

**RATIONALE / EXPLANATION  
FOR AGENDA ITEMS REQUIRING SHAREHOLDERS' APPROVAL**

**1. Proof of Due Notice of the Meeting**

Rationale/  
Explanation: Only stockholders of record as of **June 1, 2023** shall be entitled to notice and vote at the meeting. The notice of the meeting, which shall contain, in addition to the date, hour and link to the virtual meeting, a statement of the matters to be taken up at such meeting, shall be published for 2 consecutive days in 2 newspapers of general circulation in both print and online formats in accordance with the rules of the Securities and Exchange Commission. The Corporate Secretary shall confirm that due notice of the meeting was made.

**2. Determination of the presence of a Quorum**

Rationale/  
Explanation: Quorum shall consist of stockholders owning the majority of the subscribed capital stock represented in person or by proxy, or with votes cast in absentia who duly registered through [RCBC-ASM-2023@rcbc.com](mailto:RCBC-ASM-2023@rcbc.com) as of June 25, 2023. On the basis of such registration, the Corporate Secretary shall declare whether or not a quorum exists for the Annual Stockholders Meeting. Stockholders who cast their votes in absentia shall be deemed present for purposes of quorum.

**3. Approval of the Minutes of the Annual Meeting of the Stockholders held on June 27, 2022**

Rationale/  
Explanation: Approval of the June 27, 2022 Minutes of the Annual Meeting of the Stockholders constitutes a ratification of the accuracy and faithfulness of the Minutes to the events that transpired during said meeting, including, (a) approval of the Minutes of the 2021 meeting, (b) approval of the 2021 annual report and audited financial statements, (c) ratification of actions and proceedings of the Board of Directors, different Committees and Management during the year 2021, (d) confirmation of significant transactions with DOSRI and related parties, (e) election of directors, and (f) appointment of external auditor. The said Minutes is available on the Bank's website and attached to the Information Statement.

A vote representing majority of stockholders represented and eligible to vote during the meeting is required to pass a resolution on this matter.

**4. Approval of the Annual Report and the Audited Financial Statements for 2022**

Rationale/  
Explanation: Approval of the Annual Report constitutes a ratification of the Bank's performance during the previous fiscal years as contained in the Annual Report. The Annual Report will contain the results of the operation of the Company during the year 2022. The financial statements as of December 31, 2022 will also be presented and endorsed for approval by the Board of Directors and the Audit Committee. The Audited Financial Statements for 2022 will be attached to the Definitive Information Statement and is incorporated in the Bank's SEC 17-A (Annual Report) submitted to the Securities and Exchange Commission (SEC) and available on the Bank's website.

A vote representing majority of stockholders represented and eligible to vote during the meeting is required to pass a resolution on this matter.

## **5. Ratification of the actions and proceedings of the Board of Directors, different Committees and Management during the year 2022**

Rationale/  
Explanation: The corporate acts of the Board of Directors, different Committees and Management that are subject to ratification are those made from the date of the last annual stockholders' meeting (June 27, 2022) up to the date of the meeting (July 3, 2023). These include, among others, those that involve the day-to-day operation, administration and management of the corporate affairs such as approval of loans, special projects, material transactions, restructuring of past due accounts, sale of ROPOAs, appointment/ resignation of directors/ officers, sanctions/disciplinary measures imposed to erring officers/ employees, authority to file criminal/civil complaints, and related matters.

A vote representing majority of stockholders represented and eligible to vote during the meeting is required to pass a resolution on this matter.

## **6. Confirmation of Significant Transactions with DOSRI and Related Parties**

Rationale/  
Explanation: Significant transactions with DOSRI and related parties for the year 2022 include: loans/receivables and deposit liabilities; trading of investment securities; sale of a portion of the ATY Centre bank premises and investment properties to ATY Centre, Inc., increase in shareholding of SMBC (although without capital infusion as of report date), lease contracts with RCBC Realty Corporation and sub-lease agreements with subsidiaries for occupancy in the RCBC Plaza; various service agreements with RCBC Bankard Services Corporation, RCBC Forex Brokers Corporation, RCBC Capital Corporation, RCBC Securities, Inc., Rizal Microbank – A Thrift Bank of RCBC, RCBC Leasing and Finance Corporation, Niyog Property Holdings, Inc., and RCBC International Finance Limited; agreement with RCBC Rental Corporation for the financing of 1,600 new ATMs; and the administration and management of some of the subsidiaries' retirement funds. The Bank's other transactions with affiliates include service agreements, leasing office premises to subsidiaries, accreditation of RCBC Trust agent and of insurance companies, and regular banking transactions (including purchases and sales of trading account securities, securing insurance coverage on loans and property risks and intercompany advances). All transactions are at arms' length. Details of said related party transactions are disclosed in the Bank's SEC 17-A Report which is also available on the Bank's website. These are also provided in the Annual Report accompanying the Information Statement, Annex A.

In accordance with BSP Circular No. 895 dated December 14, 2015, which requires the Bank's stockholders to confirm by majority vote, the Bank's significant transactions with DOSRI and related parties, the above-mentioned significant transactions are presented to the stockholders for confirmation.

## 7. Election of Directors

Rationale/  
Explanation: The By-Laws of the Bank allows all shareholders, including minority stockholders, the right to nominate candidates for the Board of Directors. Nominees for election as members of the Board of Directors of RCBC, including nominees for election as independent Directors, as well as their profiles are provided in the Definitive Information Statement.

A vote representing majority of stocks represented and eligible to vote during the meeting is required to pass a resolution on this matter.

## 8. Appointment of External Auditor

Rationale/  
Explanation: The Audit and Compliance Committee will screen and endorse to the stockholders the appointment of a selected qualified SEC-accredited auditing firm as external auditor of RCBC for the year 2023, including their proposed remuneration. The profile of the external auditor is provided in the Definitive Information Statement.

A vote representing majority of stocks represented and eligible to vote during the meeting is required to pass a resolution on this matter.

## 9. Other Matters

Rationale/  
Explanation: Other matters that may have arisen after the Notice of Meeting and Agenda have been sent out, or those raised throughout the meeting may be presented to the stockholders for consideration. Stockholders may also propose to consider such other relevant matters or issues.

## 10. Open Forum

Rationale/  
Explanation: Due to logistical limitations at the virtual meeting, only relevant comments and questions on agenda items which are submitted by email to [CorSecRCBC@rcbc.com](mailto:CorSecRCBC@rcbc.com) with subject: **QUESTIONS/COMMENTS by 5:00 pm of June 30, 2023** will be considered during the open forum. The Corporate Secretary will reply, by email, to relevant comments and questions received after the June 30, 2023 cut-off and until the end of the meeting on July 3, 2023.

## 11. Adjournment