

February 23, 2018

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor, PSE Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention : **MR. JOSE VALERIANO B. ZUÑO III**
OIC-Head, Disclosure Department

PHILIPPINE DEALING AND EXCHANGE CORP.

37/F Tower 1, The Enterprise Center
6766 Ayala Avenue corner Paseo de Roxas
Makati City

Attention : **MS. ERIKA GRACE C. ALULOD**
Head, Issuer Compliance and Disclosures Department

Gentlemen:

Please be informed that the Board of Directors of Union Bank of the Philippines ("UnionBank") in its meeting held on February 23, 2018 approved and endorsed for approval of the stockholders of UnionBank at the forthcoming Annual Stockholders' Meeting on May 25, 2018, the Audit Committee's recommendation to appoint SYCIP GORRES VELAYO & CO. as the new external auditor for the year 2018.

The change in external auditor is due to the rotation of external auditor in compliance with the corporate governance standards of UnionBank.

For your information and guidance. Thank you.

Very truly yours,



ATTY. JOSELITO V. BANAAG
*Senior Vice-President,
General Counsel &
Corporate Secretary*