

## **NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

TO: ALL STOCKHOLDERS

Please be advised that the Annual Meeting of Stockholders of UnionBank of the Philippines will be held at the **7<sup>th</sup> Floor Grand Ballroom B, Marco Polo Ortigas Hotel, Meralco Avenue and Sapphire Street, Ortigas Center, Pasig City on Friday, May 26, 2017 at 1:00 p.m.**

The following Agenda has been set for the meeting:

- I. Calling to Order
- II. Proof of Notice of Meeting and Determination of Existence of Quorum
- III. Approval of the Minutes of the Annual Stockholders' Meeting held on May 27, 2016
- IV. Chairman/CEO's Report to Stockholders – Dr. Justo A. Ortiz
- V. Annual Report of Management on Operations for 2016 – President and COO Edwin R. Bautista
- VI. Open Forum
- VII. Approval and Ratification of Past Actions of the Board of Directors, Board Committees, and Management
- VIII. Appointment of External Auditor
- IX. For Approval: Amendment of UnionBank's By-Laws – *Article XII re: Amendments*
- X. For Approval: Increase of the Per Diems of Committee and Board Chairmen and the Retainer Fees of Independent Directors
- XI. Election of Directors for 2017 – 2018 Term
- XII. Adjournment

A brief explanation of each item in the agenda is hereto attached as Annex "A" for your reference and guidance.

Stockholders of record as of April 7, 2017 will be entitled to notice of, to attend, and to participate in this year's Annual Meeting. Stockholders who are unable to attend the Annual Meeting in person may execute a proxy. Proxies must be submitted and addressed to the attention of the Corporate Secretary at the 18<sup>th</sup> Floor, UnionBank Plaza, Meralco Avenue corner Onyx Street, Ortigas Center, Pasig City not later than 5:00 p.m. on or before May 16, 2017.

To avoid inconvenience in registering your attendance at the meeting, you or your proxy/ies are requested to present this notice and any identification documents containing a photograph and signature, such as a passport, driver's license, or any government-issued identification.

For your information and guidance.

Very truly yours,

  
**ATTY. JOSELITO V. BANAAG**  
*Corporate Secretary*

## **EXPLANATION OF AGENDA ITEMS**

### **I. Call to Order**

The Chairman, Dr. Justo A. Ortiz, will welcome the stockholders and guests and formally begin the 2017 Annual Stockholders' Meeting of the Union Bank of the Philippines ("UnionBank")

### **II. Proof of Notice of Meeting and Determination of Existence of Quorum**

Atty. Joselito V. Banaag, Corporate Secretary, will certify that the Notice of Meeting and Information Statement were sent to stockholders of record as of April 7, 2017, and to the Securities and Exchange Commission (SEC) and Philippine Stock Exchange (PSE), in accordance with the rules and regulations of the SEC and the PSE. He will also attest whether a majority of stockholders are present either in person or by proxy, thereby constituting a quorum for the valid transaction of the Annual Stockholders' Meeting and matters set forth in the Agenda.

### **III. Approval of the Minutes of the Annual Stockholders' Meeting held on May 27, 2016**

Stockholders will be asked to approve the minutes of the Stockholders' Meeting held on May 27, 2016 which contain, among others, (a) the annual report to stockholders (b) ratification of all acts, resolutions, and proceedings of the Board of Directors, Corporate Officers and Management in 2015 including all related party transactions (c) appointment of external auditor (d) approval on the amendment of Article X, Section 2 of the By-Laws of the Bank (e) approval of UnionBank Employee Stock Option Plan and (f) election of Board of Directors.

Stockholders are requested to approve the following proposed Resolution:

**"RESOLVED**, that the shareholders of Union Bank of the Philippines approve, as they hereby approve, the Minutes of the Annual Stockholders' Meeting held on May 27, 2016."

Copies of the Minutes are available for examination during business hours at the Office of the Corporate Secretary at the 18<sup>th</sup> Floor, UnionBank Plaza, Meralco Avenue corner Onyx Street, Ortigas Center, Pasig City, or they may be viewed at the UnionBank website at [www.unionbankph.com](http://www.unionbankph.com)

### **IV. Chairman/CEO's Report to Stockholders – Dr. Justo A. Ortiz**

The Chairman will report to the stockholders the Bank's accomplishments for the year 2016.

### **V. Annual Report of Management on Operations for 2016 – President and COO Edwin R. Bautista**

The President will report on the Bank's financial and operating results for the year 2016.

## **VI. Open Forum**

Every shareholder, after identifying himself, may raise any relevant questions or express any appropriate comments on the reports presented.

## **VII. Approval and Ratification of Past Actions of the Board of Directors, Board Committees, and Management**

All acts, resolutions, and proceedings of the Board of Directors, Board Committees, and the Management of UnionBank since the previous Stockholders' Meeting held on May 27, 2016, including all significant related party transactions, will be presented to the shareholders for their approval and ratification.

## **VIII. Appointment of External Auditor**

The stockholders will be asked to ratify the Audit Committee's and Board of Director's recommendation of auditors.

## **IX. For Approval: Amendment of UnionBank's By-Laws – *Article XII re: Amendments***

The Board resolution dated April 27, 2017, amending Article XII of UnionBank's By-Laws will be presented to the stockholders for their approval.

The amendment pertaining to the delegation of authority to the Board of Directors to amend and repeal the By-Laws will allow flexibility in making timely modifications or adopting new provisions which may be required by laws and regulations or which may be necessary or beneficial for the Bank's business.

## **X. For Approval: Increase of the Per Diems of Committee and Board Chairmen and the Retainer Fees of Independent Directors**

The Board resolution dated April 27, 2017, approving the increase of per diems of Committee and Board Chairmen and the retainer fees of the Independent Directors will be presented to the stockholders for their approval.

The approval of the increase is being requested to align the Committee and Board Chairmen per diems and the retainer fees of the Independent Directors to at least the 80<sup>th</sup> percentile of the market.

## **XI. Election of Directors for 2017 – 2018 Term**

The Chairman will present to the stockholders the nominees for election as members of the Board of Directors, including the independent directors. The list of nominees with their profiles are included in the Definitive Information Statement to be sent to the stockholders for reference.

## **XII. Adjournment**

After consideration of all business, the Chairman shall declare the meeting adjourned. This formally ends the 2017 Annual Meeting of Stockholders of UnionBank.