App.

In 2020, the Bank rolled out more features and enhancements for its online and mobile banking services to enable clients to conveniently fulfill their banking needs with increased safety.

We launched PayMateBotty, HelloMoney, Entrust Soft Token App, Postdated Check or PDC Management, Mobile Banking Enrollment through the AUB Mobile App, Scan to Pay features, enhancements to Cash Management Services, among others.

We were able to significantly increase volume of low cost and stable funds, with CASA growing a remarkable 38%, from ₱132 billion in 2019 to ₱183 billion in 2020. Our CASA percentage share to Total Deposits now stands at 73% from 63% in 2019.

We have proven our nimbleness and agility when, right after the declaration of the pandemic in March 2020, we quickly executed our Business Continuity programs that allowed AUB to promptly operate with minimal disruptions.

Along the way, we rethought our strategies, reinvented and re-engineered our processes, and developed new programs to adapt to the challenges that we face.

Talent acquisition initiatives also took on a different form since recruitment activities continued with partner schools through virtual career fairs and talks.

Despite the crisis, the bank successfully onboarded both new graduates and experienced professionals to fill up critical positions needed to beef up our operations.

Being in the most challenging and uncertain of times, I also reported last year that much of our 2020 efforts will focus on crisis management to ensure that your bank's fundamentals remain strong.

We immediately attended to the expected consequences this pandemic brought to the banking industry which was the souring of loans. We sufficiently and promptly provided for credit losses to manage our risks.

To weather crises like this prolonged Covid 19 pandemic, we cannot over emphasize the importance of staying liquid over making profits.

In 2020, we strengthened AUB's liquidity by growing easily liquefiable Treasury Assets by a hefty 71%, from P36B in 2019 to P61.6B in 2020.

Along the way, we were also able to participate in favorable market movements, that enabled us to earn a handsome P2.8B in trading gain, and cushioned the impact of increased provision for credit losses.

As spending smartly is an AUB trademark, we once again demonstrated our success at using our resources wisely, even while ensuring that Covid related requirements are sufficiently and promptly provided.

This was achieved by deploying and redeploying financial and non financial resources, particularly our people where the most value could be achieved.

IT engagement and training, retooling of people were put in full throttle.

We did not hesitate to spend for, nor compromise on the quality and promptness of provisions and services, to ensure that the safety and protection from this virus, of our employees and clients, is maintained.

With the immediate activation of the Business Continuity Plan on that fateful day in March last year, alternative work arrangements were effected like work from home, bi weekly and weekly team based shifts, selective branch closures limiting onsite occupancy to as low as 30%. For our employees' and clients' safety, we employed High quality and frequent premises disinfection.

Moving on now to the Financial Report proper.

In spite of the pandemic, Total Assets still increased by 19% from P 266 Billion in 2019 to P 316 Billion in 2020, with Treasury Assets leading in percentage growth of 71%, amidst low business activity that weakened lending volume, and in a purposeful effort to strengthen the Bank's liquidity in this uncertain period.

Along the way, the increased Treasury Asset Portfolio also enabled us to successfully participate in trading opportunities, contributing P2.8B in 2020 Trading Gain.

Liabilities and Equity also increased by 19% to P316 Billion in 2020.

Total Deposits increased by P47.1B from P210.2B in 2019 to P257 billion in 2020.

With CASA growing 38% or P51B from 2019, we were able to retire higher cost term deposits.

Our 19% business size growth, effective pricing, success in growing our low cost deposit enabled us to increase Net Interest Income by 15%, from P9.42B in 2019 to P10.84B in 2020.

Wise trading decisions made us grow our Non Interest Income by 55%,

from P2.73B in 2019 to P4.23B in 2020.

We managed to keep expense growth by a prudent 3%, from P5.6B in 2019 to P5.79B in 2020.

We promptly “applied the clutch”, so to speak, to shift resources where urgently needed, effecting business continuity programs to ensure that operational efficiency is maintained.

In a pre-emptive move to manage credit risks from probable temporary impairment of borrowers’ cash flows and ability to service debt, AUB set aside an additional P4.3 billion in loan loss provisions in 2020, a fourfold increase from 2019’s P1.1 billion.

The increase in provision for losses is the primary reason for net income declining P1.41B or 32%, from P4.44B in 2019 to P3.03B in 2020.

Earnings per share also decreased 32% from 9.16 to 6.23 pesos

On the other hand, book value per share calculated as Equity divided by the number of total shares outstanding, appreciated 6% to P72.29 pesos from P68.03 pesos in 2019.

Meanwhile, the bank’s Price-earnings ratio was at 7.21

Based on the data released by BSP for 46 Universal and Commercial banks, AUB ranked 14th place in terms of assets, 13th in terms of Deposits and 12th in loans and receivables and Capital.

We will now proceed to AUB’s Financial performance indicators for 2020 versus 2019 in comparison with the industry.

AUB outperformed industry for all but one of the above indicators.

For Net Interest Margin, our success at pricing well and growing low cost funding to retire high cost funds, enabled us to outperform industry, at 4.12% versus industry’s 3.58%

ROA and ROE at 1.04% and 8.88%, respectively, also outperformed industry’s average of 0.82% and 6.61%, respectively.

We spent smarter instead of more, per peso of income earned.

Our continuing operational efficiency programs along with a 24% growth in Gross Income dropped cost to income ratio by 7.7%, from 46.12% to 38.38%, besting industry’s 53.23% by 14.85%

We grew Liquidity to guard against adversities that may arise in these uncertain times, growing Liquid Assets to Total Deposits ratio by 16.25%, from 26.09% in 2019 to 42.34% in 2020.

Balance Sheet strengthening through liquidity building caused Total loans to total deposits ratio to drop 15.1% from 83% in 2019 to 67.9% in 2020.

We wish to note that Liquidity Coverage Ratio at 171% and Net Stable Funding Ratio at 155% are well within the prescribed limits of 100%.

The pandemic caused 2020 Net NPL ratio to increase to 3.23%, with a coverage ratio of 60.51%

Lastly, capital adequacy remains healthy, at 18.01%, well above the 10% minimum regulatory requirement, and better than industry’s 17.07%.

The Common equity tier 1 ratio of 14.79% is likewise above regulatory requirement of 8.5%.

In closing, in 2020 AUB sailed the very rough waters everyone was on.

The storm continues in 2021 but with a clearer view of the shore and with the world knowing how to get there and when, so does AUB.

For 2021, we will continue to attend to the priorities we set in 2020, adding new, and equally important directions.

It is like saying we should be prepared to battle things unknown and be best prepared for things we know.

Please allow me to say with great pride that, the way AUB has managed through this pandemic has further validated my confidence in our people and in our institution.

And once again, our dear shareholders, in behalf of AUB’s Officers and Staff, our sincere thanks for your unwavering support.

Upon request of the Chairman, the Corporate Secretary presented the Resolution on the approval of the Annual Report and the Audited Financial Statements, as proposed by Management, and based on the votes received, reported the approval of the stockholders of the following Resolution:

Resolution No. S-02-2021

“RESOLVED, that the 2020 Annual Report on the operations of **ASIA UNITED BANK CORPORATION** together with the Audited Financial Statements and accompanying notes thereto for the year ended 31 December 2020, be approved.”

The votes for the adoption of the Resolution for the approval of the Annual Report for the year ended 31 December 2020, together with the Audited Financial Statements for the Fiscal Year ended 31 December 2020, are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Approval of 2020 Annual Report and Financial Statements	370,143,102 (76.27%)	0 (0.00%)	200 (0.00%)

VI. RATIFICATION OF CORPORATE ACTS

The Chairman informed the stockholders that the next item in the agenda was ratification of the acts of the Bank’s Board of Directors and Officers from the date of the last annual stockholders’ meeting up to the date of this meeting. A summary was presented on the screen for the benefit of the stockholders.

Upon the Chairman’s request, the Corporate Secretary explained that the Board and Management sought the stockholders’ ratification for all the acts of the Board of Directors and Officers of the Bank, from 30 June 2020 until the present date.

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:

Resolution No. S-03-2021

“RESOLVED, that all acts of the Board of Directors and Officers of **ASIA UNITED BANK CORPORATION** from the date of the last annual stockholders’ meeting on 30 June 2020 up to the date of this meeting, are hereby confirmed, ratified and approved.”

The votes for the adoption of the Resolution for the ratification of the acts and resolutions of the Board of Directors and Officers of the Bank are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Ratification of all acts of the Board of Directors and Officers from the date of the last stockholders’ meeting up to the date of the present meeting.	370,143,302 (76.27%)	0 (0.00%)	0 (0.00%)

VII. ELECTION OF DIRECTORS

The Chairman announced that the next item in the agenda is the election of the members of the Board of Directors for the ensuing year and until the next election. Mr. Co informed the Body that, as disclosed in the Information Statement, only eight (8) out of the nine (9) seats provided in the Bank’s Articles of Incorporation will be filled. The last and ninth seat will be reserved for the election of a third independent director at a later time. Accordingly, for this meeting, eight (8) directors, two (2) of whom shall be Independent Directors, shall be elected.

The Chairman then requested the Chairman of the Corporate Governance Committee, Justice Adolfo S. Azcuna, to announce the nominees. Justice Azcuna announced the names of the nominees and informed the Body that the nominees, whose profiles appear in the Bank’s Information Statement and Annual Report, were duly screened by the Corporate Governance Committee. The information included their age, qualifications, dates of first appointment, affiliations, and other directorships in publicly-listed companies. The Chairman then requested the Corporate Secretary to present the results of the election. The Corporate Secretary stated that each of the nominees has garnered sufficient votes for election as Director. He then presented the Resolution on the election of the nominees to the Board, as proposed by Management, and based on the votes received, reported the approval of the following Resolution:

Resolution No. S-04-2021

“RESOLVED, to elect the following nominees, receiving the votes indicates opposite their names, as directors of **ASIA UNITED BANK CORPORATION** for the year 2021-2022, to serve as such until their successors shall have been duly elected and qualified.”

Nominee	No. of Votes Received
Mr. Abraham T. Co	370,143,302 (76.27%)
Mr. Manuel A. Gomez	370,136,962 (76.27%)
Mr. Ramon Y. Sy	370,076,242 (76.26%)
Mr. Jacob C. Ng	370,136,962 (76.26%)
Atty. Lily K. Gruba	370,136,962 (76.26%)
Justice Adolfo S. Azcuna	370,076,242 (76.26%)
Atty. Maria Gracia M. Pulido Tan (Independent Director)	370,082,382 (76.26%)
Atty. Romero Federico S. Quimbo (Independent Director)	370,143,102 (76.27%)

Atty. Maria Gracia M. Pulido Tan and Atty. Romero Federico S. Quimbo were elected to serve as the Bank’s Independent Directors.

VIII. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman announced that the next item in the agenda is the appointment of the Bank’s external auditor for Year 2020-2021. He requested the Chairperson of the Audit Committee, Atty. Maria Graica M. Pulido Tan, to present the recommendation. Atty. Pulido Tan informed the Body that the Audit Committee has recommended, and the Board of Directors has endorsed for consideration of the stockholders, the reappointment of Sycip Gorres Velayo & Company (SGV & Co.) as the Bank’s external auditor for the year 2021.

The Corporate Secretary, upon the request of the Chairman, presented the Resolution as proposed by Management, and based on the votes received, reported the approval by the stockholders of the following Resolution:

Resolution No. S-05-2021

“**RESOLVED**, that **ASIA UNITED BANK CORPORATION** (the ‘Bank’) hereby approves the re-appointment of Sycip Gorres Velayo & Company as the Bank’s external auditor for Year 2021.”

The votes for the adoption of the Resolution for the re-appointment Sycip Gorres Velayo & Company. as the Bank’s external auditor for Year 2021 are as follows:

AGENDA ITEM	VOTES IN FAVOR	VOTES AGAINST	ABSTAIN
Re-appointment of Sycip Gorres Velayo & Company as External Auditor for 2021	370,143,302 (76.27%)	0 (0.00%)	0 (0.00%)

IX. OTHER MATTERS & ADJOURNMENT

After confirming with the Corporate Secretary that there are no other remaining matters on the agenda, the Chairman requested Ms. Leigh Toloza to read aloud the questions and comments sent by the stockholders.

The first question read was an inquiry from Mr. Fermin De Guzman on what AUB’s priorities will be for 2021. In response, the Chairman said that it would be maintaining credit quality of the Bank’s portfolio and taking care of the Bank’s employees by continuing flexible arrangements.

The second question read was from Ms. Elsa Bañez on what changes are expected from AUB in the conduct of its business. In response, the Chairman replied that these will be adapting/changing flexible working arrangements for its employees and improving its

digital products to facilitate safe and efficient transactions for the Bank's customers.

The third question read was an inquiry from Ms. Celestina Lopez on how the Bank will navigate through 2021 and onwards. As requested by the Chairman, President Gomez responded to the question. The President recalled that in his 2020 report to the stockholders, he highlighted IT collaboration as a major direction of the Bank. He explained that this will continue to be the direction as it is imperative for the Bank to keep abreast of technology to better serve its clients.

The last question was from Ms. Leslie Villegas. She inquired as to the expectations of the Bank's Management on asset quality for 2021. The Chairman replied that he expects asset quality to be maintained, if not improved in 2021. He explained that erring on the side of caution, Management decided to make substantial provisions for losses in 2020, perhaps more than needed. Moving forward, the Chairman explained that Management expects to keep a better handle on managing its risks. The President also remarked that non-performing loans picked up in the past year for the whole industry and the Bank was not immune to it. To address these issues, several restructuring have been approved by the Bank, taking into consideration the situation of its clients. He expressed optimism that the Bank, and the whole banking sector, will significantly improve in 2021 as the economy normalizes.

The Chairman, thereafter, announced that the stockholders may raise any further issues, clarifications, and concerns regarding the meeting within the next two (2) weeks by sending an e-mail to investorrelations@aub.com.ph.

Attested by:

ABRAHAM T. CO
Chairman of the Board

JASON C. NALUPTA
Corporate Secretary