

**Annual Meeting of the Stockholders**  
April 24, 2019 at 3:00 P.M.  
Auditorium, 2<sup>nd</sup> Floor, Metrobank Plaza,  
Sen. Gil J. Puyat Avenue, Urdaneta Village, Makati City

**EXPLANATORY NOTES TO AGENDA ITEMS THAT WILL BE SUBMITTED FOR RATIFICATION /  
APPROVAL OF THE STOCKHOLDERS**

**Agenda Item 1**

Call to order

At 3:00 in the afternoon on April 24, 2019, the Chairman, Mr. Arthur V. Ty, will call the 2019 Annual Stockholders' Meeting of Metropolitan Bank & Trust Company, Inc. to order.

**Agenda Item 2**

Certification of Notice and Quorum

The Corporate Secretary, Atty. Antonio V. Viray, will certify that copies of Notice for the 2019 Annual Stockholders Meeting have been duly sent to the Stockholders as of Record Date of February 26, 2019 as required by the Amended By-Laws. He will also attest whether the required quorum is present for the transaction of the business included in the Agenda.

**Agenda Item 3**

1. Approval of the following Minutes of the Annual Meeting of Stockholders held on April 25, 2018:

- i. *Call to Order and Certification of Quorum. The meeting was called to order by Chairman Arthur Ty at 3:00 o'clock in the afternoon. The Corporate Secretary, Antonio V. Viray, certified that there were 2,138,916,678 common shares actually present in person or by proxy, out of the 3,180,172,786 common shares outstanding. This constituted 67.26% of the outstanding capital stock.*
- ii. *Approval of the Minutes of the Annual Stockholders' Meeting held on April 26, 2017 via the following:*

*RESOLUTION NO. 056-MBTC-SH-2018*

*RESOLVED, that the Minutes of the Annual Stockholders' Meeting on April 26, 2017 are hereby approved.*

- iii. *President's Report on the performance of Metrobank for 2017, as further detailed in the Annual Report for 2017.*

*During the Meeting, stockholders were given the opportunity to be heard. The following questions and comments were raised from the floor:*

*Stockholder Elizabeth Santiago asked for the Bank's indicative performance for the 1<sup>st</sup> quarter of 2018. Metrobank President Fabian S. Dee replied that the focus of the Meeting was the 2017 Full*

*Year Performance. He emphasized the Bank's positive view of the economy. Metrobank still continues to project that in the next 3 years, loan growth can be sustained at roughly 2 to 2.5 times the expected GDP growth.*

- iv. *Ratification of All Acts and Resolutions of the Board of Directors, Management, Board and Management Committees from April 26, 2017 to April 24, 2018 via the following:*

**RESOLUTION NO. 057-MBTC-SH-2018**

*RESOLVED, that all acts, transactions and resolutions of the Board of Directors, management, board and management committees from April 26, 2017 to April 24, 2018, including among others, the approval of all loans, investments, new Bank products and services and related party transactions, are hereby ratified and confirmed.*

- v. *Election of Twelve (12) Directors for the Year 2018 - 2019*

*Mr. Jesli A. Lapus, Chairman of the Nominations Committee, explained that the Nominations Committee and the Corporate Governance and Compensation Committee chaired by Rex C. Drilon II had jointly evaluated the qualifications of all nominees to the Board of Directors, and that the Committees found that the nominees had all the qualifications and none of the disqualifications prescribed by law and regulations, and that out of the twelve(12) nominees, five(5) were nominated as independent directors. Twelve(12) directors were elected for the year 2018-2019:*

**RESOLUTION NO. 058-MBTC-SH-2018**

*RESOLVED, that the following are hereby elected as directors of Metrobank effective immediately and until the successors are elected and qualified:*

1)	Mr. Arthur Ty	8)	Mr. Robin A. King *
2)	Mr. Francisco C. Sebastian.	9)	Ms. Rex C. Drilon II*
3)	Mr. Fabian S. Dee	10)	Mr. Francisco F. Del Rosario, Jr.*
4)	Mr. Vicente R. Cuna, Jr.	11)	Mr. Edgar O. Chua*
5)	Mr. Edmund A. Go	12)	Mr. Solomon S. Cua
6)	Mr. Alfred V. Ty		
7)	Mr. Jesli A. Lapus*		

*\* Independent directors*

- vi. *Election of Sycip Gorres Velayo & Co. as External Auditors via the following:*

**RESOLUTION NO. 059-MBTC-SH-2018**

*RESOLVED, that as recommended by the Audit Committee and approved by the Board of Directors, Sycip Gorres Velayo & Co. is hereby appointed as the External Auditors of Metrobank for the year 2018.*

*There being no other matters for discussion, the meeting was adjourned.*

**Agenda Item 4**

President's Report to the Stockholders

The President will report the highlights of Metrobank's Performance for the year 2018.

## **Agenda Item 5**

Approval of the following:

- a) Amendment of the Articles of Incorporation on the Increase of Authorized Capital Stock from ₱100 Billion to ₱140 Billion, with the increase of ₱40 Billion to be divided into 2 Billion Common Shares with a par value of ₱20 per share;
- b) Declaration of 13% Stock Dividends which will be issued out of the increase in the authorized capital stock.
- c) Merger of MCC into Metrobank – *Please refer to the write-up under Item C of the Information Statement for the pertinent details*

## **Agenda Item 6**

Ratification of Corporate Acts

The matters for ratification include all acts, transactions and resolutions of the Board of Directors, management and all Committees done in the ordinary course of business from April 25, 2018 until April 23, 2019, including, among others, the approval of loans, investments, new Bank products and services and significant related party transactions as reflected in the Definitive Information Statement.

## **Agenda Item 7**

Election of Directors for 2019-2020

The persons listed in the table below have been nominated to become directors for 2019-2020. All directors are elected for a term of one year and until their successors shall have been elected and qualified. The table below indicates their current board position (Chairman, Vice-Chairman, President, Director, Independent Director) board committee assignments, age, academic qualification, date of first appointment, experience, and directorships in other listed companies. With the exception of Atty. Angelica H. Lavares, all of them are incumbent directors of Metrobank.

<b>Name</b>	<b>Experience</b>
ARTHUR TY Chairman Chairman, Executive Committee Member, Corporate Governance and Compensation Committee Domestic Equity Investments Committee Anti-Money Laundering Committee Adviser, IT Steering Committee	Mr. Arthur Ty, Filipino, 52 years old, has been the Bank's Chairman since 2012. He was the Bank's President from 2006 to 2012. He has been the Chairman of GTCAP since May 2016 and Metropolitan Bank China (Ltd.) (MBCL) since 2010, Vice-Chairman of PSBank since 2001 and FMIC since 2012. He earned his Bachelor of Science degree in Economics at the University of California, Los Angeles and obtained his Masters in Business Administration degree from Columbia University, New York.  His brother Alfred Ty is the Director of the Bank. He is married to Zandra M. Ty, Metrobank First Vice-President.
FRANCISCO C. SEBASTIAN Vice-Chairman Chairman, Overseas Banking Committee Vice Chairman, Executive Committee Member, Domestic Equity Investments Committee	Mr. Francisco C. Sebastian, Filipino, 64 years old, has been the Vice-Chairman of the Bank since 2006. He joined the Metrobank Group in 1997 as FMIC President until he was appointed Chairman in 2011. He was the Chairman of GTCAP from 2014 to April 2016. He has been the Vice-Chairman of GTCAP since May 2016. He earned his AB degree in Economics, Magna Cum Laude, from the Ateneo de Manila University in 1975.
FABIAN S. DEE President Chairman, Manpower Committee	Mr. Fabian S. Dee, Filipino, 56 years old, became President of Metrobank in 2012. Before becoming President, he headed the National Branch Banking Sector (2006-2012), Account

<p>Senior Credit Committee Senior Non-Performing Assets Committee Assets and Liabilities Committee Anti-Money Laundering Compliance Committee Budget Committee Retirement Committee Security Committee Member, Executive Committee IT Steering Committee Overseas Banking Committee Trust Committee Adviser, Emergency Management Committee</p>	<p>Management Group (2002-2006) and Marketing Center (2001-2002). He has been the Chairman and Director of Metrobank Card Corporation (MCC) since 2006; Chairman of Metro Remittance Singapore PTE Ltd. since 2010; Chairman of LGU Guarantee Corporation since 2017; Director of Bankers Association of the Philippines since 2014 and Trustee of MBFI since 2012. He was the Chairman of SMBC Metro Investment Corporation (SMBC Metro) from 2014 to 2017 and Director of Bancnet from 2015 to 2017. He holds a degree in Management Engineering from the Ateneo de Manila University.</p>
<p>VICENTE R. CUNA, JR. Director Chairman, IT Steering Committee Member, Executive Committee Anti-Money Laundering Committee Domestic Equity Investments Committee</p>	<p>Mr. Vicente R. Cuna, Jr., Filipino, 57 years old, became a director of Metrobank in 2014. He is currently the Senior Executive Vice-President and Head of the Enterprise Services Sector. Prior to this, he was the President of PSBank from 2013 to 2018; Head of Institutional Banking Sector (2012-2013) and Corporate Banking Group (2006-2012). He is the Chairman of ORIX Metro Leasing and Finance Corporation (ORIX Metro) and Vice-Chairman of PSBank. He graduated from De La Salle University with a degree in AB Economics and pursued further studies at the Ateneo Graduate School of Business.</p>
<p>EDMUND A. GO Director Chairman, Anti-Money Laundering Committee Vice-Chairman, Risk Oversight Committee Member, IT Steering Committee Trust Committee</p>	<p>Mr. Edmund A. Go, Filipino, 68 years old, was first elected director in 2007. He has been a director of Metropolitan Bank China (Ltd.) since 2010, a member of the Board of Advisors of PSBank since 2009. He has also been a Director for Investments of Ateneo de Manila University since 2010 and Investment Consultant for St. Peter's Life Group since 2011. He was a director of First Metro International Investment Corporation (FMIIC) Hong Kong from 2001 to 2008. He served as Metrobank Treasurer (2000-2007) and consultant of the Philippine Dealing and Exchange Corp. on Securities Training and Development (2008-2010). Prior to 2000, he held various management positions at Citibank Manila, Hong Kong, Taiwan and New York in the areas of Treasury, Derivatives, Investment Banking and Private Banking. He is a Certified Public Accountant and holds a BS Commerce Degree in Accounting, Cum Laude, from the San Beda College and an MBA degree, with distinction, from the Asian Institute of Management.</p>
<p>ALFRED V. TY Director Member, Domestic Equity Investments Committee Overseas Banking Committee</p>	<p>Mr. Alfred V. Ty, Filipino, 51 years old, was first elected director in September 2015. He has been the Vice-Chairman of GTCAP since 2012 and TMPC since 2004; the Chairman of Lexus Manila, Inc. since 2008, Federal Land, Inc. (FLI) since 2015, Horizon Land Property Devt. Corp. since 2011, Property Company of Friends, Inc. since 2015 and Vice-Chairman of Omni-Orient Management Corp. since 2013. He has been a Director of Metro Pacific Investment Corp. since 2016 and was appointed Vice-Chairman in March 2018. He has been the Chairman of Bonifacio Landmark Realty &amp; Devt. Corp. since 2008; Cathay International Resources, Inc. since 2013 and Federal Brent Retail, Inc. since 2004. He has been the Honorary Consul to the Oriental Republic of Uruguay to the Philippines since 2009; President and Director of Grand Estate Property Corp. since 2001; Chairman and President of Up Swing Corporation since 2012 and Vice-Chairman of Federal Homes, Inc. since 2012. He is the President and Director of Tytana Corporation since 2015 and Ferum Cee, Inc. since 2011. He has been the Chairman and President of 82 Alpha Holdings Corp. since 2009; President and Director of Great Mark Resources and Grand Titan Capital Holdings, Inc. and Chairman of FLI since 2007; and President and Director of Global Treasure Holdings, Inc. since</p>

	<p>2006; Executive Vice-President and Director of Philippine Securities Corp. since 2005; Vice Chairman of Toyota Motor School of Technology since 2013 and Member of the Board of MACEA since 2017. He graduated with a Bachelor of Science degree in Business Administration from the University of Southern California in 1989.</p> <p>His brother Arthur Ty is the Chairman of the Bank. He is the brother-in-law of Zandra M. Ty, Metrobank First Vice-President.</p>
<p>SOLOMON S. CUA Director Member, Overseas Banking Committee</p>	<p>Mr. Solomon S. Cua, Filipino, 63 years old, is former Undersecretary of the Department of Finance. He is currently the Chairman of AXA Philippines and Charter Ping An Insurance Corporation and Vice-Chairman/Director of Philippine Racing Club, Inc. He is a Director of Profriends Developer, Inc., Grand Titan Capital Holdings, Inc. and Philippine Newton Global Solutions, Inc. He is the President of SC &amp; SSC Holdings, Inc. and Director/Treasurer of Palm Integrated Commodities, Inc. He obtained his Bachelor of Arts (Mathematical Sciences and Economics) in University of Melbourne, Australia; Bachelor of Law in University of Queensland, Australia and Masters of Laws in London School of Economics &amp; Political Science, England.</p>
<p>JESLI A. LAPUS Independent Director Chairman, Trust Committee Nominations Committee Member, Corporate Governance and Compensation Committee Risk Oversight Committee</p>	<p>Mr. Jesli A. Lapus, Filipino, 69 years old, became an independent director in 2010. He has been Chairman and Independent Director of STI Education Services Group, Inc. since 2013, Chairman of LBP Service Corporation since 2012 and Optimus Management Services Inc. since 2010. He has been an Independent Director of STI Education Systems Holdings Inc. since 2013 and Philippine Life Financial Assurance Corp. since June 2012. He has been a member of the Board of Governors of Information and Communication Technology Academy, Inc. since November 2010. He is the Advisor to the Board since 2013 of Radiowealth Finance Company. He was the Chairman of Manila Tytana Colleges from 2010 to 2013. He has been the Chairman - Center for Tourism of the Asian Institute of Management since 2012. He was the Secretary of the Department of Trade and Industry (2010), Secretary of the Department of Education (2006-2010), Congressman, Third District of Tarlac, House of Representatives (1998-2006) and President/CEO and Vice-Chairman of Land Bank of the Philippines (1992-1998). He is a Certified Public Accountant and holds an Accountancy degree from the Philippine School of Business Administration and a Master's degree in Business Management from the Asian Institute of Management. He has a Doctorate in Public Administration (Honoris Causa) from the Polytechnic University of the Philippines. He also studied Investment Appraisal and Management at Harvard University; Management of Transfer of Technology at INSEAD (France), Project Management at BITS (Sweden); and Personal Financing Planning at UCLA.</p>
<p>REX C. DRILON II Independent Director Chairman, Corporate Governance and Compensation Committee Related Party Transactions Committee Vice-Chairman, Trust Committee Member, Anti-Money Laundering Committee</p>	<p>Mr. Rex C. Drilon II, Filipino, 72 years old, became an independent director in 2012. He also served as independent director of FMIC (2011-2014). He has been the Vice Chairman of the Institute of Corporate Directors since 2013 and Center for Excellence in Governance since 2016. He has been a member of the Board of Trustees of Institute of Solidarity in Asia since 2010 and Center for School Governance since 2016. He has been the Chairman of Keyland Corporation and YLD Holdings, Inc. since 2012. He was the President of the Institute of Corporate Directors (2010-2012), Chief Operating Officer of Ortigas &amp; Company, Limited Partnership (2001-2010) and CEO of Ayala Land's publicly listed subsidiaries Cebu Holdings, Inc. and Cebu Property Ventures Development Corp. (1998-2001). He has a Business</p>

	Administration degree from the University of the East. He pursued further studies at the University of Asia and The Pacific.
FRANCISCO F. DEL ROSARIO, JR. Independent Director Chairman, Domestic Equity Investments Committee Vice Chairman, Audit Committee Member, Corporate Governance and Compensation Committee Overseas Banking Committee	Mr. Francisco F. Del Rosario, Jr., Filipino, 71 years old, was first elected independent director in 2013. He has been a director of Omnipay, Inc. since 2014 and DMCI Homes, Inc. since 2011. He has been a Trustee of ABS-CBN Foundation since 2007, Senior Executive Director of PWC Isla Lipana and Chairman for Institute for Solidarity in Asia and Trustee for Center for Family Ministries from 2009 to 2014. He was the President and CEO of the Development Bank of the Philippines from 2010 to 2012. He obtained his BSC Accounting and BA Economics degrees from De La Salle University, and his MBM degree from the Asian Institute of Management.
EDGAR O. CHUA Independent Director Chairman, Audit Committee Member, Related Party Transactions Committee Anti-Money Laundering Committee Nominations Committee	Mr. Edgar O. Chua, Filipino, 62 years old, became an independent director in 2017. He is currently the President and Chief Executive of Cavite Holdings, Inc. He has been an Independent Director of Integrated Micro-Electronics, Inc. and Energy Development Corporation since 2013. He is also the Chairman of the Philippine Eagle Foundation since 2017, De La Salle University Board, De La Salle Science Foundation and Makati Business Club since 2016. He is a Trustee/Treasurer of Philippine Business for Education since 2007 and Trustee for the College of Saint Benilde since 2017, De La Salle Araneta Salikneta since 2015, The English-Speaking Union of the Philippines, Inc. since 2009, Gawad Kalinga Community Development Foundation Inc. since 2005, and Pilipinas Shell Foundation, Inc. since 2003. He was the Chairman of Pilipinas Shell Petroleum from September 2003 to May 2017 and the Country Chairman of Shell companies in the Philippines from September 2003 to October 2016. He obtained his Bachelor of Science degree from De La Salle University in 1978.
ANGELICA H. LAVARES  New Nominee as Independent Director	Ms. Angelica H. Lavares, Filipino, 65 years old, is a Teaching Fellow at the Institute of Corporate Directors. She is an Independent Director of several companies, namely, Metrobank Card Corporation, Williamton Financing Corporation and Inter-Asia Development Bank. Her other affiliations include being Head of Strategic Support Group of Bank Of Commerce from 2009 to 2015, and as a Consultant starting November 2015 up to present. Prior to joining Bank of Commerce, she served as Chief Legal Counsel (2003 to 2007), concurrent Chief Compliance Officer and Chief Legal Officer - Legal Services Department (2007 to 2009) and Assistant Corporate Secretary (2007-2009) of Metrobank. She was also Chief Legal Counsel and Head of Legal Services Division for United Coconut Planters bank (UCPB) from 1999 to 2002 acting concurrently as its Head for Human Resource Division. Previous to that, she was Vice President for Sales Documentation and Head of Collection Department of Filinvest Land Inc., and Special Assistant to the Commissioner for the Bureau of Customs (BOC) in 1987. She obtained her degree in AB Psychology, Cum Laude, from St. Theresa's College, QC in 1973 and Bachelor of Laws, First Honorable Mention, from the University of the Philippines in 1981.

The following were nominated as Independent Directors, namely, Mr. Jesli A. Lopus, Mr. Rex C. Drilon II, Mr. Francisco F. Del Rosario, Jr., Mr. Edgar O. Chua and Atty. Angelica H. Lavares. The corresponding Certificates that they have individually executed as independent director-nominees are attached as EXHIBITS 1,2 3, 4 & 5 of the Information Statement.

### **Agenda Item 8**

#### Appointment of External Auditors

SyCip Gorres Velayo & Co., CPAs (SGV) has been the external auditors of the Bank since 1962. Representatives of SGV are expected to be present at the Meeting and will have the opportunity to make a statement if they desire to do so, and will be available to answer appropriate questions from the stockholders.

Ms. Janeth T. Nuñez-Javier, SGV Partner, reviewed/audited the Group's financial statements as of December 31, 2018 and 2017 and for each of the three years ended December 31, 2018. In compliance with the amended SRC Rule 68 (3) (b) (ix), the signing partners are rotated after every five years reckoned from the year 2002.

The Bank intends to retain SGV as its external auditors for the year 2019 and is submitting the same to the stockholders for ratification as endorsed by the Audit Committee with the approval of the Board of Directors.

### **Agenda Item 9**

#### Other Matters

The Stockholders may raise questions and comments as may be relevant to the Annual Stockholders Meeting.

### **Agenda Item 10**

#### Adjournment

After consideration of all business in the Agenda, the Chairman will adjourn the 2019 Annual Stockholders Meeting.

### **Voting Procedures**

1. At least 2/3 of the outstanding capital stock is required for the approval of the following:
  - a) Increase in the Authorized Capital Stock
  - b) Declaration of 13% Stock Dividends
  - c) Merger of MCC into Metrobank

2. Majority vote is required for the following:
  - a) Approval of the minutes of the annual meeting of the stockholders held on April 25, 2018
  - b) Ratification of Corporate Acts
  - c) Election of External Auditors

On the election of directors, nominees receiving the highest number of votes shall be declared elected following the provisions of the Corporation Code.

3. Every stockholder entitled to vote on a particular question or matter involved shall be entitled to one (1) vote for each share of stock in his name. Cumulative voting is allowed provided that the total votes cast by a stockholder shall not exceed the number of shares registered in his name as of the record date multiplied by the number of directors to be elected. Matters submitted to stockholders for ratification shall be decided by the required vote of stockholders present in person or by proxy.
4. Metrobank has not solicited any discretionary authority to cumulative voting.
5. Votes cast at the meeting shall be counted by the Bank's Stock Transfer Agent and validated by SGV.

#### **Metrobank's Dividend Policy Statement**

The Bank's dividend policy is an integral component of its capital management policy rather than a stand-alone process. Its fundamental and overriding policy is sustainability.

Dividends are declared and paid out of unrestricted retained earnings of the Bank at such intervals as the Board of Directors may determine and in accordance with the provisions of law and the regulations of the BSP and the SEC. Historically, the Bank has declared annual cash dividends equal to P1.00 per common share, equivalent to 5% of the par value.

Cash dividends are subject to approval by at least a majority of the Board of Directors, with the record date not being earlier than 10 trading days from declaration, and the payment date not later than 18 trading days from the record date. On the other hand, stock dividends require prior clearance from the Bangko Sentral ng Pilipinas and the Securities and Exchange Commission, as well as the Philippine Stock Exchange (with respect to listing.)

The payment of dividends in the future will depend on the Bank's earnings, cash flow, financial condition, regulatory requirements for capital and other factors. Circumstances which could restrict the payment of cash dividends include, but are not limited to, when the Bank undertakes major projects and developments requiring substantial cash expenditures. The Board of Directors may, at any time, modify the Bank's dividend payout ratio depending on the results of operations and future projects and plans of the Bank.