



**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
HELD ON APRIL 24, 2018 AT THE GRAND BALLROOM
UPPER LOBBY, CENTURY PARK HOTEL
599 PABLO OCAMPO SR., MALATE MANILA**

DIRECTORS/STOCKHOLDERS PRESENT

Please refer to Annex A+

I. CALL TO ORDER

The meeting commenced with the singing of the National Anthem, and thereafter the delivery of the invocation by EVP Bernardo H. Tocmo. SVP Norman Martin C. Reyes acted as the Master of Ceremonies.

Vice Chairman Felix Enrico R. Alfiler, who acted as Chairman of the meeting, then welcomed the stockholders and called the meeting to order at 8:15 a.m.

Corporate Secretary Maila Katrina Y. Ilarde recorded the minutes of the proceedings.

II. SECRETARY'S PROOF OF NOTICE AND QUORUM

The Chairman requested the Corporate Secretary to show proof that the required notice of the meeting was duly sent to all the stockholders. In response, the Corporate Secretary said that in accordance with the requirements of the Securities Regulation Code, the New Disclosure Rules of the Securities and Exchange Commission, and SEC Memorandum Circular No. 19, series of 2016, written notice of the meeting was sent to all shareholders of record as of record date, March 26, 2018, at least 28 days prior to the date of the meeting. She added that in accordance with Section 4.4, Article IV of the Bank's Amended By-Laws, the notice was likewise published daily for one week from April 8 to 14, 2018 in the Philippine Star, Business World, and Manila Bulletin. Supporting certifications were then submitted for the record.

The Chairman thereafter requested the Corporate Secretary to certify the existence of a quorum. The Corporate Secretary said that based on the attendance record and the proxies and powers of attorney on hand, there was present, in person a total of 31,011 shares or 0.0025% of the Bank's total outstanding shares and, present by proxies and powers of attorney, a total of 976,923,537 shares or 78.2077% of the total outstanding shares. The Corporate Secretary therefore certified that the total number of shares present in person and represented by proxies and powers of attorney was 976,954,548 shares or 78.2102% of the Bank's total outstanding shares, and as such, a quorum existed for the valid transaction of business.

III. APPROVAL OF THE MINUTES OF THE 2017 ANNUAL STOCKHOLDERS' MEETING HELD ON APRIL 25, 2017

The next item in the Agenda was the approval of the Minutes of the 2017 Annual Stockholders Meeting held on April 25, 2017. Upon the inquiry of the Chairman as regards the stockholders' access to the Minutes, the Corporate Secretary said that copies of the Minutes were uploaded to the Bank's website 2 days after last year's

meeting, or on April 27, 2017. She also said that copies of the Minutes were made available at the registration table for all the stockholders. A summary of the matters discussed at the April 25, 2017 Annual Stockholders Meeting was flashed on the screen for the examination of the stockholders. The Corporate Secretary said that the salient matters approved at last year's meeting were likewise included in the Information Statement previously distributed to the stockholders. The Corporate Secretary therefore confirmed that the stockholders were apprised of the Minutes of the 2017 Annual Stockholders Meeting.

Mr. Elvin Salindo, a stockholder, moved that the reading of the Minutes of the 2017 Annual Stockholders Meeting held on April 25, 2017 be dispensed with, and that the same as appearing in Bank records be approved. Ms. Pola Lia Celina L. Lamarca seconded the motion.

There being no objections, the Corporate Secretary was then instructed to reflect in the Minutes that the motion was unanimously approved:

Approving	976,954,548
Dissenting	0
Abstaining	0

IV. REPORT OF THE PRESIDENT ON THE RESULTS OF OPERATIONS FOR THE YEAR 2017

EVP Cenon C. Audencial, Jr. was requested to present, on behalf of Mr. Reynaldo A. Maclang, the President's report on the results of operations for the year 2017.

Mr. Audencial then rendered the President's report, as follows:

2017 was a turning point for PNB as it was the first year after our centennial. Given our long and rich history, the question we posed to ourselves was: How do we surpass the gains and milestones that we have achieved in the past so that the Bank can reach greater heights, undaunted by the market challenges arising from the more demanding global banking standards, rapid advances in technology, and fierce competition?

Today, I am happy to report that PNB continues to evolve and grow as an organization to stay attuned to market trends and customer needs. PNB sustains success by building connections and harnessing new technologies to serve its clients better. These are all anchored on our brand promise of putting "You First" in everything that we do.

Digital Transformation

As PNB moves forward to a new century, our goal is to ensure that our Bank remains relevant in the highly competitive financial landscape. To do this, we have embarked on digital initiatives to serve the growing need for electronic banking.

We launched the **PNB Mobile Banking App** which offers secure online banking for clients who transact using their smart devices.

Our **PNB Internet Banking** was also improved to provide a more secure platform for financial transactions.

An enhanced **UITF Online Facility** was offered to enable clients to conveniently invest and redeem funds online. Likewise, we launched the **UITF ATM**, the country's first and only UITF ATM facility. Clients can easily participate in the PNB Prime Peso and Dream Builder Money Market Funds anytime just by visiting ATMs.

In relation to digitization, I am excited to share with you, at this point, some of our upcoming initiatives that will enable us to bring our customer service to a whole new level. We are strengthening our capabilities by partnering with technology companies, with focus on the following:

- Electronic Wallet . to enhance remittance services for our overseas clientele;
- Big Data . for stronger customer engagement; and
- Loyalty Programs . to further cement our relationships with clients and to capture emerging markets.

New Distribution Channels

Likewise, we stepped up our retail banking business by expanding cost-efficient distribution channels. To offer clients a faster way of depositing funds to their accounts, we deployed **Cash Accept Machines or CAMs**, starting with 15 machines in Metro Manila. During the year, **187 ATMs** were deployed in strategic locations nationwide. PNB now has a total of 1,243 ATMs which are EMV-compliant, ensuring that ATM transactions are secured and protected. In March 2017, we started issuing **EMV-compliant proprietary debit and prepaid cards** to clients to adopt the new global standard for cards.

We concluded 2017 with a total of **692 branches** inclusive of PNB Savings Bank. To offer a more convenient banking experience to our customers, 55 of our branches in strategic locations were transformed into modern sales and service hubs.

We maintained our position as the Philippine bank with the most extensive international footprint with 72 overseas branches, representative offices, remittance centers, and subsidiaries across Asia, Europe, the Middle East, and North America.

Relationship Management

PNB has been known as a leading player in retail banking. In 2017, we made substantial progress in the area of relationship management as we rolled out projects for the affluent market segment. Pinnacle Priority Banking, our exclusive wealth management group, opened its first **Wealth Management Hub** in Makati in March 2017. The hub gives customers a comfortable place where they can find solutions for their wealth management and financial service needs.

As part of our enhanced customer relationship efforts, we also launched **PNB Connect** in 2017. PNB Connect enables the Bank to expand its reach by capturing the entire value chains of anchor institutional clients and embedding a culture of cross-sells through a comprehensive network of technology-based financial solution. This

project also aims to serve the country's unbanked sector through internet and mobile banking services.

Other Milestones

Even as we drive business growth with greater focus on increasing profitability, we have not forgotten a very important role that we have played through the years: that of being a partner of the Philippine government in nation-building. Along this line, we funded landmark infrastructure projects in collaboration with the Bank's wholly-owned investment arm, PNB Capital and Investment Corp. as lead arranger. Among our major clients include SMC Consolidated Power Corporation; SMC Global Holdings, Incorporated; Metro Pacific Investments Corporation; Ayala Corporation; and the Udenna Group. Meanwhile, PNB Capital also offered equity and bond issuances as underwriter and/or arranger.

In times of crisis, PNB was able to provide assistance and sustain service in communities. In the aftermath of the Marawi siege, the Bank was able to bounce back and fast-track the resumption of operations. PNB was the first bank to resume operations after the Marawi siege. Our goal was clear: to be an agile and dependable financial partner as Marawi started to rebuild lives and businesses.

Sustaining PNB's Business

While being swift in responding to market demands, PNB has not compromised its commitment to integrity. We recognize the importance of having a robust corporate governance and risk management framework in sustaining the Bank's business for the long term. With this in mind, we established a separate group primarily composed of Board members to give focus to corporate governance initiatives.

Our continued success is made possible by the hard work and dedication of Philnabankers. We believe that our people are our most valued asset. Thus, we invest in strategic talent management through an expanded learning and development program. To sustain a healthy and productive workforce, we likewise nurture our employees through year-round overall wellness programs that promote productivity and work-life fit.

Furthermore, we actively pursued initiatives that focus on nurturing communities and promoting sustainability in areas where we have business presence in order to deepen customer engagement. PNB undertakes financial literacy programs for local and overseas Filipino communities that we serve. For instance, the PNB Singapore Branch conducts regular financial literacy talks for the OFW attendees at the Post Arrival Orientation Seminar organized by the Philippine Embassy DOLE-POLO & OWWA.

Awards Received

At the awards front, 2017 was a good year for PNB. Our PNB Mobile Banking App was recognized as the Best in Customer Experience - Mobile+ in the Annual Customer Experience in Financial Awards 2017. We also received the Digital Banking Initiative of the Year+ award from the Asian Banking & Finance 2017 Retail Banking Awards. PNB's Smart Salary Loan Program, on the other hand, bagged the New Consumer Lending Product of the Year+ award. Our investment house

subsidiary, PNB Capital and Investment Corporation, was recognized by Philippine Dealing and Exchange Corporation (PDEX) as Top 3 Issue Manager of Retail Bonds in 2017.

Meanwhile, we received the Outstanding PhilPaSS REMIT Participant award from the Bangko Sentral ng Pilipinas (BSP) in recognition of the Bank's exceptional performance in terms of remittance volume sent via the BSP's Philippine Payments and Settlement System (PhilPaSS) for processing and settlement. Likewise, our marketing and communication campaigns bagged several recognitions from various award-giving bodies.

As proof that our Bank lives up to its corporate values, the Department of Labor and Employment (DOLE) certified PNB as a labor standards-compliant institution -- the first in the Philippine banking industry.

2018 and Beyond

At this point, I would like to share with you a recent milestone we had. From April 16 to 18, our Chief Financial Officer, Sonny Reyes; Treasury Group Head, Ricky Cebrero; and myself, together with joint arrangers and managers, went on a roadshow in Singapore and Hong Kong to present to investors our Medium Term Note Programme. PNB will be issuing 300 million US Dollars in Fixed Rate Senior Notes. The Notes will settle on April 26, 2018 and mature on April 27, 2023. I'm happy to share that demand for the offering was approximately 1.2 billion US Dollars at its peak, equivalent to an oversubscription of 4 times the issue amount. This indicates that, indeed, things are looking up for PNB.

For all these milestones, we are grateful for the unrelenting support of the Board of Directors and Advisors, the Senior Management team, our hard-working employees, our loyal customers, and YOU -- our shareholders. Thank you very much for supporting PNB throughout the years.

Going forward, we shall remain committed to our core of being a trustworthy and pioneering financial partner that serves You First.

I now call on PNB's Chief Finance Officer, Executive Vice-President Nelson Reyes to report on how PNB's strategies and programs translated to stronger financial results in 2017.

EVP Audencial then requested the Chief Financial Officer, EVP Nelson C. Reyes, to report on the financial results of the operation of the Bank for the year 2017.

Mr. Reyes presented his report, as follows:

I am pleased to report that 2017 was another record year of strong financial results for PNB as it registered P8.2 billion in net income, 14% more than the previous year's level of P7.2 billion on the back of a stable growth in its core income.

Leveraging on PNB's solid franchise and the country's strong economic fundamentals, total operating income amounted to P32.6 billion, 10% higher than year-ago level.

Comprising almost two-thirds of total operating income, net interest income increased by 13% to P22.1 billion, driven by the 16% hike in our

loan book, primarily in commercial/SME and consumer loans. This efficient deployment of funds translated to the Bank's loans-to-deposits ratio settling at 76%.

Also contributing substantially to the Bank's core income, services fees and commission income rose by 17% to P3.1 billion as the Bank intensified its cross-selling efforts to its customers.

It is noteworthy to mention that the Bank's strong profitability were attained even as its non-core income declined by 22% due to the drop in trading gains as well as the absence of significant non-recurring revenues posted in 2016 consisting of the one-off gain from the sale of its interest in PNB Life and the collection of non-performing assets. These were partly offset by higher net gains on disposal of foreclosed properties and FX-related income.

Total operating expenses slightly declined by 4% to P22.1 billion as a result mainly of the reduction in provisions for impairment, credit and other losses. Excluding these provisions, regular operating expenses increased moderately by 7% as strong revenue growth translated to higher business taxes as well as employment, occupancy and equipment-related costs.

We continued to grow and strengthen the Bank's balance sheet. By end-2017, PNB's total consolidated resources stood at P836.2 billion, up by 11% from year-ago level.

The asset build-up was largely funded by deposits which rose by 12% to P637.9 billion from end-2016 levels as we continued to focus on generating low-cost funds and replacing matured high-cost Tier 2 Notes with Long-Term Negotiable Certificates of Deposit (LTNCD). In 2017, the Bank successfully raised Php10.1 billion from the issuance of two tranches of LTNCD in April and October at a weighted interest rate of 3.8%. The Bank's low cost deposits comprised 57% of its total deposits by year-end.

Despite the aggressive loan expansion, PNB's asset quality remained healthy as the Non-Performing Loan (NPL) ratios were recorded at 0.26% (net of valuation reserves) and 2.0% (at gross) as of end-December 2017. NPL coverage reached 131%.

PNB's consolidated risk-based capital adequacy ratio (CAR) has consistently exceeded BSP's minimum regulatory requirement with a Capital Adequacy Ratio (CAR) of 15.35% and Common Equity Tier (CET) 1 ratio of 14.58% by end-2017.

Furthermore, we expect PNB to sustain its financial stability and accelerate its growth momentum this year given the strength of the Bank's diversified income stream, access to low cost funds, effective cost management strategies, and improving operational efficiency.

After the Chief Financial Officer's Report, the Chairman invited comments and questions from the floor.

Mr. Roberto Chua asked how PNB will ensure the profitability of the Bank despite the increase of interest rates. Mr. Reyes said that with the increase in interest rates, the Bank has an opportunity to deploy assets in higher yielding instruments, thereby improving its interest margins.

Mr. Roberto then inquired on why the Bank's share price is below the price to book and price to earnings ratios. In response, Mr. Reyes said that this was possibly due to the Bank's ROE and the low liquidity of the PNB shares as only about 20% were actively traded in the market. He explained, however, that the ROE has been increasing and will continue to improve.

Mr. Soria, a retiree and a stockholder, said that he was very happy that he attended the Stockholders Meeting because he was able to meet his fellow retirees and former officemates who were still working with PNB. As mentioned by Mr. Soria, "Once a Philnabanker, always a Philnabanker." He also informed the Board that he was saddened by some negative issues about the Bank, including the recent news that the ATMs were offline. He wished that Management will look into the matter.

Mr. Soria thanked the Chairman, President, and Senior Management, specifically Mr. Bong Austero and Ms. Aida Padilla, for their continuous support to the Retirees Cooperative. Mr. Soria also mentioned that stockholders and retirees will be happy if dividends will be declared soon.

Mr. Alfiler assured Mr. Soria that the glitches in the Bank's electronic banking system was being addressed.

Mr. Benjamin Fernando Jr., a stockholder, congratulated the distinguished members of the Board of Directors and Management of the Bank, as well as the employees and former employees, for making the Bank great and for serving the interest of stakeholders and customers.

Mrs. Norma Nubla, a stockholder, had a concern regarding the process of distribution/crediting of cash dividends previously received. She said that she experienced certain challenges in processing the deposit of her dividends to her account, and as such, she sought clarification on the procedure. Mr. Alfiler then requested EVP Bernardo H. Tocmo to assist Mrs. Nubla and address her concerns.

Mr. Guillermo Gili Jr., a stockholder, then asked for updates regarding the P3.5B subordinated loans of the Bank. Mr. Nelson Reyes said that the same had been paid in 2017.

After further discussion, Mr. Alfiler thanked the stockholders for their comments and questions.

V. APPROVAL OF THE 2017 ANNUAL REPORT

Ms. Micaela Astrud A. Altavas moved for the notation and approval of the Annual Report, including the audited financial statements of PNB as of December 31, 2017. Ms. Faye Marie Y. Borday duly seconded the motion. There being no objections, the motion was approved, as follows:

STOCKHOLDERS' RESOLUTION NO. 01-18

RESOLVED, AS IT IS HEREBY RESOLVED, that the Bank's 2017 Annual Report, together with the Audited Financial Statements for the year ended December 31, 2017, be noted and approved.

The Corporate Secretary was then instructed to reflect in the Minutes the votes cast:

Approving	976,670,628
Dissenting	0
Abstaining	283,920

VI. AMENDMENT OF ARTICLE IV, SECTIONS 4.4 AND 4.8, ARTICLE V, SECTION 5.17, AND ARTICLE VI, SECTIONS 6.1, 6.4 AND 6.6 OF THE BANK'S AMENDED BY-LAWS.

The Chairman requested the Corporate Secretary to explain the rationale for the proposed amendments. The Corporate Secretary said that the proposed changes to the Bank's Amended By-Laws were clean-up provisions to address the outdated clauses of the By-Laws. She then discussed each of the proposed amendments, while the amended clauses were flashed on the screen.

The proposed change to Article IV, Section 4.4 involved the inclusion of a clause to allow the preparation and sending out of supporting documents to the Stockholders meeting in electronic form. According to Ms. Ilarde, this was in anticipation of the advances in technology that will enable the Bank to minimize its expenses to the benefit of its shareholders.

On Article IV, Section 4.8, it was proposed that the Agenda for the Annual Stockholders Meeting which was included in the By-Laws be deleted. Ms. Ilarde explained that this will give the Bank flexibility in setting its own Agenda for every Annual Stockholders Meeting, which shall, at minimum, be consistent with the requirements of the law.

On Article V, Section 5.17, Ms. Ilarde said that under the existing provision, the Board Committees were required to give quarterly reports to the Board of Directors. Under the proposed amendment, the Committees shall submit the minutes of the meetings of the Board Committees as they occur for the notation of the Board which can be more frequent than quarterly.

On Article VI, Section 6.1, the specific classifications of Vice Presidents will be deleted and for consistency, in Article VI, Section 6.4, the specific duties assigned to the classes of Vice Presidents will likewise be deleted. This will give the Board of Directors wide discretion in determining the executive officers that the Bank may require. To this end, the By-Laws shall provide a more general description of the duties of the Vice Presidents.

Lastly, with respect to Article VI, Section 6.6, the duties of the Bank's Treasurer will exclude reporting on the financial statements to the Board and to the President since this function was actually performed by the Chief Financial Officer. Article VI, Section 6.6 (b) and (f) of the powers of the Treasurer will therefore be deleted.

Ms. Stephanie Maree N. Dysangco moved that Article IV, Sections 4.2 and 4.8, Article V, Section 5.17, and Article VI, Sections 6.1, 6.4 and 6.6 of the Bank's Amended By-Laws, as presented and explained by the Corporate Secretary, be amended accordingly. Ms. Billie Kristel D. Cabal duly seconded the motion.

There being no objection, the motion was approved, as follows:

STOCKHOLDERS' RESOLUTION NO. 02-18

RESOLVED, AS IT HEREBY RESOLVED, that the Bank's Amended By-Laws be amended, as follows:

- a. Article IV, Section 4.4, to include a clause allowing the preparation and sending out of supporting documents to the Stockholders Meeting in electronic form;
- b. Article IV, Section 4.8, to delete the Agenda for the Annual Stockholders Meeting;
- c. Article V, Section 5.17, to amend the manner of reporting of Board Committees to the Board of Directors;
- d. Article VI, Section 6.1, to delete the classification of Vice Presidents;
- e. Article VI Section 6.4, to delete the specific duties assigned to the classes of Vice Presidents, and to reflect a more general description of the duties of the Vice Presidents;
- f. Article VI Section 6.6, to delete paragraphs (b) and (d) of the Powers of the Treasurer

The Corporate Secretary was then instructed to reflect in the Minutes that the motion was approved:

	Approving	Dissenting	Abstaining
Article IV, Section 4.4	976,954,548	0	0
Article IV, Section 4.8	976,954,548	0	0
Article V, Section 5.17	976,954,548	0	0
Article VI, Section 6.1,	976,954,548	0	0
Article VI, Section 6.4	976,954,548	0	0
Article VI, Section 6.6	976,954,548	0	0

VII. RATIFICATION OF ALL THE LEGAL ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS SINCE THE 2017 ANNUAL STOCKHOLDERS' MEETING

The next item in the Agenda was the confirmation and ratification of all the legal

acts, including the approvals of material related party transactions, resolutions and proceedings of the Board of Directors and Officers since the 2017 Annual Stockholders Meeting. A summary of the acts submitted for ratification was flashed on the screen for the examination of the stockholders. As explained by the President, all the said acts, resolutions and proceedings consisted of regular banking transactions and policy formulation which were undertaken in the regular course of business of the Bank. He also said that the Bank did not undertake any extraordinary projects for 2017.

Mr. Faye Marie Y. Borday then moved for the approval, confirmation and ratification of all the acts, resolutions and proceedings of the Board of Directors and Corporate Officers since the 2017 Annual Stockholders Meeting up to the present. Mr. Elvin S. Salindo then duly seconded motion.

There being no objection, the motion was approved, as follows:

STOCKHOLDERS' RESOLUTION NO. 03-18

RESOLVED, AS IT HEREBY RESOLVED that all legal acts, resolutions and proceedings of the Board of Directors and Corporate Officers of the Bank from the last Annual Stockholders Meeting on April 25, 2017 up to the present, as reflected in the Minutes of the Meetings of the Board of Directors and the Board Committees be approved, confirmed and ratified.

The Corporate Secretary was then instructed to reflect in the Minutes the votes cast:

Approving	976,670,628
Dissenting	0
Abstaining	283,920

VIII. ELECTION OF DIRECTORS

Mr. Alfiler then took the opportunity to express, on behalf of the Bank, the Bank's gratitude for the years of service and time contributed by the late Mr. Washington Sycip to the Bank. Mr. Sycip served faithfully and generously as Director of the Bank for 17 years. According to Mr. Alfiler, Mr. Sycip's contribution helped the Bank achieve its status and prestige, and for that, PNB will always be grateful to Mr. Sycip.

Thereafter, the Corporate Secretary reported that the Bank's Corporate Governance Committee, acting as the Nomination Committee, approved the nomination of the following for election as members of the Board of Directors for the year 2018-2019:

1. Mr. Felix Enrico R. Alfiler
2. Mr. Florido P. Casuela
3. Mr. Leonilo G. Coronel
4. Mr. Edgar A. Cua
5. Mr. Reynaldo A. Maclang
6. Mr. Estelito P. Mendoza

7. Mr. Christopher J. Nelson
8. Mr. Federico C. Pascual
9. Mr. Cecilio K. Pedro
10. Mr. Carmen K. Tan
11. Mr. Lucio C. Tan
12. Mr. Lucio K. Tan, Jr.
13. Mr. Michael G. Tan
14. Ms. Vivienne K. Tan
15. Ms. Florencia G. Tarriela

The Corporate Secretary further reported that Mr. Felix Enrico R. Alfiler, Mr. Edgar A. Cua, Mr. Federico C. Pascual, Mr. Cecilio K. Pedro and Ms. Florencia G. Tarriela were nominated as Independent Directors. According to the Corporate Secretary, should any of the regulators not approve the independent directorship of any of the nominees, the Committee recommended that any such nominee be deemed automatically elected as a regular director.

Ms. Billie Kristel D. Cabal moved that since there were only 15 nominees to the fifteen 15 available seats in the Board of Directors, the Corporate Secretary be instructed to cast all votes present during the meeting equally among them in addition to the votes cast by way of proxy, and that the 15 nominees be proclaimed as duly elected directors of the Bank, to serve as such until the election and qualifications of their successors. The motion was then seconded by Ms. Sherleen Lourds R. Macatangay.

There being no objection, the Chairman instructed the Corporate Secretary to cast all votes present during the meeting equally among the nominees in addition to the votes cast by way of proxy. The Corporate Secretary was also instructed to reflect in the Minutes the votes received by each of the nominees, as follows:

Nominee	No. of Votes
Florencia G. Tarriela	976,770,769
Felix Enrico R. Alfiler	976,954,548
Florido P. Casuela	976,954,548
Leonilo G. Coronel	976,954,548
Edgar A. Cua	976,954,548
Reynaldo A. Maclang	976,954,548
Estelito P. Mendoza	976,954,548
Christopher J. Nelson	976,954,548
Federico C. Pascual	976,954,548
Cecilio K. Pedro	976,954,548
Carmen K. Tan	976,844,919
Lucio C. Tan	976,781,769
Lucio K. Tan, Jr.	976,844,919
Michael G. Tan	976,781,769
Vivienne K. Tan	976,954,548

The Chairman then declared the nominees as duly elected directors of the Bank, to serve immediately as such until the election and qualification of their successors

STOCKHOLDERS' RESOLUTION NO. 04-18

RESOLVED, AS IT IS HEREBY RESOLVED, to approve and confirm the election of the following as members of the Board of Directors of the Bank for the year 2018-2019:

1. Mr. Felix Enrico R. Alfiler (Independent Director)
2. Mr. Florido P. Casuela
3. Mr. Leonilo G. Coronel
4. Mr. Edgar A. Cua (Independent Director)
5. Mr. Reynaldo A. Maclang
6. Mr. Estelito P. Mendoza
7. Mr. Christopher J. Nelson
8. Mr. Federico C. Pascual (Independent Director)
9. Mr. Cecilio K. Pedro (Independent Director)
10. Mrs. Mr. Carmen K. Tan
11. Mr. Lucio C. Tan
12. Mr. Lucio K. Tan, Jr.
13. Mr. Michael G. Tan
14. Ms. Vivienne K. Tan
15. Ms. Florencia G. Tarriela (Independent Director)

The Chairman, thereafter, congratulated the newly-elected members of the Board of Directors.

IX. APPOINTMENT OF EXTERNAL AUDITOR

The Chairman requested Mr. Edgar Cua, Chairman of the Board Audit and Compliance Committee (BACC), to report on the appointment of the external auditor. According to Mr. Cua, the BACC recommended and endorsed the appointment of SGV & Co. as the Bank's External Auditor. The partner-in-charge of the Bank's account, Ms. Janeth N. Javier, was appointed in April 20, 2017.

Ms. Pola Lia Celina L. Lamarca then nominated the auditing firm of SGV & Co. as the External Auditor of the Bank for the ensuing year. Ms. Micaela Astrud A. Altavas moved that the nomination be closed, after which Ms. Stephanie Maree N. Dysangco seconded the motion.

The motion was then approved, as follows:

STOCKHOLDERS' RESOLUTION NO. 05-18

RESOLVED, AS IT IS HEREBY RESOLVED, to approve the appointment of SGV & Co. as the External Auditor of the Bank for the fiscal year 2018 to 2019.

The Corporate Secretary was then instructed to reflect in the Minutes the votes cast:

Approving	976,954,548
Dissenting	0
Abstaining	0

X. ADJOURNMENT

Vice Chairman Alfiler then thanked the stockholders for taking time to attend the meeting. He said that PNB was able to sustain its status as one of the country's leading banks because of the untiring support of the shareholders. He assured the stockholders that PNB will continue to keep and live by its core values and endeavor to achieve a balance between time-tested values and innovation in the delivery of financial solutions that would best meet the needs of the market.

According to Mr. Alfiler, the PNB Board will be at the forefront of ensuring a solid future for the Bank, its employees, stakeholders, and existing and future customers. The Board will drive sustainability efforts and uphold the three Ps: Profit, People, and Planet.

Mr. Alfiler assured the stockholders that PNB will always be the Bank that stockholders can lean on. As mentioned, ~~to~~ everything that we do, we always put You First. Kami pa rin ang **PiNaka-Best Bank** para sa inyo.+

Ms. Sherleen Lourds R. Macatangay then moved for the adjournment of the Annual Stockholders Meeting, which motion was duly seconded by Ms. Billie Kristel D. Cabal.

The 2018 Annual Stockholders Meeting was adjourned at 9:20 a.m.

CERTIFIED CORRECT:

(original signed)
MAILA KATRINA Y. ILARDE
Corporate Secretary

ATTESTED BY:

(original signed)
FELIX ENRICO R. ALFILER
Chairman of the Meeting



**ANNUAL STOCKHOLDERS' MEETING
HELD ON APRIL 24, 2018 AT THE GRAND BALLROOM
UPPER LOBBY, CENTURY PARK HOTEL
599 PABLO OCAMPO SR., MALATE MANILA**

NUMBER OF SHARES HELD BY SHAREHOLDERS:

Total Outstanding Shares	-	1,249,139,678
Present in Person and Represented by Proxy and Participant Brokers	-	976,954,548
Percentage of the Total Shares Represented by Proxies & in Person	-	78.2102%

DIRECTORS PRESENT:

FELIX ENRICO R. ALFILER, Independent Director
FLORIDO P. CASUELA, Director
LEONILO G. CORONEL, Director
EDGAR A. CUA, Independent Director
REYNALDO A. MACLANG, Director
ESTELITO P. MENDOZA, Director
CHRISTOPHER J. NELSON, Director
FEDERICO C. PASCUAL, Independent Director
CECILIO K. PEDRO, Independent Director
VIVIENNE K. TAN, Director
MICHAEL G. TAN, Director

ALSO PRESENT:

WILLIAM T. LIM, Board Advisor	NORMAN MARTIN C. REYES, Senior Vice President
MANUEL T. GONZALES, Board Advisor	ADELIA A. JOSON, Senior Vice President
MAILA KATRINA Y. ILARDE, Corporate Secretary	ANA ROSE T. KWAN, Senior Vice President
RUTH PAMELA E. TANGHAL, Assistant Corporate Secretary	ROLAND S. OSCURO, Senior Vice President
CENON C. AUDENCIAL, JR., Executive Vice President	TERESITA U. SEBASTIAN, Senior Vice President
NELSON C. REYES, Executive Vice President	NANENETTE O. VERGARA, Senior Vice President
BERNARDO H. TOCMO, Executive Vice President	MANUEL C. BAHENA, JR., First Vice President
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