



# PNB

CORPORATE SECRETARY'S OFFICE

April 1, 2013

**MS. JANET A, ENCARNACION**

Head, Disclosure Department  
The Philippine Stock Exchange, Inc.  
3'd Flr., Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Dear Ms. Encarnacion:

In compliance with PSE Memorandum No. 2010-0574 dated November 26, 2010, we are pleased to submit the attached Philippine National Bank (PNB) duly accomplished Disclosure Template of the Corporate Governance for the year 2012.

Thank you.

Very truly yours,

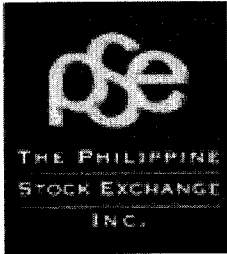
DORIS S. TE  
Corporate Secretary

Att.: a/s

Philippine National Bank  
9F PNB Financial Center  
Pres. Diosdado Macapagal Blvd.,  
Pasay City, Metro Manila 1300,  
Philippines

Trunk Lines: 526-3131 to 70/891-6040 to 70  
Locals: 5892  
[www.pnb.com.ph](http://www.pnb.com.ph)

Authorized Depository of the Republic of the Philippines  
Member: PDIC



**THE PHILIPPINE STOCK  
EXCHANGE, INC.**

**Corporate Governance Guidelines  
for**

**Listed Companies**

**Disclosure Template**

	COMPLY	EXPLAIN
<p><b>Guideline No. 1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY</b></p>		
<p>1.1 Have a clearly defined vision, mission and core values.</p>	<p>Yes</p>	<p>Stated in the Code of Conduct; Employees' Handbook; company website; orientation/training programs; and business planning presentations; viz:</p> <p><b>"Mission Statement</b></p> <p>We are a leading, dynamic Filipino financial services group with a global presence committed to delivering a whole range of quality products and services that will create value and enrich the lives of our customers, employees, shareholders and the communities we serve.</p> <p><b>Vision 2010 and Beyond(In PNB Website)</b></p> <p>To be the most admired financial services organization in the country in terms of:</p> <ul style="list-style-type: none"> <li>• <b>Financial performance</b> – rank #1 or #2 in its businesses in terms of return on equity</li> <li>• <b>Innovativeness</b> – in products, services, distribution and the use of cutting-edge technology</li> <li>• <b>Customer perception</b> <ul style="list-style-type: none"> <li>○ The preferred financial services provider</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ The customer-centered organization with a passion for service excellence</li> <li>• <b>Social responsibility</b> – the employer of choice, a good corporate citizen and partner innation-building</li> <li>• <b>Long-term vision</b> – developing competitive advantage on a sustained basis by anticipating changes in customer’s preferences and in the manner of doing business”.</li> </ul>
<p>1.2 Have a well developed business strategy.</p>	<p>Yes</p>	<p>Stated in the Bank’s 2011 Annual Report, report to our shareholders Page 4; risk management Page 22; minutes of various board and management committee meetings; business planning sessions.</p>
<p>1.3 Have a strategy execution process that facilitates effective performance management, and is attuned to the company’s business environment, management style and culture.</p>	<p>Yes</p>	<p>Stated in the Bank’s 2011 Annual Report, report to our shareholders Page 4;                      Bank’s 3-year Strategic Business Plan (2012-2014) in the ICAAP document submitted to BSP;                      Minutes of business planning sessions and periodic performance review (actual vs targets) reported to the Board and the quarterly financials are presented by the Controllershship to the Board Audit and Compliance Committee.</p>
<p>1.4 Have its board continually engaged in discussions of strategic business issues.</p>	<p>Yes</p>	<p><u>Information Source:</u>                      2012 Revised Manual on Corporate Governance, Item 3, Pages 2-12;                      Board and various board and management committees’ minutes of meetings. There is a</p>

		<p>Board ICAAP Steering Committee that has oversight on the ICAAP/Strategic Plan of the bank enterprise-wide. In 2012, the Board Overseas Oversight Committee was created to focus on the business strategy for international operations of the bank.</p>
<p><b>Guideline No. 2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD</b></p>		
<p>2.1. Have a board composed of directors of proven competence and integrity.</p>	<p>Yes</p>	<p><u>Information Source:</u>                  The Board Corporate Governance Committee evaluates the qualifications of each Board member nominee.                  1. 2012 PSE Definitive Information Statement, Item 5(a), Pages 12-23 includes Profiles and Business Experiences of Directors for the past five (5) years, copy attached as (Annex 1);                  2. Biographical Data of Directors submitted to BSP;                  3. Directors' Certifications of Qualifications and Non-Disqualifications;                  4. SEC Form 17-C;                  5. SEC Form 17-A;                  6. 2011 Annual Report;                  7. <a href="http://www/pse.com.ph">http://www/pse.com.ph</a> (Listings &amp; Disclosures);                  8. PNB Website <a href="http://www.pnb.com.ph">www.pnb.com.ph</a></p> <p>The Board of directors are also subjected to review and evaluation by host country regulators (among the key regulators are UK, HK, Singapore, Japan, US) wherein PNB has business operations.</p>
<p>2.2. Be lead by a chairman who shall ensure that the board functions in an effective and</p>	<p>Yes</p>	<p>The 11-man Board with Chairperson Florencia G.</p>

<p>collegial manner.</p>		<p>Tarriela (Independent Director) meets every month and as the need arises. Chair Florencia G. Tarriela was former Undersecretary of Finance and alternate member of the BSP Monetary Board, PDIC and Land Bank of the Philippines. She was former Deputy Country Head and Managing Partner and the first Filipino lady Vice President of Citibank N.A. Philippines.</p> <p>The 11 bank directors are highly regarded in the banking and business community.</p> <p>Chairman - Director</p>
<p>2.3 Have at least three (3) of thirty percent (30%) of its directors as independent directors.</p>	<p>Yes</p>	<p>PNB has three (3) Independent Directors (Dir. Florencia G. Tarriela, Dir. Deogracias N. Vistan and Dir. Felix Enrico R. Alfiler), which is compliant with MORB Part 1, X141.1.b and SEC Memorandum Circular No. 6.</p> <p>The 3 independent Directors are prominent members of various financial institutions and business organizations</p> <p>Director Tarriela held various senior positions and directorship in several banks and also co-author of several books. She is also an ICD "fellow".</p> <p>Director Vistan was former Chairman/Director/President of 6 universal banks/financial institutions after he held various senior management position in Citibank Manila and Citibank New York. He was former President of the Banker's Association of the Philippines.</p> <p>Director Alfiler was former BSP Director, Assistant to the Governor of BSP, Advisor to the Executive Director of the IMF, Associate Director of BSP and former Head of the Technical Group of the BSP Open Market Committee. He was the Philippine Representative to World Bank Group Executive</p>

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

		<p>Board in Washington D.C. and was the Special Assistant to the Philippine Secretary of Finance for Internal Operations and Privatization. He is also President of numerous manufacturing associations.</p> <p><u>Information Source:</u></p> <p>1. 2012 Revised Manual on Corporate Governance, Item 3.1.5, Page 6; 2. List of Board Committees as of December 31, 2012</p>
2.4	Have in place written manuals, guidelines and issuances that outline procedures and processes.	<p>Yes</p> <p>The bank has approved manuals, operating guidelines and bulletins. Manuals are reviewed annually and revised, as needed.</p>
2.5	Have Audit, Risk, Governance and Nomination & Election Committees of the board.	<p><u>Information Source:</u></p> <p>2012 Revised Manual on Corporate Governance</p> <p>Board Audit and Compliance Committee – Headed by former President of the Land Bank of the Philippines, Chairman Mr. Deogracias N. Vistan. Regular monthly meeting and special meeting, as needed.</p> <p>Risk Oversight Committee – Chaired by Director Florido P. Casuela. He was former Land Bank of the Philippines President and BSP Advisor.</p> <p>Corporate Governance and Nomination/ Remuneration Committee – Chairperson is Florencia G. Tarriela, also the Board Chairperson and Chairperson of the Board ICAAP Steering Committee .</p>
2.6	Have its Chairman and CEO positions held separately by individuals who are not	<p>Yes</p> <p>The Chairman, Ms. Florencia G. Tarriela, is an</p>

<p>related to each other.</p>		<p>Independent Director. The President, Mr. Omar Byron T. Mier, is a Board Member and designated CEO. The Executive Committee headed by Dir. Felix Enrico R. Alfiler, an independent director.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Amended By-Laws, Art.V,Sec.5.4, Page 5 and Art. VI, Sec.6.3, Pages 9-10;</li> <li>2. Minutes of the Organizational Board Meeting;</li> <li>3. PNB Website (About PNB, Investor Relations, Company Profile)</li> <li>4. <a href="http://www.pse.com.ph/SEC Form 17-C">http://www.pse.com.ph/SEC Form 17-C</a></li> </ol>
<p>2.7 Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.</p>	<p>Yes</p>	<p>The Corporate Governance Committee handles the functions of the Nomination Committee.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Amended By-Laws, Art.IV,Sec.4.7, Page 3 and Art.V.Sec.5.3, Page 5;</li> <li>2. 2012 Definitive Information Statement, Item 4(a-c) Page 2, and Item 11(a-c) Pages 25-26</li> <li>3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></li> <li>4. <a href="http://www.pse.com.ph/SEC Form 20-IS">http://www.pse.com.ph/SEC Form 20-IS</a></li> </ol>
<p>2.8 Have in place a formal board and director development program.</p>	<p>Yes</p>	<p>The Directors attend Corporate Governance, AML, strategic planning, ICAAP seminars, workshops, for new laws, and regulations, business briefings on a regular periodic basis. Most Directors are active members of prominent business organization, professional organizations, banking related organizations while some Directors are fellows of the Institute of Corporate Directors and recipients of numerous awards from both local</p>



		<p>and international government agencies, non-profit organizations and the academe in recognition of their contributions to the banking industry and other major industries as well as the community either as Director or in their own personal capacity.</p> <p>Directors of Parent Bank and subsidiaries are also active participants to the ICD seminars/round table meetings, particularly those with "fellow" status.</p> <p>All directors have attended the required Corporate Governance Seminar conducted by BSP accredited service providers.</p>
2.9	Have a corporate secretary.	<p>Yes</p> <p>PNB has a Corporate Secretary's Office headed by Atty. Doris S. Te.</p> <p><u>Information Source:</u> 2012 Revised Corporate Governance Manual, Item 3.5, Page 20-22</p>
2.10	Have no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.	<p>Yes</p> <p>None</p>
<p><b>Guideline No. 3: MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM</b></p>		
3.1	Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.	<p>Yes</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. 2012 Revised Manual on Corporate Governance, item 3.8, Page 23-24;</li> <li>2. Charter of the Internal Audit Group;</li> <li>3. The Chief Audit Executive and Internal Audit Group report directly to the Board Audit &amp; Compliance committee, chaired by Independent Director Deogracias N. Vistan.</li> </ol>

		<p>The internal audit function in the subsidiaries also observe independent function and report directly to their respective Board Audit Committees and/or Board.</p>
<p>3.2 Have a comprehensive enterprise-wide compliance program that is annually reviewed.</p>	<p>Yes</p>	<p><u>Information Source:</u>                  The Compliance Program is updated annually. PNB Revised Compliance Program was approved by the Board in June 2012. The Bank's domestic and foreign subsidiaries and foreign branches have also board approved compliance program which is consistent with the Parent Bank Compliance Program.</p>
<p>3.3 Institutionalize quality service programs for the internal audit function.</p>		<p>The Internal Audit function is subjected to regular quality assurance internally and periodically in compliance with regulations.</p> <ol style="list-style-type: none"> <li>1. External Quality Assessment undertaken by SGV in 2008 and performed every five years. The next external SGV QA is scheduled this August 2013.</li> <li>2. Internal Audit Group has a dedicated Quality Assurance Section comprised of 3 officers was organized in June 2011. The role of the IAG-QA is to conduct independent review of the audit reports. Two of the QA officers are Institute of Internal Auditors (IIA) accredited Quality Assessment Validators.</li> <li>3. Client Satisfaction Survey is conducted with the Auditees by Internal Audit Group - Audit</li> </ol>

		Quality Assurance Section regularly and results reported to the Board Audit and Compliance Committee.
<p>3.4 Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.</p>	Yes	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. <a href="http://www.pse.com.ph/SEC">http://www.pse.com.ph/SEC</a> Form 17-C</li> <li>2. Minutes of the Annual Stockholders' Meeting</li> <li>3. Employees' Handbook;</li> <li>4. Suggestion Boxes</li> <li>5. Whistle Blower Policy</li> <li>6. The Marketing Group has a dedicated web management team that handles customer queries/complaints sent thru the bank's website.</li> <li>7. Complaints received from both internal and external customers are managed by the Customer Service Quality Division under the Global Operations Group.</li> </ol>
<p>3.5 Have the Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.</p>	Yes	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. 2011 Annual Report;</li> <li>2. For the Chief Audit Executive, Audit Reports issued;</li> <li>3. For the Compliance Officer, Compliance Reports and Certifications issued;</li> <li>4. The Chief Audit Executive and Chief Compliance Officer submits an annual assessment of the internal controls and</li> </ol>

		compliance environment submitted to the Board Audit and Compliance Committee for endorsement to the PNB Board with copy to the President & CEO.
<b>Guideline No. 4: RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS</b>		
4.1	Have its board oversee the company's risk management function.	<p><u>Information Source:</u></p> <p>The Board Risk Oversight Committee is headed by Director Florido P. Casuela, former Land Bank of the Philippines President and BSP Advisor.</p> <p>The Risk Oversight Committee holds con-current meeting with the Board Executive Committee for the Market and Credit Risks segments.</p> <p>The Risk Management Group Reports submitted to the Board Risk Oversight Committee are endorsed to the PNB Board for notation/approval.</p> <p>Monthly Risk Oversight Committee meetings are held and special Risk Oversight Committee meeting may be conducted, as necessary.</p> <ol style="list-style-type: none"> <li><a href="http://www.pse.com.ph/SEC Form 17-C">http://www.pse.com.ph/SEC Form 17-C</a>;</li> <li>2012 Revised Manual on Corporate Governance</li> </ol>
4.2	Have a formal risk management policy that guides the company's risk management and compliance processes and procedures.	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>2011 Annual Report, Disclosure on Risk Management, Pages 22-27; Note 4, Pages 68-83; Corporate Governance section of the Annual Report covers the Compliance System of PNB.</li> </ol>

		2. Resource Materials for the Risk Management Committee, PNB Enterprise Risk Management Framework.
4.3	Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.	Yes ERM practices of the bank are aligned with ICAAP BASEL II and ICAAP BASEL III, COBIT, ISACA
4.4	Have a unit at the management level, headed by a Risk Management Officer (RMO).	Yes <u>Information Source:</u> 1. 2011 Annual Report, Disclosure on Risk Management, Pages 22-27; Note 4, Pages 68-83; 2. Resource Materials for the Risk Management Committee, PNB Enterprise Risk Management Framework, Appendix 1 (Credit Risk Management Manual) 3. 2012 Revised Corporate Governance Manual. The Risk Oversight Committee charter and the role of the Chief Risk Officer are articulated in the manual.
4.5	Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.	Yes <u>Information Source:</u> 4. 2011 Annual Report, Disclosure on Risk Management, Pages 22-27; Note 4, Pages 68-83; The Bank has the Board ICAAP Steering Committee, Management ICAAP Steering Committee, Risk Oversight Committee and the Board Audit and Compliance Committee responsible to have oversight and ensure regular reviews/evaluation of the bank's key risk areas including corrective actions/project

		plans to address immediate concerns. The specific key risk areas i.e. Credit/Market and Liquidity are also discussed in the Senior Management Committee, Senior Management Credit Committee and the Asset & Liability Committee (ALCO).
4.6	Seek external technical support in risk management when such competence is not available internally.	Yes The bank engages competent external service providers as necessary. SGV has been providing regular training/workshop to the management on new risk management developments. The Senior Management Team is also required to participate in external trainings related to ICAAP and risk management areas.
<b>Guideline No. 5: ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING FUNCTION</b>		
5.1	Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not outweigh the fees earned from the external audit.	Yes The Board Audit and Compliance Committee approves all audit and non-audit services of the bank including services engaged for both domestic and foreign subsidiaries and foreign branches.
5.2	Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Yes <u>Information Source:</u> 1. Selection process of external auditor is stated in the 2012 Revised Corporate Governance Manual, Item 3.7, Page 23; The bank has a written policy on engagement of third party service providers. 2. SGV & Co. appointed as external auditor of the bank for 2012 stated under 2012 Definitive Information Statement, Item 7 Page 24; All external auditors are approved and

		documented in the Board Audit and Compliance Committee meetings for endorsement to the Board. 3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a> 4. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a> /SEC Form 20-IS
5.3	Ensure that the external auditor has adequate quality control procedures.	Yes The bank has as written policy for the evaluation and approval of third party service providers. The bank engages only BSP and/or SEC accredited external auditors in compliance with regulatory guidelines.
5.4	Disclose relevant information on the external auditors.	Yes <u>Information Source:</u> 1. 2012 Definitive Information Statement, Item 7 Page 24; 2. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a> 3. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a> /SEC Form 20-IS 4. 2012 Revised Corporate Governance Manual
5.5	Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.	Yes <u>Information Source:</u> 1. 2012 Definitive Information Statement, Item 10(b), Page 25; 2. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a> 3. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a> /SEC Form 20-IS 4. 2012 Revised Corporate Governance Manual, Page 23
5.6	Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.	Yes On a periodic basis, the Board Audit and Compliance Committee holds meetings/dialogue with the external auditor. Directors call the SGV Managing Partners for specific clarifications, as

		necessary.
5.7	Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.	<p>Yes</p> <p><u>Information Source:</u> 2011 Annual Report, Statement of Management's Responsibility for Financial Statements, Page 41.</p> <p>On quarterly basis, the financial statement of condition and quarterly financial reports submitted to SEC and other regulators are attested by the President &amp; CEO and the Chief Finance Officer.</p>
5.8	Have a policy of rotating the lead audit partner every five years.	<p>Yes</p> <p><u>Information Source:</u> The external audit partner in-charge, Ms. Janet T. Nunez appointed in 2010 was re-appointed in 2012 in accordance with SRC Rule 68 (3) (b) (iv) which is within the 5-year requirement. The bank and SGV observe the 5-year rule. For 2013 financials, a new SGV managing audit partner will be appointed this year.</p> <p>2012 Revised Corporate Governance Manual, Page 23</p>
<b>Guideline No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON- CONTROLLING GROUP</b>		
6.1	Adopt the principle of "one share, one vote."	<p>Yes</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Amended By-Laws, Art.IV,Sec.4.7, Page 3 and Art.V, Sec. 5.3, Page 5;</li> <li>2. 2012 Definitive Information Statement, Item 4(a-c)Page 4 and Item 11(a-d) Pages 25-26;</li> <li>3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;</li> <li>4. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a>/SEC Form 20-IS</li> </ol>



2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

6.2	Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Yes	<p><u>Information Source:</u> 2012 Revised Corporate Governance Manual</p>
6.3	Have an effective, secure and efficient voting system.	Yes	Managed by the Corporate Secretary's Office.
6.4	Have effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Yes	<p>Yes, since they can pool their votes.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Amended By-Laws, Art.IV, Sec.4.7, Page 3 and Art.V, Sec. 5.3, Page 5;</li> <li>2. 2012 Definitive Information Statement, Item 4(a-c) Page 4, and Item 11(a-d) Pages 25-26;</li> <li>3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></li> <li>4. <a href="http://www.pse.com.ph/SEC Form 20-IS">http://www.pse.com.ph/SEC Form 20-IS</a></li> </ol>
6.5	Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.	Yes	<p>Written Notices of the Annual Stockholders' Meeting Schedule and venue, together with Information Statement were mailed to the last known address of each stockholder at least fifteen (15) business days prior to the date of the Annual Stockholders' Meeting. The Notice of the annual Stockholders' Meeting was published daily for one (1) week in a major newspaper of general circulation at least ten (10) days prior to the date of the Annual Stockholders' Meeting.</p> <p><u>Information source:</u></p> <ol style="list-style-type: none"> <li>1. Certification of Stock Transfer Agent and Affidavits of Publication issued by Newspapers;</li> <li>2. Amended By-Laws Sec.4.4, Page 3;</li> </ol>

		3. Minutes of the Annual Stockholders' Meeting, Item 2, Page 1.
6.6	Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.	Yes All shareholders meeting, including special meetings, are always attended by the external auditors and regulators i.e, BSP, PDIC and SEC.
6.7	Ensure that all relevant questions during the AGM are answered.	Yes Minutes are documented and recorded and made available to external through the Corporate Secretary's Office.
6.8	Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.	Yes 2012 Revised Corporate Governance Manual contains a section on the required treatment of all shareholders, including minority shareholders.
6.9	Avoid anti-takeover measures or similar devices that may entrench management or the existing controlling shareholder group.	Yes <u>Information source:</u> 1. 2012 Definitive Information Statement, Item 4(c)(2), Pages 9-10; 2. SEC Form 23-A and Form 23-B; 3. PNB Website <a href="http://www.pnb.com.ph/">http://www.pnb.com.ph/</a> 4. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a>
6.10	Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.	yes PNB is publicly listed and this is available in the PSE website.
6.11	Have a communications strategy to promote effective communication with shareholders.	Yes Available in the PSE website and PNB website and regular announcements in major newspapers, viz 1. Press release to shareholder in 2012

		<p>about the PNB-ABC merger;</p> <p>2. Annual and Special Stockholders' Meeting in March and May 2012; and</p> <p>3. Appreciation Party for Customers/shareholders</p>
6.12	Have at least thirty percent (30%) public float to increase liquidity in the market.	<p>Yes</p> <p><u>Information source:</u></p> <p>1. Quarterly Report on Computation of Public Ownership;</p> <p>2. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></p>
6.13	Have a transparent dividend policy.	<p>PNB has not declared any dividends on its common equity since its last declaration on June 20, 1997. PNB's ability to pay dividends is contingent on the ability to set aside unrestricted retained earnings for dividend distribution.</p> <p><u>Information Source:</u></p> <p>1. Amended By-Laws Art.IX, Page 15</p> <p>2. Management Report (2<sup>nd</sup> part of 2011 Definitive Information Statement), Item 7(a)(2), Page 22;</p> <p>3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></p> <p>4. <a href="http://www.pse.com.ph/SEC Form 20-IS">http://www.pse.com.ph/SEC Form 20-IS</a></p>
<b>Guideline No. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND TRANSPARENCY REGIME</b>		

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

<p>7.1 Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and regulations.</p>	<p>Yes</p>	<p>2012 Revised Corporate Governance Manual and internal operating manuals. The Corporate Secretary Office is responsible for timely disclosures. The Compliance Group provides support to the Board and Senior Management for required disclosures to regulators.</p>
<p>7.2 Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	<p>Yes</p>	<p>Available in PSE website or PNB website.</p>
<p>7.3 Disclose its director and executive compensation policy.</p>	<p>Yes</p>	<p><u>Information Source:</u>                      1. Amended By-Laws, Sec. 5.6, Page 6;                      2. 2012 Definitive Information Statement, Item 6(a)(1), Page 23;                      3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;                      4. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></p>
<p>7.4 Disclose names of groups or individuals who hold 5% or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.</p>	<p>Yes</p>	<p>Available in PSE website</p>
<p>7.5 Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within 90 days from the end of the financial year, while interim reports shall be published within 45 days from the end of the reporting period.</p>	<p>Yes</p>	<p>The financial report is duly filed in accordance with the BSP guidelines.  <u>Information Source:</u>                      1. Disclosures – Financial Reports (Quarterly and annually)                      2. <a href="http://www.pse.com.ph/">http://www.pse.com.ph/</a> SEC Form 17-A, 17-Q, 17-C;                      3. 2011 Annual Report;                      4. Audited Financial Statements;</p>

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

		<p>5. PNB Website <a href="http://pnb.com.ph">http://pnb.com.ph</a>;</p> <p>6. Published Consolidated Statement of Condition in major newspapers.</p>
<p>7.6 Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.</p>	<p>Yes</p>	<p>Annual Certification is issued to SEC on the extent and quality of the Bank's compliance with the Manual on Corporate governance for the preceding year.</p> <p>The annual report has a section on Corporate Governance and Risk Management with full disclosures.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. PNB Group of Companies' Code of Conduct;</li> <li>2. 2011 Certification of Compliance with Corporate Governance Manual submitted to SEC;</li> <li>3. SEC Form 17-A;</li> <li>4. PNB Website <a href="http://www.pnb.com.ph/">http://www.pnb.com.ph/</a>;</li> <li>5. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></li> </ol>
<p>7.7 Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.</p>	<p>Yes</p>	<p>Notices are provided to all shareholders.</p>
<p>7.8 Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy-back program).</p>	<p>Yes</p>	<p>Available in PSE website.</p>
<p>7.9 Disclose in its annual report the principal risks to minority shareholders associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p>Yes</p>	<p>Available in PSE website and PNB website.</p> <p><u>Information Source:</u></p> <p>2012 Revised Corporate Governance Manual</p>

<b>Guideline No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS</b>		
<p>8.1 Establish and disclose a clear policy statement that articulates the company’s recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers &amp; customers, creditors, as well the community, environment and other key stakeholder groups.</p>	<p>Yes</p>	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. 2012 Definitive Information Statement, Item 12, Page 27;</li> <li>2. 2011 Annual Report, Page 2, Report to our Shareholders;</li> <li>3. PNB Website <a href="http://www.pnb.com.ph/">http://www.pnb.com.ph/</a>;</li> <li>4. <a href="http://www.pse.com.ph/SEC Form 20-IS">http://www.pse.com.ph/SEC Form 20-IS</a></li> </ol>
<p>8.2 Have in place a workplace development program.</p>	<p>Yes</p>	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. PNB Training Programs for 2012;</li> <li>2. 2012 Revised Corporate Governance Manual, Item 6, Pages 25</li> <li>3. Each Group has a training program for their respective staff and officers. Critical groups have mandatory technical trainings participated by their key officers.</li> </ol>
<p>8.3 Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p>	<p>Yes</p>	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Annual merit increase for officers and CBA for rank and file until 2012 subject to re-negotiation;</li> <li>2. PNB Regular Retirement Plan (RRP) under Gen. Cir. 1-475/2001 and amendment to RRP;</li> <li>3. PNB Employee Investment Program (EIP) under internal bank circulars;</li> </ol>

		<p>4. Employee benefits and incentive programs are approved by the Corporate Governance Committee/Board; and</p> <p>5. CBA Booklets are distributed to all employees and registered with the Department of Labor and Employment (DOLE)</p> <p>The bank has no stock-option plans for employees.</p>
<p>8.4 Have in place a community involvement program.</p>	<p>Yes</p>	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. 2012 Definitive Information Statement, Item 12, Pages 26- 27;</li> <li>2. Vision and Mission;</li> <li>3. 2011 Annual Report, Corporate Social Responsibility, Page 16;</li> <li>4. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;</li> <li>5. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></li> </ol> <p>The bank is actively involved in several corporate social responsibility (CSR) projects. The bank is part of the Lucio Tan Group, Inc. which has the Tan Yan Kee Foundation as lead non-profit organization for CSR projects.</p>
<p>8.5 Have in place an environment-related program.</p>	<p>Yes</p>	<p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Cost Leadership Program (power savings);</li> <li>2. PNB Branches grow greener at 96 years (tree planting);</li> </ol>

		<p>3. Earth hour program;</p> <p>4. 2012 Definitive Information Statement, Item 12, Pages 26- 27;</p> <p>5. Vision and Mission;</p> <p>6. 2011 Annual Report, Corporate Social Responsibility, Page 18;</p> <p>7. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;</p> <p>8. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></p>
<p>8.6 Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.</p>	<p>Yes</p>	<p>The bank has Board approved policies on the selection of suppliers, target market/customer selection, granting of loans, and evaluation of business prospects, bank products and services. There are management committees that evaluate and approve dealings with third parties.</p>
<p><b>Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER TRADING</b></p>		
<p>9.1 Develop and disclose a policy governing the company’s transactions with related parties.</p>	<p>Yes</p>	<p>The bank has existing Board approved policies and procedures governing the review and strict approval of all transactions identified as those with the related parties including exposure with the subsidiaries and affiliates.</p> <p>By April 2013, the bank will have a Board approved policy on the definition of related party transactions in full compliance with BSP Circular 749.</p> <p>The bank has various Board and management committees that are tasked to exercise arms length review and approval of related party</p>



		<p>transactions governed by credit, operations and corporate governance guidelines, policies and procedures, manuals that are independently reviewed by Internal Audit Group, Risk Management Group and Global Compliance Group.</p> <p>The bank submits to BSP Secretary's Certificates pertaining to the DOSRI accounts approved by the Board in compliance with the DOSRI Rule in the MORB. The bank strictly observes full compliance with DOSRI rules and never cited by BSP.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Manual on Signing Authority;</li> <li>2. Credit, Risk and Operations Manual;</li> <li>3. DOSRI Reports submitted to the BSP;</li> <li>4. PNB Sel. Cir. 4-1691/2006; 15-106/2007; 15-175/2009; 15-181/2009; 15-313/2010; 15-354/2011 re: Amendments to Policy on Loans to Directors, Officers, Stockholders and their Related Interests (DOSRI);</li> <li>5. 2011 Annual Report, Page 108, Note 31 of Audited FS;</li> <li>6. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></li> </ol>
<p>9.2 Clearly define the thresholds for disclosure and approval for RPTs and categorize such transactions according to those that are considered <i>de minimis</i> transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>Yes</p>	<p>Managed by Corporate Secretary's Office and the Board and Officers of the bank are required to submit periodic certification.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. 2012 Revised Corporate Governance Manual</li> <li>2. DOSRI Report in 2011 Annual Report</li> </ol>

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

9.3	Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.	Yes	Part of the shareholders' meeting agenda and managed by the Corporate Secretary Office.
9.4	Have its independent directors or audit committee play an important role in reviewing significant RPTs.	Yes	<p>The Board has three independent directors who chair the following Board Committees: Board Executive Committee, Board Audit and Compliance Committee, Trust Committee, Board ICAAP Steering Committee, Corporate Governance Committee, Board Overseas Oversight Committee.</p> <p>The independent directors play an active role in the Risk Oversight Committee.</p> <p>All related party transactions are subjected to appropriate reviews and approvals.</p> <p>Reviews of RPTs are included in the scope of audit of Internal Audit Group and in the Compliance Testing Review Program of Global Compliance Group.</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Amended By-Laws, Sec.5(5.13-5.15), Pages 7-8;</li> <li>2. List of Board Committees</li> </ol>
9.5	Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.	Yes	<p>Full disclosure of DOSRI Related party transactions to regulators and public</p> <p><u>Information Source:</u></p> <ol style="list-style-type: none"> <li>1. Management Report (2<sup>nd</sup> part of 2012 Definitive Information Statement), Item 1(B)(5), Page 3;</li> <li>2. DOSRI Reports submitted to BSP;</li> <li>3. 2011 Annual Report, Page 126, Note 31 of Audited FS;</li> </ol>

		<p>4. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;</p> <p>5. <a href="http://www.pse.com.ph/">http://www.pse.com.ph/</a>;</p> <p>6. Quarterly report to BSP on Intra-group Transactions</p>
9.6	Have a clear policy in dealing with material non-public information by company insiders.	<p>Yes</p> <p>Code of Conduct and non-disclosure policies.</p>
9.7	Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.	<p>Yes</p> <p><u>Information Source:</u></p> <p>1. Management Report (2<sup>nd</sup> part of 2012 Definitive Information Statement), Item 1(B)(5), Page 3;</p> <p>2. DOSRI Reports submitted to BSP;</p> <p>3. 2011 Annual Report, Page 126, Note 31 of Audited FS;</p> <p>4. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a></p> <p>5. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></p>
<p><b>Guideline No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, &amp; ENFORCEMENT</b></p>		
10.1	Formally adopt a code of ethics and proper conduct that guides individual behavior and decision making, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.	<p>Yes</p> <p>All employees are provided a copy of the Code of Conduct and they are required to sign/conform thereto upon employment</p> <p><u>Information Source:</u></p> <p>1. PNB Group of Companies Code of conduct;</p> <p>2. PNB Employees' Handbook;</p> <p>3. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a>;</p> <p>4. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a></p>

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE

Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

		5. 2011 Annual Report
10.2	Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Yes  <u>Information Source:</u> 1. 2011 Annual Report; 2. 2012 Revised Compliance Program
10.3	Not seek exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well present the specific steps being taken to finally comply with the applicable law, rule or regulation.	Yes  Board and Senior Management are committed to fully adhere with laws, rules and regulations and have transparent relationship with regulators.
10.4	Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.	Yes  <u>Information Source:</u> PNB Group of Companies Code of Conduct; PNB Employees Handbook
10.5	Have a designated officer responsible for ensuring compliance with all relevant laws, rules, and regulation, as well as all regulatory requirements.	Yes  The Bank has an appointed Chief Compliance Officer, also the Corporate Governance Executive and created the Corporate Governance Monitoring Unit in the Global Compliance Group to support the Board and Senior Management in ensuring full compliance with all relevant laws, rules and regulations as well as corporate standards across all business vehicles and jurisdictions.  <u>Information Source:</u> 1. 2012 Revised Manual on Corporate Governance, Item 3.6, Page 22; 2. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a> 3. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a>
10.6	Respect intellectual property rights.	Yes  The bank issued advisories/internal circulars
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and	Yes  The bank has several options to ensure early

2012 CORPORATE GOVERNANCE GUIDELINES DISCLOSURE TEMPLATE


Company Name: PHILIPPINE NATIONAL BANK (PNB)

Date: March 2013

		jurisdictions. <u>Information Source:</u> 1. 2012 Revised Manual on Corporate Governance, Item 3.6, Page 22; 2. PNB Website <a href="http://www.pnb.com.ph">http://www.pnb.com.ph</a> 3. <a href="http://www.pse.com.ph">http://www.pse.com.ph</a>
10.6	Respect intellectual property rights.	Yes The bank issued advisories/internal circulars
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	Yes The bank has several options to ensure early resolution of disputes, if any. <u>Information Source:</u> 2012 Revised Corporate Governance Manual, Item 8.1.7, Page 28

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this document is true, complete and correct.

Done this March 25, 2013 in Pasay City.

  
**FLORENCIA G. TARRIELA**  
 Chairman of the Board  
 Independent Director

  
**ALICE Z. CORDERO**  
 Chief Compliance Officer and  
 Corporate Governance Executive

## Item 5. DIRECTORS AND EXECUTIVE OFFICERS

### (a) Directors and Executive Officers

On May 31, 2011, the Bank disclosed to the Bangko Sentral ng Pilipinas the election of Ms. Florencia G. Tarriela and Mr. Carlos A. Pedrosa as Independent Directors for the year 2011-2012. Subsequently, Mr. Deogracias A. Vistan was elected as Independent Director, replacing Mr. Pedrosa who was appointed as Vice Chair and President and Chief Executive Officer (CEO) to fill up the seat vacated by then President and CEO, Mr. Eugene S. Acevedo, on August 1, 2011. Mr. Felix Enrico R. Alfiler was elected as Independent Director on December 16, 2011 to fill up the seat vacated by Mr. Feliciano L. Miranda, Jr. who resigned as Director effective December 31, 2011.

As defined in Section 38 of the Securities and Regulation Code, an independent director means a person, who apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any covered company.

On February 16, 2012, the Bank received the Monetary Board confirmation of the election/re-election of the following Members of the Board of Directors of the Bank for the year 2011-2012:

Florencia G. Tarriela	Washington Z. SyCip
Carlos A. Pedrosa	John G. Tan
Florido P. Casuela	Lucio C. Tan
Estelito P. Mendoza	Lucio K. Tan, Jr.
Omar Byron T. Mier	Deogracias N. Vistan

In anticipation of the merger, fifteen (15) Directors will be elected for the year 2012-2013. The 15 Directors of the merged bank will assume office upon approval of the Amended Plan of Merger by the SEC, the PDIC and the BSP.

During its meeting held on April 20, 2012, the Bank's Corporate Governance Committee (acting as the Bank's Nomination Committee) received and considered the shortlist of all candidates nominated to become members of the Board of Directors according to prescribed qualifications and disqualifications. In accordance with the procedures for the nomination and election of independent directors set forth in Rule 38 of the Securities Regulation Code which will be incorporated by the Bank in its by-laws, the Bank's Corporate Governance Committee approved the nomination of the following individuals for election to the Board of Directors for the year 2012 – 2013:

1. Florencia G. Tarriela
2. Felix Enrico R. Alfiler
3. Florido P. Casuela
4. Estelito P. Mendoza
5. Omar Byron T. Mier
6. Carlos A. Pedrosa
7. Washington Z. SyCip
8. John G. Tan
9. Lucio C. Tan
10. Lucio K. Tan, Jr.
11. Deogracias N. Vistan

As soon as the Bank's merger with Allied Banking Corporation is approved by the SEC, the number of directors of the Bank shall have been increased from eleven (11) to (15) pursuant to the Amended Plan of Merger. Nominated to the vacant directorship seats by reason of the increase in number of directors are the following, with effect from the date of the effectivity of the Merger:

1. Anthony Q. Chua
2. Domingo T. Chua
3. Michael G. Tan
4. Harry C. Tan

Nominated for re-election as Independent Directors were Florencia G. Tarriela, Felix Enrico R. Alfiler and Deograncias N. Vistan. After due evaluation of the Corporate Governance Committee, it has certified that said nominees are duly qualified in accordance with Rule 38 of the Securities Regulation Code. Ms. Tarriela and Messrs. Alfiler and Vistan were nominated by Mr. Omar Byron T. Mier to comply with the requirement on independent directors. Said nominees are not related to Mr. Mier.

#### **Profile of Directors and Executive Officers together with their Business Experience covering at least the Past Five (5) Years**

##### **DIRECTORS:**

**FLORENCIA G. TARRIELA**, 65, Filipino, first elected as a Director on May 29, 2001, has been serving as Chair of the Board of Directors of the Bank since May 24, 2005, and as an Independent Director since May 30, 2006. She also serves as an Independent Director of PNB Capital and Investment Corporation and as Chair of PNB Global Remittance and Financial Co., HK Ltd. She is a Director of PNB RCI Holdings Co., Ltd., PNB Life Insurance, Inc. and PNB (Europe) Plc. She obtained her Bachelor of Science in Business Administration, Major in Economics, at the University of the Philippines and her Masters in Economics from the University of California, Los Angeles, where she topped the Masters Comprehensive Examination. Ms. Tarriela is currently a columnist for "Business Options" of the Manila Bulletin. She is a Life Sustaining Member of the Bankers Institute of the Philippines (BAIPHIL) and the Financial Executive Institute (Finex), a Trustee of Finex Foundation, TSPI Development Corporation, Kilosbayan and the Summer Institute of Linguistics (SIL). She was formerly an Independent Director of the Philippine Depository and Trust Corporation, the Philippine Dealing and Exchange Corporation and the Philippine Dealing System Holding Corporation. Ms. Tarriela was former Undersecretary of Finance, and an alternate Member of the Monetary Board of the BSP, Land Bank of the Philippines and the Philippine Deposit Insurance Corporation. She was formerly Deputy Country Head, Managing Partner and the first Filipino lady Vice President of Citibank N. A., Philippine Branch. She is a co-author of several books "Coincidence or Miracle?/Blessings in Disguise/Against All Odds", Books I and IV, "Oops - Don't Throw Those Weeds Away!" and "The Secret is in the Soil".

**CARLOS A. PEDROSA**, 67, Filipino, has over 30 years of banking experience. His distinguished career in banking started in 1964 with Banco Condal in Barcelona, Spain where he was a foreign exchange trader concurrent with his position as head of its Private Banking Department and assistant to the Manager, International Division. After a four-year stint abroad, Mr. Pedrosa returned to the Philippines and joined Metropolitan Bank and Trust Company (Metrobank) where, from a starting position of Foreign Exchange Trader, he assumed greater responsibilities as Executive Vice President supervising its various operations, particularly Domestic and International Banking Operations, Treasury, Credit, Domestic Subsidiaries and Overseas Branches, Merchant Banking and Information Technology and Strategic Planning. Recognizing his banking acumen, he was chosen by the Bank of Tokyo as its nominee to the Board of Directors of Pilipinas Bank and was subsequently appointed as the bank's President and Chief Executive Officer from 1993 to 1997. He was also tapped by the First Pacific to be the President of PDCP Bank which he converted to First E-Bank (2000-2003) and later served as Director appointee of the Philippines Deposit Insurance Corporation to United Coconut Planters Bank (2004-2006). He was later tapped once again to serve as a Director of Metrobank (2008-2009). Over the years, he was connected with different corporations, serving them in several capacities: Vice-Chair of Toyota Motor Philippines, Chair of Philippine AXA Life Insurance Corporation, Executive Director of Global Power Corporation and QSpan Technologies Ltd. and Director of Pilipino Telephone Corporation (PILTEL). He was also an Independent Governor of the

Philippine Dealing and Exchange Corporation (PDEX) from 2009 to 2011. Mr. Pedrosa, who joined PNB as an Independent Director last May 2011, was appointed as the President and Chief Executive Officer of the Bank effective August 1, 2011. At present, he is the Chair of Japan-PNB Leasing and Finance Corporation, PNB Capital and Investment Corporation, PNB Italy SpA and Asia Speedy Phils., Inc. He is also the President of Peace, Inc., a family corporation, and a Director of Bulawan Mining Corporation. He graduated from the University of Barcelona in 1967 with a degree of Profesorado Mercantil (BSBA) and was conferred a Doctorate in Humanities Honoris Causa by the University of Baguio in 2009.

**FELIX ENRICO R. ALFILER**, 62, Filipino, was elected as an Independent Director of the Bank effective January 1, 2012 to fill up the seat vacated by Mr. Feliciano L. Miranda, Jr. Mr. Alfiler completed his undergraduate and graduate studies in Statistics at the University of the Philippines in 1973 and 1976, respectively. He undertook various continuing education programs, including financial analysis and policy at the IMF Institute of Washington, D.C. in 1981 and on the restructured electricity industry of the UK in London in 1996. He has published articles relating to, among others, the globalization of the Philippine financial market, policy responses to surges in capital inflows and the Philippine debt crisis of 1985. Among the various positions he held were: Philippine Representative to World Bank Group Executive Board in Washington, D.C., Special Assistant to the Philippine Secretary of Finance for International Operations and Privatization, Director of the Bangko Sentral ng Pilipinas, Assistant to the Governor of the Central Bank of the Philippines, Advisor to the Executive Director at the International Monetary Fund, Associate Director at the Central Bank and Head of the Technical Group of the CB Open Market Committee. Mr. Alfiler was also the Monetary Policy Expert in the Economics Sub-Committee of the 1985-1986 Philippine Debt Negotiating Team which negotiated with over 400 private international creditors for rescheduling of the Philippines' medium- and long-term foreign debts. In the private sector, Mr. Alfiler was an Advisor at Lazaro Tiu and Associates, Inc., President of Pilgrims (Asia Pacific) Advisors, Ltd., President of the Cement Manufacturers Association of the Philippines (CeMAP), Board Member of the Federation of Philippine Industries (FPI), Vice President of the Philippine Product Safety and Quality Foundation, Inc., and Convenor for Fair Trade Alliance.

**FLORIDO P. CASUELA**, 70, Filipino, has been serving as a Director of the Bank since May 30, 2006. A Certified Public Accountant, he obtained his degree in Bachelor of Science in Business Administration, Major in Accounting, and his Masters in Business Administration from the University of the Philippines. He took the Advanced Management Program for Overseas Bankers conducted by the Philadelphia National Bank in conjunction with the Wharton School of the University of Pennsylvania. Mr. Casuela was one of the ten (10) awardees of the 2001 Distinguished Alumni Award of the UP College of Business Administration. He is currently a Director of PNB Holdings Corporation, PNB Securities, Inc., PNB Remittance Center, Inc., PNB RCI Holdings Co., Inc., and PNB Corporation Guam. He is also a Director of Surigao Micro Credit Corporation and a Senior Adviser of the Rural Bank of Makati, Inc. He is a Director of Sagittarius Mines, Inc. as well as its subsidiaries namely: Tampak Mineral Resources Corporation, PacificRim Land Realty Corporation and Hillcrest, Inc., where he is also the President. He is a Trustee of the LBP Countryside Development Foundation. He was formerly the President of Land Bank of the Philippines from July 1998 to August 2000, Maybank Philippines, Inc. from February 1992 to July 1993 and Surigao Micro Credit Corporation from June 2001 to November 2004. He was formerly a BSP Consultant/Senior Adviser for the Philippine National Bank. Mr. Casuela was also formerly the Chair of the National Livelihood Support Fund, LBP Countryside Development Foundation, Inc., LBP Insurance Brokerage, Inc., LBP Leasing Corporation, LBP Realty Development Corporation, Masaganang Sakahan, Inc., LBP Financial Services SPA, and Republic Planters Bank Venture Capital. He was Vice Chair of the Land Bank of the Philippines, People's Credit Finance Corporation and Westmont Forex. Mr. Casuela was also a member of the Board of Directors of the Cotton Development Authority, National Food Authority, Philippine Crop Insurance Corporation, Asean Finance Corporation, Ltd. (Singapore), Manila Electric Company, All Asia Capital and Trust Corporation, Petrochemical Corporation of Asia Pacific, Pacific Cement Corporation, EBECOM Holdings, and Westmont Securities, Inc.



**ESTELITO P. MENDOZA**, 82, Filipino, was elected as a Director of the Bank effective January 1, 2009. He obtained his Bachelor of Laws from the University of the Philippines and Master of Laws from Harvard Law School. A practicing lawyer for more than fifty-five years, he has been consistently listed for several years as a "Leading Individual in Dispute Resolution" among lawyers in the Philippines in the following directories/journals: "The Asia Legal 500", "Chambers of Asia" and "Which Lawyer?" yearbooks. He has also been a Professional Lecturer of law at the University of the Philippines, and served as Solicitor General, Minister of Justice, Member of the Batasang Pambansa and Provincial Governor of Pampanga. He was the Chair of the Sixth (Legal) Committee, 31<sup>st</sup> Session of the UN General Assembly and the Special Committee on the Charter of the United Nations and the Strengthening of the Role of the Organization. He currently serves as a member of the Board of Directors of PNB Global Remittance and Financial Co., HK, PNB Remittance (Company) Canada, Philippine Airlines, Inc., San Miguel Corporation, Meralco, and Petron Corporation.

**OMAR BYRON T. MIER**, 65, Filipino, has been serving as Director of the Bank since May 25, 2005 and was formerly President & Chief Executive Officer of the Bank until May 24, 2010. Mr. Mier, a Certified Public Accountant, obtained his degrees in Bachelor of Science in Business Administration, Major in Accounting, Bachelor of Arts in Economics, and Master of Arts in Economics from the University of the Philippines. He is currently Chair of the Bank's Executive Committee and PNB RCI Holdings Co., Ltd. He is also a Director of PNB Holdings Corporation, PNB Forex, Inc., Japan-PNB Leasing and Finance Corporation, Japan-PNB Equipment Rentals Corporation, PNB Global Remittance and Financial Co., HK, Ltd., Citra Metro Manila Tollways Corporation and the Credit Information Corporation. He also serves as a consultant of Victorias Milling Company, Inc. Prior to his appointment as a member of the Board of the Bank, he served as Executive Vice President and Chief Credit Officer from August 16, 2002 to April 10, 2005 before being appointed as Acting President on April 11, 2005. He worked with Citibank N.A. (Manila and Malaysia) for 24 years where he held the positions of Country Risk Manager/Senior Credit Officer and Head of the Risk Management Group and World Corporation Group. Before joining the Bank in 2002, he served as Deputy General Manager & Corporate Banking Department Head of Deutsche Bank, Manila from 1995 to 2001.

**WASHINGTON Z. SYCIP**, 90, American, has been serving as Director of the Bank since May 30, 2000. He is the founder of the SGV Group, a well-known firm of auditors and management consultants. He is also the Chair Emeritus of the Board of Trustees and Board of Governors of the Asian Institute of Management, and a member of the Board of Overseers of Columbia University's Graduate School of Business, and the International Advisory Boards of the American International Group and Council on Foreign Relations (1995 – 2010) and the Global Counselors of the Conference Board. He is presently an Independent Director of Belle Corporation, Lopez Holdings (formerly Benpres Holdings Corporation), Commonwealth Foods, Inc., First Philippine Holdings, Inc., Highlands Prime, Inc., Philippine Equity Management, Inc., Philippine Hotelier, Inc., Philamlife, Inc., Realty Investment, Inc., the PHINMA Group, Stateland, Inc. and Century Properties, Inc. He is the Chair of Cityland Development Corporation, Lufthansa Technik Philippines, Inc., MacroAsia Corporation and STEAG State Power, Inc. and State Properties Corporation. Among his awards are the Management Man of the Year given by the Management Association of the Philippines in 1967, Ramon Magsaysay Award for International Understanding in 1992, the Officer's Cross of the Order of Merit given by the Federal Republic of Germany in 2006, Star of the Order of Merit Conferred by the Republic of Austria in 1976, the Officer First Class of the Royal Order of the Polar Star awarded by H.M. the King of Sweden in 1987 and The Order of Lakandula, The Rank of Grand Cross, conferred by Philippine President Benigno S. Aquino, III on June 30, 2011.

**JOHN G. TAN**, 43, Filipino, obtained his degree in Bachelor of Arts in Human Resource Management at the De La Salle University. He served as Vice President of Landcom Realty Corporation for 12 years and is currently an Independent Director of Filipino Fund, Inc. He assumed his directorship in the field of finance and banking at PNB in September 2009. Presently, he is a Director of PNB Remittance (Company) Canada and PNB Global Remittance and Financial Co., HK, and a Board Advisor of PNB Remittance Center, Inc. He

previously served as a Director of PNB International Finance, Ltd. (HK) and PNB Securities, Inc. In the mid-90's, he worked at PAL's Maintenance and Engineering Department, then as Vice President of Nugget Foods Corporation before going to Landcom Realty. He also served as Vice President for Operations and Network Management and Telecommunications Services of Philippine Airlines for two (2) years. Mr. Tan is an associate member of the Institute of Corporate Directors. An honorary member in the Philippine Military Academy Maringal Class of '88, he holds a rank of Major in the Marines as a reservist in the AFP. He is a brother in the Grand Lodge of Free and Accepted Masons of the Philippines.

**LUCIO C. TAN**, 77, Filipino, has been serving as a Director of the Bank since December 8, 1999. He studied at Far Eastern University and later obtained his Chemical Engineering degree from the University of Santo Tomas (UST). In 2003, he earned the degree of Doctor of Philosophy, Major in Commerce, from UST. From humble origins, Dr. Tan became Chair of Allied Banking Corporation from 1977 to 1999. He is presently Chair and CEO of Philippine Airlines, Inc., Eton Properties Philippines, Inc., Lucky Travel Corporation, PAL Holdings, Inc., Tanduay Holdings, Inc. and Tanduay Distillers, Inc. He is also the Chair of Asia Brewery, Inc., Basic Holdings Corporation, Himmel Industries, Inc., Fortune Tobacco Corporation and PMFTC Inc. Dr. Tan is the President of Grandspan Development Corporation and a Director of PNB Life Insurance, Inc. Despite Dr. Tan's various business pursuits, he continues to share his time and resources with the community. In 1986, he founded the Tan Yan Kee Foundation, Inc., of which he is Chair and President. He is likewise Chair Emeritus of the Federation of Filipino-Chinese Chambers of Commerce and Industry, Inc. (FFCCCII). He is also the founder and Vice Chair of the Foundation for Upgrading the Standard of Education, Inc. (FUSE). He is the Adviser/Benefactor of the medical scholarship program of Asia Brewery, Inc. and Benefactor/Honorary Adviser of other professional and socio-civic groups. For his outstanding achievements and leadership, Dr. Tan received the following honorary degrees: Doctor of Humane Letters, University of Guam (Guam, USA); Doctor of Applied Agriculture, Central Luzon State University (Muñoz, Nueva Ecija); Doctor of Technology Management, Western Visayas College of Science and Technology (La Paz, Iloilo); Doctor of Science in International Business and Entrepreneurship, Cavite State University (Cavite); Doctor of Humanities, Western Mindanao State University (Zamboanga); Doctor of Business Management, St. Paul University Philippines (Tuguegarao, Cagayan); Doctor of Institutional Development and Management, Isabela State University (Cauayan, Isabela); Doctor of Humanities, University of Mindanao (Davao City); Doctor of Business and Industrial Management Engineering, Central Philippine University (Iloilo City); Doctor of Humanities in Business and Entrepreneurship, Lyceum-Northwestern University (Dagupan City, Pangasinan); and Doctor of Humanities, San Beda College (Manila). He was chosen as a Lifetime Achievement Awardee by the Dr. Jose P. Rizal Awards for Excellence, adopted to the Ancient Order of the Chamorro and designated Ambassador-at-Large of the U.S. Island-territory of Guam, and conferred the Diploma of Merit by the Socialist Republic of Vietnam, one of the highest honors conferred by the Vietnamese Government on foreign nationals. Dr. Tan was named Outstanding Manilan for the year 2000 by the City Government of Manila and conferred the UST Medal of Excellence in 1999, the highest award given by the Pontifical and Royal University of Santo Tomas. Aside from being named Most Distinguished Bicolano Business Icon in 2005, Dr. Tan was also conferred the following awards: "2003 Most Outstanding Member Award" by the Philippine Chamber of Commerce and Industry (PCCI) in recognition of his altruism and philanthropy, business acumen, hard work and perseverance in his numerous business ventures, Award of Distinction by the Cebu Chamber of Commerce and Industry, Award for Exemplary Civilian Service of the Philippine Medical Association, Honorary Mayor and Adopted Son of Bacolod City and Adopted Son of Cauayan City, Isabela. He was named Entrepreneurial Son of Zamboanga, awarded as Distinguished Fellow during the 25<sup>th</sup> Conference of the ASEAN Federation of Engineering Association, and conferred the 2008 achievement award for service to the chemistry profession during the 10<sup>th</sup> Eurasia Conference on Chemical Sciences. In recognition of his achievements, the City of San Francisco, U.S.A. declared May 11 of each year as Dr. Lucio Tan's Day in the Bay area. The island-territory of Guam also celebrates Lucio Tan Day on November 2 of each year.

**LUCIO K. TAN, JR.**, 45, Filipino, has been serving as a Director of the Bank since September 28, 2007. He obtained his degree in Bachelor of Science in Civil Engineering (Minors in classical Chinese Mandarin and Mathematics) from the University of California Davis in 1991. He completed the academic requirements for his MBA at the J.L. Kellogg School of Management of Northwestern University and the School of Business and Management of the Hong Kong University of Science and Technology in 2006. He also attended courses in Basic and Intermediate Japanese Language. He worked with MacroAsia Corporation for 7 years where he held the rank of President and Chief Executive Officer. Mr. Tan is currently the President and CEO of Tanduay Distillers, Inc. He is a member of the Board of Directors of Phillip Morris Fortune Tobacco Corporation (PMFTC), Inc., Bulawan Mining Corporation, PNB Capital and Investment Corporation, PNB RCI Holding Co. Ltd., PNB (Europe) Plc, PNB Italy SpA, Philippine Airlines, Inc., PAL Holdings, Inc., Air Philippines Corporation, MacroAsia Corporation, Tanduay Holdings, Inc., Allied Bankers Insurance Corporation and Eton Properties Phils., Inc. He is also a Board Advisor of PNB Remittance Center, Inc. (RCI), Executive Director of Dynamic Holdings Limited, and Executive Vice President of Fortune Tobacco Corporation and Foremost Farms, Inc.

**DEOGRACIAS N. VISTAN**, 67, Filipino, was appointed as an Independent Director of the bank on August 1, 2011. He obtained his AB and BSBA degrees from the De La Salle University and earned his MBA from Wharton Graduate School. Mr. Vistan's extensive banking experience includes being Chair of United Coconut Planters Bank (2003-2004), Vice Chair of Metropolitan Bank and Trust Company (2000-2001), and President of Equitable-PCI Bank (2001-2002), Solidbank Corporation (1992-2000) and Land Bank of the Philippines (1986-1992). He also served as President of FNCB Finance (1979-1980). Mr. Vistan likewise held various management positions in Citibank Manila, Cebu and New York (1968-1986). He is a former Presidential Consultant on Housing (2002-2003) and President of the Bankers Association of the Philippines (1997-1999). He is currently a member of the Board of PNB Capital and Investment Corporation, PNB Italy SpA, PDS Holdings Corporation, Lorenzo Shipping Corporation and U-bix Corporation. He also serves as a Board Advisor of PNB Remittance Centers, Inc. and as Chair of Creamline Dairy Corporation.

**DOMINGO T. CHUA**, 70, Filipino, has been serving as Chair of Allied Banking Corporation since December 23, 2008. He is currently the Chair of Air Philippines Corporation and PNB Securities, Inc. and the Vice Chair of PNB General Insurers Co., Inc. He is also a Managing Director/Treasurer of Himmel Industries, Inc. and Director/Treasurer of Dominion Realty and Construction Corporation, Asia Brewery, Inc., Manufacturing Services and Trade Corporation, Grandspan Development Corp., Foremost Farms, Inc., Charter House, Inc., Progressive Farms, Inc., Fortune Tobacco Corporation, Fortune Tobacco Int'l. Corp., Lucky Travel Corp., Tanduay Holdings, Inc., Tanduay Distillers, Inc., Tanduay Brands International, Inc., Absolut Distillers, Inc., Asian Alcohol Corp., Eton City, Inc., Belton Communities, Inc., and First Homes, Inc. He currently serves in the Board of Directors of various corporations, including Pan Asia Securities Corporation, Allied Commercial Bank, Allied Bankers Insurance Corporation, Maranaw Hotels & Resort Corp., Eurotiles Industrial Corp., Eton Properties Philippines, Inc., PAL Holdings, Inc., PNB Life Insurance, Inc., Allied Banking Corporation (HK) Ltd., Oceanic Bank, and Oceanic Holdings BVI Ltd. He was previously a Director of Pacific Banking Corporation and Philippine National Bank.

**ANTHONY Q. CHUA**, 60, Filipino, has been a Director/President of Allied Banking Corporation since May 21, 2009. He is also the Chair of Allied Savings Bank and a Director of Super Travel Inc. and Asian Insular Holdings Corporation. He finished his Bachelor of Arts and Bachelor of Science, Major in Accounting (Cum Laude) at the De La Salle University, Manila, and obtained his MBA and doctorate in Business from the Michigan State University. A CPA, he started his banking career with Citibank in 1981 where he held the positions of Relationship Manager for the Institutional Banking Group, Risk Manager and Product Development Unit Head for the Investment Banking Group, Transaction Banking Head, and later Global Asset Management Head until 1995. He was President of the Philippine Bank of Communications from 1997 to 1998. In 1999, he joined SGV/Arthur Andersen, Manila as Project Consultant and later became Partner of the Business

Consulting Group in 2000 and the Risk Consulting Group in 2001. From 2002 to 2008, he was an Executive Vice President of the Philippine National Bank.

**HARRY C. TAN**, 65, Filipino, has been serving as a Director of Allied Banking Corporation since November 1999. He holds a Bachelor of Science degree in Chemical Engineering from Mapua Institute of Technology. Mr. Tan is the President of Century Park Hotel, Landcom Realty Corporation and Oceanic Holdings BVI Ltd. He is also the Vice Chair of Lucky Travel Corp., Tanduay Holdings, Inc., Tanduay Distillers, Inc., Eton Properties Philippines, Inc., Eton City Inc., Belton Communities, Inc. and First Homes, Inc. He is the Managing Director/Vice Chair of Charter House Inc. and is a member of the Board of Directors of various private firms which include Asia Brewery, Inc., Dominion Realty and Construction Corp., Shareholdings Inc., Himmel Industries, Inc., Tobacco Recyclers Corporation, PMFTC Inc., Fortune Tobacco Int'l. Corp., Basic Holdings Corporation, Pan Asia Securities Inc., Absolut Distillers, Inc., Allied Bankers Insurance Corporation, Asian Alcohol Corp., REM Development Corporation, Tanduay Brands International Inc., Foremost Farms, Inc., Grandspan Development Corp., Manufacturing Services and Trade Corporation, Progressive Farms, Inc., PAL Holdings, Inc. and Oceanic Bank. He is also a Director/Chair for Tobacco Board of Fortune Tobacco Corporation.

**MICHAEL G. TAN**, 45, Filipino, has been serving as a Director of Allied Banking Corporation since January 30, 2008. He is also the Director/Chief Operating Officer of Asia Brewery, Inc. and Director/President of Tanduay Holdings, Inc. He is a member of the Board of Directors of the following companies: Allied Commercial Bank, Allied Bankers Insurance Corp., Tanduay Brands International Inc., Absolut Distillers, Inc., Air Philippines Corporation, Philippine Airlines, Inc., PAL Foundation, Inc., PAL Holdings, Inc., Grandway Konstruct, Inc., Lucky Travel Corp., Eton Properties Philippines, Inc., Eton City, Inc., PMFTC Inc., Shareholdings, Inc., Victorias Milling Company, Inc., and Abacus Distribution Systems Phils., Inc. He holds a Bachelor of Applied Science in Civil Engineering degree from the University of British Columbia, Canada.

**DORIS S. TE**, 31, Filipino, was appointed as Corporate Secretary of the Bank on January 20, 2012. She obtained her degree in Bachelor of Science in Business Management in 2001 and earned her Juris Doctor in 2005 at the Ateneo de Manila University. She began her law career as a Junior Associate in Zambrano & Gruba Law Offices. She was a Junior Associate in Quiason Makalintal Barot Torres Ibarra & Sison Law Office before she joined the Bank in 2009. Prior to her recent appointment, she was Assistant Corporate Secretary and later Acting Corporate Secretary of the Bank. Presently, she also serves as Director and Corporate Secretary of Valuehub, Inc., a family-owned distribution company.

**The following constituted the Bank's Corporate Governance Committee for the year 2011-2012:**

Florencia G. Tariela	Committee Chair
Carlos A. Pedrosa	Committee Member
Omar Byron T. Mier	Committee Member
John G. Tan	Committee Member
Deogracias N. Vistan	Committee Member

**The following constituted the Bank's Board Audit and Compliance Committee for the year 2011-2012:**

Deogracias N. Vistan	Committee Chair
Florido P. Casuela	Committee Member
Estelito P. Mendoza	Committee Member
Florencia G. Tariela	Committee Member

**The following are the Executive Officers of the Bank as of March 2012:**

**HORACIO E. CEBRERO III**, 50, Filipino, Executive Vice President, is the Head of the Treasury Group. He obtained his Bachelor of Science in Commerce degree, Major in Marketing, from the De La Salle University. Prior to joining PNB, he was Executive Vice President and Treasurer of EastWest Banking Corporation. He also held the post of Senior Vice President and Deputy Treasurer of Rizal Commercial Banking Corporation, Vice President Head of the Foreign Exchange Desk of Citibank Manila and Vice President Chief Dealer of the Treasury Group of Asian Bank Corporation. He brings with him 27 years of experience in the banking industry starting from Loans and Credit, Branch Banking, Fixed Income Sales, Trust Banking, Foreign Exchange and Fixed Income Trading, Portfolio Management and other Treasury-related activities.

**JOVENCIO B. HERNANDEZ**, 59, Filipino, Executive Vice President, is the Head of the Retail Banking Group. A Certified Public Accountant, he obtained his Bachelor of Science in Commerce, Major in Accounting, from the De La Salle College. Prior to joining PNB, he was Senior Vice President and Head of the Consumer Banking Group of Security Bank and was also the Senior Vice President for Retail Banking of Union Bank of the Philippines in 2004, Commercial Director of Colgate Palmolive in 1996, Senior Country Operations Officer of Citibank in 1995, and Group Product Manager of CFC Corporation and Unilever in 1982 and 1980, respectively. He was formerly the President of Security Finance in 2004 and First Union Plans in 2003. He was also a Director of SB Forex and Security – Phil Am. He was a Treasurer, Director and Executive Committee Member of Bancnet in 2004.

**CARMEN G. HUANG**, 61, Filipino, is an Executive Vice President and the Chief Financial Officer since 2002. She also served as a Director of the Bank from May 2007 to September 2009. She is currently a Director of PNB International Investments Corporation and PNB Life Insurance Corporation. A Certified Public Accountant, she obtained her Bachelor of Arts, Major in Mathematics, and her Bachelor of Science in Commerce, Major in Accounting (Cum Laude), from St. Scholastica's College in 1974 and completed her academics for her Master in Business Administration at the Ateneo de Manila University. She worked with Land Bank of the Philippines for 16 years where she held the rank of Senior Vice President. She was EVP of UBIX Corporation, EVP/CFO of Crown Equities, Inc. and SVP & Chief of Staff to the President of Equitable PCIB before joining PNB in August 2002. She was also a Director of Ecology Savings Bank, Inc., Jardine Land, Inc., PCIB Properties, Inc., Strategic Property Holdings, Equitable PCI Life Insurance Corporation, and Optimum Development Bank.

**MA. ELENA B. PICCIO**, 63, Filipino, Executive Vice President, is the Head of the Institutional Banking Group since February 2008. She obtained her Bachelor of Arts in Business Administration from Maryknoll College (Dean's List). She worked with Citibank, N.A. for twenty-eight (28) years and held various positions including Group Head of the Financial Institutions Division and the Global Relationship Banking Group until 2003. She was a project consultant for Asian Development Bank in 2004 and ING Asia Pacific Hong Kong Limited up to January 2008.

**RAMON EDUARDO E. ABASOLO**, 48, Filipino, First Senior Vice President, is the Head of the Information Technology (IT) Group. He obtained his Bachelor of Science in Management Engineering from the Ateneo de Manila University. He began his career in technology in 1985 with Citibank Philippines and also worked in Citibank Tokyo from 1990 to 1998. He has served as Country Technology Head for Citibank Philippines and Country Technology Infrastructure Head for Citibank Indonesia. Before joining PNB in 2010, he was Senior Vice President for IT in Banco de Oro.

**CENON C. AUDENCIAL, JR.**, 53, Filipino, First Senior Vice President, is the Head of the Corporate Banking Group and the Government Banking Group. Before joining the Bank in 2009, he headed the Institutional and Corporate Bank of ANZ, prior to which he was a Senior Relationship Manager of Corporate Banking and Unit Head of Global Relationship Banking for Citibank N.A. He previously served as Vice President and Unit Head of Standard Chartered Bank's Relationship Management Group, and was a relationship



manager in Citytrust Banking Corporation. Before his 20-year stint as a relationship manager, he was a credit analyst for Saudi French Bank and AEA Development Corporation. Mr. Audencial obtained his Bachelor of Arts in Economics from the Ateneo de Manila University.

**RAFAEL G. AYUSTE, JR.**, 48, Filipino, First Senior Vice President, is the Bank's Trust Officer and Head of the Trust Banking Group. He finished his Bachelor of Science Major in Business Administration at the University of Santo Tomas. He is a nominee for both Masters in Business Administration at the De La Salle University and Executive Master in Business Economics at the University of Asia and the Pacific. In addition, he has trained in the fields of banking, investments, finance and risk management through various specialized trainings here and abroad. He has been in the banking industry for 26 years where he gained considerable experience in managing a diverse range of trust products with complex structures in a number of jurisdictions. His career includes stints in Rizal Commercial Banking Corporation, Banco Santander, Security Bank, Global Business Bank, Inc. where he served as Head for Trust Banking Group, Metrobank where he was Deputy Group Head for Trust, and more recently, Cititbank N.A. where he was Head of Sales and Distribution. He has also significantly contributed to the development of the Trust Industry in various capacities, including as a three-term member of the Board and two-time President including the current term (2012-2013) of the Trust Officers Association of the Philippines (TOAP). Among his notable contributions was the creation of the UITF Council to sustain the viability and expansion of the UITF industry.

**ALVIN C. GO**, 50, Filipino, First Senior Vice President, is the Chief Legal Counsel. He obtained his Bachelor of Arts, Major in Political Science, from the Immaculate Conception College, Ozamis City, and his Bachelor of Laws from Misamis University. He was an Associate Lawyer in Salonga Ordoñez Yap Law Offices from 1985-1989. Thereafter, he served as Prosecution Attorney from 1989 to 1990 and State Prosecutor of the Department of Justice from 1990 to 1993. Prior to PNB, he was a Senior Partner of Go, Cojuangco, Mendoza, Ligon and Castro Law Offices from 1994 to 1999 and Go and Castro Law Offices from 1999 to 2003.

**RAMON L. LIM**, 61, Filipino, First Senior Vice President, is currently the President and CEO of PNB Securities, Inc., a wholly-owned subsidiary of the Bank. He obtained his Bachelor of Science in Commerce, Major in Accounting (Magna Cum Laude) from the University of San Carlos in April 1971. A Certified Public Accountant, he completed his Master in Business Management at the Asian Institute of Management (AIM) in 1980 as a full scholar under the Post-Graduate Scholarship Program of Citibank Manila where he worked from 1975 to 1993. He began his overseas postings at Citibank's Head Office in New York in 1984; next, at its Taipei Branch as Vice President and Deputy Treasurer; and finally, at its Hong Kong Regional Office as Senior Trader and Currency Fund Manager. He then moved to become the Managing Director of Solid Pacific Finance Ltd., Hong Kong from 1993 to 1995, and Investment Manager of MHK Properties and Investment Ltd, HK from 1996 to 1997. He was Treasurer, then Business Manager and Trust Officer of Union Bank of the Philippines from 1997 to 2002. He joined the Bank in November 2002 as Deputy Head, Treasury Group. He was designated as Head of International and Branch Offices Sector in 2005 and 2006. He was re-assigned back to the Treasury Group as its Head in January 2007 until July 2010. He was designated the Chief of Staff of the PNB President from May 2010 until July 2011, at that time, in concurrent capacity as President and CEO of PNB Securities, Inc.

**EDGARDO T. NALLAS**, 55, Filipino, First Senior Vice President, is the Head of the Human Resource Group. He obtained his degree in AB Economics (Accelerated) from the De La Salle University in 1977 and has earned units in Masters in Business Administration (MBA) from said school. He started his career in Human Resource in 1977 with PhilBanking Corporation. Prior to PNB, he held various HR positions at SolidBank Corporation (1992-1995), BA Savings Bank (1997) and Philippine Bank of Communications (1998-2005).

**EMELINE C. CENTENO**, 53, Filipino, Senior Vice President, is the Head of the Corporate Planning and Research Division. She obtained her Bachelor of Science in Statistics (Dean's lister) and completed the coursework in Master of Arts in Economics (on

scholarship) from the University of the Philippines. She joined PNB in 1983, rose from the ranks and held various positions at the Department of Economics and Research, Product Development, Monitoring and Implementation Division and the Corporate Planning Division before assuming her present position as Head of the merged Corporate Planning and Research Division. Ms. Centeno was awarded as one of the Ten Outstanding Employees of the Bank in 1987.

**ALICE Z. CORDERO**, 55, Filipino, Senior Vice President, was appointed Chief Compliance Officer of the Bank on June 16, 2010 with oversight on Parent Bank including all subsidiaries, affiliates and foreign branches. She is concurrently the Corporate Governance Executive of the Bank. She obtained her degree of Bachelor of Science in Business Economics from the University of the Philippines - Diliman, Q.C. She has earned units in Masters in Business Administration at Ateneo Graduate School of Business. Prior to joining the Bank, she was the Chief Compliance Officer of Allied Banking Corporation (2007-2010). She worked with Citibank N.A - Manila Branch (1988-2007) for nineteen (19) years and held various senior positions in the Consumer Banking Group, including Compliance and Control Director (2000-2005) and concurrent Regional Compliance and Control Director for Philippines and Guam (2004). Her 31 years of banking experience include working for Allied Banking Corporation (1979-1983; 2007-2010), First National Bank of Chicago - Manila Branch (1983-1986), Far East Bank and Trust Company (1986-1988) and Citibank N.A. - Manila Branch (1988-2007), holding department head positions in Credit Policy, Credit & Research Management, Financial Control, Corporate Regulatory Reporting, Asset Strategy, Business Development, Risk Management and Compliance.

**MIGUEL ANGEL G. GONZALEZ**, 53, Filipino, Senior Vice President, is the Chief Credit Officer and Head of the Remedial and Credit Management Group. He entered the bank in March 2010 as Senior Vice President for Commercial Banking Group. He obtained his Bachelor of Science in Industrial Engineering from the University of the Philippines and Masters in Business Management from Asian Institute of Management. He started his banking career with Citibank NA in 1984. He then headed the Branch Banking Group of Land Bank of the Philippines in 1989 then joined Union Bank of the Philippines in 1994 where he was Senior Vice President and head of Credit and Market Risk Group. In 2007, he became the Country Manager for Genpact Services LLC.

**MARIA PAZ D. LIM**, 51, Filipino, Senior Vice President, is the Corporate Treasurer. She obtained her Bachelor of Science in Business Administration, Major in Finance and Marketing, from the University of the Philippines and Master in Business Administration from the Ateneo de Manila University. She joined PNB on June 23, 1981, rose from the ranks and occupied various officer positions at the Department of Economics & Research, Budget Office and Corporate Disbursing Office prior to her present position.

**JOHN HOWARD D. MEDINA**, 42, Filipino, Senior Vice President, is the Head of the Global Operations Group. He holds a Bachelor of Science in Industrial Engineering from the University of the Philippines and a Master in Business Administration from the Shidler College of Business at the University of Hawaii at Manoa. He was an East-West Center Degree Fellow and the recipient of a full scholarship while at the University of Hawaii. He later received a grant from the Schidler School of Business for additional graduate studies at the Handelshjuskolen I Aarhus (The Aarhus School of Business) in Denmark. He also has Graduate Certificates in International Management (Pacific Asian Management Institute), Leadership (East-West Center) and European Management (European Summer School for Advanced Management held in Marseilles, France). He started his banking career as a management consultant to Citibank-Asia Pacific for several years. Mr. Medina also worked with Union Bank of the Philippine from 1998 to 2003 where he was instrumental in the development and implementation of ground-breaking electronic banking products and services. From 2004 through 2008, he was the Head of the Business Systems Support Group at PNB where he facilitated the policy, process and technology retooling of the bank. Aside from his banking career in the Philippines, Mr. Medina was a process consultant to US banks. He founded LibSal, a private consultancy firm based in Delaware that specialized

in designing and reengineering processes for financial institutions and electronic commerce firms.

**CARMELA A. PAMA**, 55, Filipino, Senior Vice President, is the Bank's Chief Risk Officer. A Certified Public Accountant, she obtained her Bachelor of Science in Business Administration and Accountancy from the University of the Philippines and Master in Business Administration from the Stern School of Business, New York University. She started her banking career with Citibank N.A. (Phils.) where she held various positions in the areas of Treasury Trading and Marketing, and Operations and Quality Development. She left Citibank with the rank of Vice President and moved to Banco Santander to open its operations in the Philippines. She moved back to Citibank, N.A. (Phils.) in 1996 to head various operation units. Prior to joining PNB in October 9, 2006, she was a Consulting Services Practice Manager at Oracle Corporation (Phils.) from 1999 to 2005. Further to her role as CRO, she also coordinates the ICAAP implementation of the PNB Group. The ICAAP is the enterprise-wide program to ensure the group continually reviews its level of risk and ensures the adequacy of capital commensurate to its risk-taking abilities. With the pending merger with ABC, she has also assumed the lead for the Integration Monitoring Project Office to ensure all integration activities are monitored and reported accordingly to the Integration Steering Committee. Her more than 5 years with PNB has continually improved her proficiency in all facets of banking operations.

**EMMANUEL GERMAN V. PLAN II**, 59, Filipino, Senior Vice President, is the Head of the Special Assets Management Group. He holds a Bachelor of Science Degree in Commerce, Major in Accounting, from the University of Santo Tomas and took up Masteral Studies at the Letran College. Prior to joining the Bank, he was the Senior Vice President of Special Assets Group of Allied Banking Corporation. He concurrently held the position of Senior Vice President of State Investment Trust and State Properties Corporation. He also acted as Managing Director of Bear Sterns State Asia and Northeast Land Development Corporation. He has exposure in investment banking, account management, credit and collection. He has been involved in acquired assets management and in real estate development since 1997. Mr. Plan is also into social, religious and charitable undertakings through his active involvement in different educational and religious foundations like SEFI, LSQCPF, UST-EHSGAA and Magis Deo, to name a few.

**CESAR C. SANTOS, JR.**, 54, Filipino, Senior Vice President, is the Head of the Global Filipino Banking Group (GFBG) which manages PNB's overseas network of branches and remittance subsidiaries in Asia, Europe, the Middle East, and North America. Mr. Santos obtained his Bachelor of Science in Mechanical Engineering (Cum Laude) from the University of the Philippines in 1980 and his Masters in Business Management (with Distinction) from the Asian Institute of Management in 1984. He joined Citibank Philippines in 1984 where he worked in various capacities in Operations, Transaction Services, Risk Management, and Treasury Sales and Trading. His last assignment in the Philippines was Head of Operations for the Corporate Bank. In 2002, he moved to Citibank Indonesia to become Head of the Treasury Group of the Corporate Bank. In 2005, he moved to Citibank Singapore to become the Asia Pacific Regional Business Manager for the Fixed Income, Currencies, and Commodities Trading Group. He joined PNB in July 2010 as Branch Manager for PNB Singapore and concurrently as Regional Head for the GFBG business in Asia and the Middle East. In September 2010, he was subsequently promoted to his present position as Group Head of the GFBG. At various times, he was the President of the Money Market Association of the Philippines (MART), a director of the Philippine Central Depository (PCD), a member of the Banker's Association of the Philippines (BAP) Operations Clearing and Settlements Sub-committee, a member of ACI Philippines and ACI Indonesia, and a lecturer at the Ateneo-BAP Institute of Banking.

**ELFREN ANTONIO S. SARTE**, 52, Filipino, Senior Vice President and Head of Consumer Finance Group and Consumer Credit and Collection Division. He obtained his Bachelor of Science in Industrial Management Engineering, Minor in Mechanical Engineering from the De La Salle University. From 1995 to 2010, he was connected with the Unionbank of the Philippines, holding various positions the latest of which was First Vice President and Head of Retail Risk Management Division responsible for the management and approval of



consumer loan products. He was also a concurrent Head of Retail Collections (2008-2009). Previous to that, from 1983 to 1995, he was the Business Unit Manager of Credit Information Bureau, Inc. (CIBI). He was also a Rating Analyst with the Credit Rating Division of CIBI.

**EMMANUEL A. TUAZON**, 48, Filipino, Senior Vice President, is the Bank's Chief Marketing Officer and Head of the Marketing Group. He obtained his Bachelor of Science Major in Mathematics degree at the University of the Philippines. He started his banking career in 1984 and held various positions in marketing, branch banking and consumer banking at Citibank, Bank of the Philippine Islands, Solid Bank, PBCOM, Jardine Pacific Finance, ABN AMRO Savings Bank, and Robinsons Bank. Prior to joining PNB, he was the Vice President for Marketing of Security Bank.

**VICENTE S. PAGDATOON II**, 55, Filipino, Vice President and OIC of the Internal Audit Group, has been serving PNB since 1981 in the branch operations and subsequently, the Internal Audit Group where he held various officer positions from Audit Manager to Vice President and Deputy Chief Audit Executive from 1994 up to the present. He was appointed OIC of the PNB Compliance Office from 2008 to December 2009. He graduated from the University of Santo Tomas with a degree in Bachelor of Laws in 1985. He obtained his Bachelor of Science in Commerce, Major in Accounting, at the University of Nueva Caceres in 1977. He is a CPA, CESO eligible and Certified Real Estate Broker. He had a previous stint with Metrobank as Audit Examiner from 1978 to July 1981. He has various exposures in fraud investigation, domestic and overseas audit of PNB operations in the Asia Pacific, Europe and the North Americas from 1995 to 2009.